

POST-CONFLICT PEACEBUILDING AND NATURAL RESOURCE  
MANAGEMENT

# Governance, Natural Resources, and Post-Conflict Peacebuilding

Edited by  
Carl Bruch, Carroll Muffett and  
Sandra S. Nichols

**earthscan**  
from Routledge

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# Preface

Decades of civil wars, international wars, and wars of secession demonstrate the strong relationship between natural resources and armed conflict. Disputes over natural resources and the associated revenues can be among the reasons that people go to war. Diamonds, timber, oil, and even bananas and charcoal can provide sources of financing to sustain conflict. Forests, agricultural crops, and wells are often targeted during conflict. Efforts to negotiate an end to conflict increasingly include natural resources. And conflicts associated with natural resources are both more likely to relapse than non-resource-related conflicts, and to relapse twice as fast.

Immediately after the end of an armed conflict, a window of opportunity opens for a conflict-affected country and the international community to establish security, rebuild the economy, and consolidate peace—or risk conflict relapse. This window also presents the opportunity to reform the management of natural resources and their revenues in ways that would otherwise be politically difficult to achieve. Capitalizing on this opportunity is particularly critical if natural resources contributed to the onset or financing of conflict—and, if this opportunity is lost, it may be many years before there is another opportunity. Moreover, poorly informed policy decisions may become entrenched, locking in a trajectory that serves the interests of a limited few.

Since the end of the Cold War, and particularly since 2000, substantial progress has been made in establishing institutional and policy frameworks to consolidate peacebuilding efforts. In 2005, the United Nations established the Peacebuilding Commission to identify best practices for peacebuilding. The commission is the first body to bring together the UN's humanitarian, security, and development sectors so that they can learn from peacebuilding experiences.

The Peacebuilding Commission has started to recognize the importance of natural resources in post-conflict peacebuilding. In 2009, the United Nations Environment Programme published a pioneering report—*From Conflict to Peacebuilding: The Role of Natural Resources and the Environment*—that framed the basic ways in which natural resources contribute to conflict and can be managed to support peacebuilding. Building on this report, the commission is considering

## **x Governance, natural resources, and post-conflict peacebuilding**

how natural resources can be included within post-conflict planning and programming in Sierra Leone, the Central African Republic, Guinea, and other countries.

Since the establishment of the Peacebuilding Commission, the policies governing post-conflict peacebuilding have evolved rapidly. In his 2009 *Report of the Secretary-General on Peacebuilding in the Immediate Aftermath of Conflict*, UN Secretary-General Ban Ki-moon articulated five priorities for post-conflict peacebuilding, all of which have natural resource dimensions. In his 2010 update to that report, Ban Ki-moon noted the pressing need to improve post-conflict natural resource management to reduce the risk of conflict relapse, and urged “Member States and the United Nations system to make questions of natural resource allocation, ownership and access an integral part of peacebuilding strategies.” The Secretary-General’s 2012 report on the topic highlighted progress over the previous two years and called on UN entities to more effectively share knowledge and leverage expertise on post-conflict natural resource management. In his 2014 report on *Peacebuilding in the Aftermath of Conflict*, the Secretary-General emphasized the role of natural resources and resource revenues in conflict and peacebuilding, and highlighted progress related to gender, institution building, and international cooperation. In addition, the 2011 UN report, *Civilian Capacity in the Aftermath of Conflict*, presented approaches for mobilizing civil society to support peacebuilding in many realms, including natural resources. The 2015 reports by UN High-Level Independent Panel on UN Peace Operations and the Advisory Group of Experts for the 2015 Review of the United Nations Peacebuilding Architecture examined the successes and challenges of integrating the consideration of environmental factors in the planning and implementation of peace operations and peacebuilding, respectively. And, most recently, the United Nations General Assembly adopted the Sustainable Development Goals that addressed peace, governance, and natural resources, among other issues.

The World Bank has also begun focusing on natural resources in conflict-affected settings: the Bank’s 2011 *World Development Report*, for example, placed the prevention of fragility, conflict, and violence at the core of the Bank’s development mandate. Drawing on the Bank’s experiences around the world, the report focuses on jobs, justice, and security, and highlights the contribution of natural resources to these goals.

Despite growing recognition of the importance of post-conflict natural resource management, there has been no comprehensive examination of how natural resources can support post-conflict peacebuilding. Nor has there been careful consideration of the risks to long-term peace caused by the failure to effectively address natural resources. Practitioners, researchers, and UN bodies have researched specific resources, conflict dynamics, and countries, but have yet to share their findings with each other at a meaningful scale, and limited connections have been drawn between the various strands of inquiry. As a result, the peacebuilding community does not know what works in what circumstances, what does not, or why.

Given the complexity of peacebuilding, practitioners and researchers alike are struggling to articulate good practice. It is increasingly clear that natural

resources must be included as a foundational issue; many questions remain, however, regarding opportunities, options, and trade-offs.

Against this backdrop, the Environmental Law Institute, the UN Environment Programme, the University of Tokyo, and McGill University launched a research program designed to examine experiences in post-conflict peacebuilding and natural resource management; to identify lessons from these experiences; and to raise awareness of those lessons among practitioners and scholars. The program has benefited from broad support, with the government of Finland—one of the few donor governments to explicitly recognize the role of natural resources in both conflict and peacebuilding efforts—playing a catalytic role by providing core financing.

The research program has been guided by the collective experiences of the four members of the Steering Committee: as the coordinators of the program and the series editors, we have drawn on our work in more than thirty post-conflict countries. Our experiences—which include leading environmental assessments in Afghanistan, developing forest law in Liberia, supporting land reform in Mozambique, and fostering cooperation around water in Iraq—have led to a shared understanding that natural resource issues rarely receive the political attention they merit. Through this research program and partnership, we hope to catalyze a comprehensive global effort to demonstrate that peacebuilding substantially depends on the transformation of natural assets into peacebuilding benefits—a change that must occur without mortgaging the future or creating new conflict.

Since its inception in 2007, the program has grown dramatically in response to strong interest from practitioners, researchers, and policy makers. Participants in an initial scoping meeting suggested a single edited book consisting of twenty case studies and crosscutting analyses. It soon became clear, however, that the undertaking should reflect a much broader range of experiences, perspectives, and dimensions.

The research program yielded 150 peer-reviewed case studies and analyses written by 225 scholars, practitioners, and decision makers from more than sixty-five countries. The case studies and analyses have been assembled into a set of six edited books, each focusing on a specific set of natural resources or an aspect of peacebuilding: high-value natural resources; assessment and restoration of natural resources; land; water; resources for livelihoods; and governance. Examining a broad range of resources, including oil, minerals, land, water, wildlife, livestock, fisheries, forests, and agricultural products, the books document and analyze post-conflict natural resource management successes, failures, and ongoing efforts in sixty conflict-affected countries and territories. In their diversity and number, the books represent the most significant collection to date of experiences, analyses, and lessons in managing natural resources to support post-conflict peacebuilding.

In addition to the six edited books, the partnership has created an overarching book, *Post-Conflict Peacebuilding and Natural Resources: The Promise and the Peril*, which will be published by Cambridge University Press. This book draws

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on the six edited books to explore the role of natural resources in various peacebuilding activities across the humanitarian, security, and development sectors.

These seven books will be of interest to practitioners, researchers, and policy makers in the security, development, peacebuilding, political, and natural resource communities. They are designed to provide a conceptual framework, assess approaches, distill lessons, and identify specific options and trade-offs for more effectively managing natural resources to support post-conflict peacebuilding.

Natural resources present both opportunities and risks, and postponing their consideration in the peacebuilding process can imperil long-term peace and undermine sustainable development. Experiences from the past seventy years provide many lessons and broad guidance, as well as insight into which approaches are promising and which are problematic.

A number of questions, however, still lack definitive answers. We do not always understand precisely why certain approaches fail or succeed in specific instances, or which of a dozen contextual factors are the most important in determining the success of a peacebuilding effort. Nevertheless, numerous discrete measures related to natural resources can be adopted now to improve the likelihood of long-term peace. By learning from peacebuilding experiences to date, we can avoid repeating the mistakes of the past and break the cycle of conflict that has come to characterize so many countries. We also hope that this undertaking represents a new way to understand and approach peacebuilding.

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# Foreword

Óscar Arias Sánchez

*Former president of Costa Rica  
Nobel Peace Prize laureate, 1987*

If history is any guide, post-conflict peacebuilding and nation building are among the most challenging of all human endeavors. Restoring governments, institutions, and social capital after a conflict pushes human and natural resources to their limit. Moreover, the global interdependence brought about by technological advances, as well as the world's increased population, both help and hinder these efforts.

In a post-conflict situation, a country's or region's natural resource base can be both a liability and a tremendous asset. Those resources are a critical support system for a society in conflict, even when disputes over the resources are a cause of that conflict. In other words, while the desire to control natural resources has frequently fueled and prolonged wars, it is also nearly unthinkable that a country, particularly one in the developing world, can make a successful transition to a healthy and prosperous democracy without effective management and stewardship of its natural resource base. My experience in Central America demonstrates these challenges and shows the need for more attention to, and research on, these important issues—a need this book seeks to address.

Central America is one of the planet's richest and most diverse regions, home to many natural wonders including active volcanoes, mountains, beaches, and lush tropical forests. Indifferent to human borders, our natural resources and species share common ecosystems and are inextricably linked. However, our region is not rich in other resources. The Central American isthmus is very small, and is home to more than 40 million people, with a population density similar to that of Western Europe. Natural resource demands are high, arable land and water are limited, and our countries have relatively few mineral resources and virtually no fossil fuel reserves.

Unfortunately, our region has a violent history. From the early 1970s to the early 1990s, civil wars in Guatemala, El Salvador, and Nicaragua, and related tensions and spillover effects in Honduras and Costa Rica, effectively stopped the region's economic growth, and made improvements in quality of life and environmental protection extremely difficult. Though each of the conflicts had different causes, they were fueled by outside forces as proxy wars of the ongoing Cold War between the United States and the Soviet Union.

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Each conflict had a profound effect on the region as a whole: economically, socially, and environmentally. The human costs were enormous. Hundreds of thousands were killed or maimed, and hundreds of thousands more were temporarily or permanently displaced. Many fled the conflict areas, increasing migration to cities and across borders. Massive waves of refugees left their countries for safe havens such as Costa Rica or the United States.

Insecurity in rural areas made farming too risky, leading many farmers to abandon their fields or convert them to cattle grazing. These shifts resulted in decreased agricultural capacity in many areas, which lowered food production. Governments lost effective control of territory, and many natural resources were abused or destroyed. For example, deforestation rates in all the countries of the region accelerated greatly during the 1980s and 1990s. Weak institutions and increased demands on natural resources—particularly for subsistence—led to the loss of forest and coastal ecosystems, with corresponding losses of biodiversity.

Perhaps the greatest and most lasting harm was the weakening of governments and institutions. Most countries strengthened their military and security apparatus at the expense of those institutions dedicated to health, education, and the environment. It quickly became clear to many Central American leaders not only that the region was doing significant damage to itself, but also that our limited natural resource base, dense population, grinding poverty, and lack of effective institutions were going to make post-conflict recovery a titanic challenge.

The civil wars continued unabated through the mid-1980s. Damage to our region was mounting, even in Costa Rica, which had abolished its army in 1948. This state of affairs led me to propose a peace plan to my fellow Central American presidents in February 1987. In August of that year, after a difficult negotiation process and despite international interference, we all came together in Guatemala City to sign the Esquipulas II Accord, in which we agreed on economic cooperation and a framework for peaceful conflict resolution. With this plan as a guide, our region began to wind down its destructive wars. The process was frustratingly slow at times, but by the early 1990s all armed conflict had ceased, and major steps had been made toward democracy and development efforts to rebuild the region.

Cooperation around natural resources, and in general, was an important part of the rebuilding process. Cooperation around natural resources started with the establishment of the Central American Commission on Environment and Development in 1989, and the cooperation expanded substantially in 1991 with the creation of the Central American Integration System, which promotes peace, liberty, democracy, and development, and is based firmly on the respect of human rights and protection of natural resources.

When one compares the Central American experience to the endless conflicts in Africa, it seems that my region's scarcity of extractive resources and general vulnerability may have been a perverse blessing. How much longer would the Central American wars have continued if the region possessed the reserves of diamonds, gold, or oil that could have deepened and financed conflict? On the

other hand, our lack of an abundant extractive resource base also limited our ability to rebuild and refinance our devastated economies once peace arrived. We had no diamond or gold mines to excavate, no oil to extract, no massive forests to sell. Our only resource was our people: their mostly small farms and businesses, their culture of hard work, their strong desire to rebuild their societies, and their pride in our rich cultural and biological diversity.

With that resource alone, we had to find ways to establish or strengthen our democracies, provide basic services, stimulate investment, reactivate our economies, and protect or rehabilitate natural resources. All of these efforts required tremendous feats of institution building, broad-based political support, and significant coordination at the regional and international levels. Perhaps most difficult of all, all these challenges were interrelated. Without economic growth, investment in our public services would be impossible in the long term. Failure to protect the natural resource base would hurt our economies. And a breakdown in the political processes due to any of these other factors would create a risk of renewed violence. In addition, Central America faced a challenge that many developing countries encounter after a conflict: the reintegration of former combatants, who often return after a period of conflict to the fields and forests to try to regain their pre-war life and tranquility. In cases where natural resources have been substantially diminished by war, reintegration is difficult if not impossible. Delays in providing basic services and education to former combatants who have known nothing but war, and have been carrying a gun since their teenage years, can lead to social and environmental problems for generations to come.

Without a doubt, the challenges facing my region as it sought to rebuild its societies were tremendous. But just as we prepared to face them as best we could, the international community abandoned us. Nations that had watched us carefully while conflicts raged, or even participated in those conflicts, turned their eyes elsewhere once peace was achieved. Aid that had once been proffered to governments investing in weapons and war was denied to governments seeking to build a nonviolent future. It was then that Central America, and peaceful Costa Rica above all, saw firsthand how the international aid system punishes success. We saw how countries that make good decisions, choosing peace over war, are later deemed “too rich” for help or debt forgiveness, while countries that waste their resources on conflict are rewarded by additional international aid.

For that reason, I have proposed the Costa Rica Consensus, which would create mechanisms to forgive debts and use international financial resources to support developing nations that spend more on environmental protection, education, health care, and housing for their people, and less on arms and soldiers. It is a simple idea whose time has long since come. For how will the wounds of war-torn nations heal, if their governments are given money that they then directly or indirectly use to buy more grenades, helicopters, and AK-47s, perpetuating the poverty of their people?

My region learned a terrible lesson in the years that followed its conflicts. We received little help in facing the challenges of nation building. But this is a



fate that other countries suffering from conflict today can avoid if the international community takes seriously the idea that peace is much more than a white flag or a treaty. Peace is a state of affairs that can only be sustained through strong institutions, through prosperity, and above all, through investment in education and human development. That is why I am so proud to add my remarks to a book that makes an excellent contribution to understanding these challenges and opportunities. May the discussion that takes place in the following pages be taken up by the organizations that shape our globe—and, still more importantly, may they be translated into positive action.

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# Natural resources and post-conflict governance: Building a sustainable peace

*Carl Bruch, Carroll Muffett,  
and Sandra S. Nichols*

On August 18, 2003, representatives of three warring parties and nine political parties signed a power-sharing agreement that ended fourteen years of civil war in Liberia. As political enemies and former combatants took posts in the new provisional government, with ministries divided among them by the agreement, the transitional government faced profound challenges.

The population of Monrovia, the capital of Liberia, was swollen with displaced persons who fled into the city ahead of the fighting, overwhelming water and sewer systems already degraded by the civil war. Some 250,000 people were dead and nearly a million more displaced from their homes, temporarily housed in camps and settlements throughout Liberia and neighboring countries. More than 100,000 excombatants were scattered in enclaves and cantonments across the countryside—still armed, unemployed, and in effective control of large swathes of timber- and diamond-producing areas, as well as two of Liberia’s seven rubber plantations (Global Witness 2006; Harwell 2010). More than 3,600 foreign troops occupied Liberia, the vanguard of a UN peacekeeping force that would eventually total 15,000 soldiers and police officers.

Diamonds and timber that had financed the conflict, and which might have helped finance reconstruction, remained embargoed under a United Nations Security Council ban. Landownership, long a flashpoint for violence, had been thrown into disarray by internal displacement, military occupation, dubious concessions, and the destruction of cadastral records. The judicial system for resolving land claims did not function in most of the country and was widely considered illegitimate among rural people who constituted 95 percent of the population.

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## 2 Governance, natural resources, and post-conflict peacebuilding

The questions that faced the Liberian transitional government at the close of the conflict are the same ones that confront government agencies, international organizations, nongovernmental organizations (NGOs), and others in other post-conflict countries: How to restore government services and extend state authority into areas controlled by armed groups? How to rebuild livelihoods and revive a moribund economy? How to facilitate the return of displaced people and provide restitution, while also addressing inequitable access to land? How to prevent natural resources revenues from being used to fund a resurgence of conflict? How to restore confidence in the state and trust among communities? How to address the root causes of the conflict to avoid a recurrence?

Natural resources provide a range of core governance challenges and opportunities to many post-conflict governments around the world: regulating the flow of conflict diamonds from Sierra Leone; accounting for and allocating oil revenues between Iraq and its Kurdistan region; crafting new a constitution, land law, and institutions in Timor-Leste; establishing protected areas in the formerly contested region between Ecuador and Peru following their border war; and addressing the environmental dimensions of post-conflict justice and reconciliation for the victims of war in Liberia, Kuwait and elsewhere.

Differences in the nature and impacts of the conflict, the social structure, the political system, the economy, and a host of other variables dictate that there is no single solution to these challenges (Rustad, Lujala, and Le Billon 2012). Notwithstanding these differences, there is a fundamental commonality from one post-conflict setting to the next.

Post-conflict peacebuilding requires four basic sets of activities: (1) establishing security, (2) delivering basic services, (3) restoring the economy and livelihoods, and (4) rebuilding governance and inclusive political processes (see side bar). All of these peacebuilding priorities rely on both natural resources and effective governance. The core lesson from this book is that post-conflict peacebuilding, natural resources, and governance are often inextricably linked.

This introductory chapter proceeds in four sections. It starts with a brief overview of governance and natural resources following conflict, defining key terms and concepts. It then outlines the structure of the book. The third section highlights five themes and considerations that cut across all parts of the book. The final section is a brief conclusion.

### GOVERNANCE AND NATURAL RESOURCES FOLLOWING CONFLICT

The United Nations Development Programme defines *governance* as:

the system of values, policies and institutions by which a society manages its economic, political and social affairs through interactions within and among the state, civil society and private sector. It is the way a society organizes itself to make and implement decisions—achieving mutual understanding, agreement and action. It comprises the mechanisms and processes for citizens and groups to articulate their interests, mediate their differences, and exercise their legal rights and obligations. It is the rules, institutions and practices that set limits

### Post-conflict peacebuilding and natural resources: Key terms and concepts

Following conflict, peacebuilding actors leverage a country's available assets (including natural resources) to transition from conflict to peace and sustainable development. Peacebuilding actors work at the international, national, and subnational levels and include national and subnational government bodies; United Nations agencies and other international organizations; international and domestic NGOs; the private sector; and the media. Each group of peacebuilding actors deploys its own tools, and there are a growing number of approaches to integrate the peacebuilding efforts of different types of actors.

A post-conflict period typically begins after a peace agreement or military victory. Because this period is often characterized by intermittent violence and instability, it can be difficult to pinpoint when a post-conflict period ends. For the purposes of this book, the post-conflict period may be said to end when political, security, and economic discourse and actions no longer revolve around armed conflict or the impacts of conflict, but focus instead on standard development objectives. Within the post-conflict period, the first two years are referred to as the *immediate aftermath of conflict* (UNSG 2009), which is followed by a period known as *peace consolidation*.

According to the United Nations, "Peacebuilding involves a range of measures targeted to reduce the risk of lapsing or relapsing into conflict by strengthening national capacities at all levels for conflict management, and to lay the foundations for sustainable peace and development" (UNSG's Policy Committee 2007). In many instances, this means addressing the root causes of the conflict.

There are many challenges to peacebuilding: insecurity, ethnic and political polarization (as well as marginalization), corruption, lack of governmental legitimacy, extensive displacement, and loss of property. To address these and other challenges, peacebuilding actors undertake diverse activities that advance four broad peacebuilding objectives:<sup>\*</sup>

- Establishing security, which encompasses basic safety and civilian protection; security sector reform; disarmament, demobilization, and reintegration; and demining.
- Delivering basic services, including water, sanitation, waste management, and energy, as well as health care and primary education.
- Restoring the economy and livelihoods, which includes repairing and constructing infrastructure and public works.
- Rebuilding governance and inclusive political processes, which encompasses dialogue and reconciliation processes, rule of law, dispute resolution, core government functions, transitional justice, and electoral processes.

Although they are sometimes regarded as distinct from peacebuilding, both peacemaking (the negotiation and conclusion of peace agreements) and humanitarian assistance are relevant to peacebuilding, as they can profoundly influence the options for post-conflict programming. Peacemaking and humanitarian assistance are also relevant to this book, in that they often have substantial natural resource dimensions.

Successful peacebuilding is a transformative process in which a fragile country and the international community seek to address grievances and proactively lay the foundation for a lasting peace. As part of this process, peacebuilding actors seek to manage the country's assets—as well as whatever international assistance may be available—to ensure security, provide basic services, rebuild the economy and livelihoods, and restore governance. The assets of a post-conflict country include natural resources; infrastructure; and human, social, and financial capital. Natural resources comprise land, water, and other renewable resources, as well as extractive resources such as oil, gas, and minerals. The rest of the book explores the many ways in which natural resources affect and are affected by post-conflict peacebuilding.

These activities are an essential component of environmental peacebuilding. *Environmental peacebuilding* is the process of governing and managing natural resources and the environment to help lay the foundation for an enduring peace. It includes efforts to prevent, mitigate, resolve, and recover from violent conflict, and involves renewable natural resources, non-renewable natural resources, and ecosystems and their services.

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\* This framework draws substantially from the Report of the Secretary-General on Peacebuilding in the Immediate Aftermath of Conflict (UNSG 2009), but the activities have been regrouped and supplemented by activities articulated in USIP and U.S. Army PKSOI (2009), Sphere Project (2004, 2011), UN (2011), UNSG (2010, 2012, 2014), and International Dialogue on Peacebuilding and Statebuilding (2011).

## 4 Governance, natural resources, and post-conflict peacebuilding

and provide incentives for individuals, organisations and firms. Governance, including its social, political and economic dimensions, operates at every level of human enterprise, be it the household, village, municipality, nation, region or globe (UNDP 2007, 1).<sup>1</sup>

This definition highlights a few key aspects of governance as understood in this book. First, governance relates to norms, institutions, and practices. Second, governance is practiced by multiple actors at multiple levels (not just by a national government). Third, governance is a multidirectional: it relates to how institutions act on their subjects, how the subjects act on the governance institutions, and how third parties are addressed. Fourth, governance includes social, political, and economic dimensions, among others. Finally, in addition to national and local statutory law and government institutions, governance includes traditional authorities and customary norms, private sector processes, and military institutions and norms—all of which can play a significant role in natural resource governance.

Increasingly, though, attention focuses on good governance. As the Commission of the European Communities noted in 2003, “As the concepts of human rights, democratization and democracy, the rule of law, civil society, decentralized power sharing, and sound public administration gain importance and relevance as a society develops into a more sophisticated political system, governance evolves into good governance” (Commission of the European Communities 2003, 4). Following years of debate about what constitutes “good governance”—and indeed whether the notion is purely a western construct—there appears to be global agreement on a set of core principles of good governance.<sup>2</sup> As articulated by the United Nations, good governance includes the following core principles: participation, rule of law,<sup>3</sup> transparency, responsiveness, consensus oriented, equity and inclusion, effectiveness and efficiency, and accountability (UNESCAP 2009). These principles are reflected in most regional and global articulations of good governance, although the specific formulations may vary (Lausche 2011).

Good governance has been shown to be essential to reducing the risk of conflict recurrence. Håvard Hegre and Håvard M. Nygard found that the risk of renewed conflict in countries with good governance drops rapidly after conflict, while the countries with poor governance remain more vulnerable to conflict relapse for much longer (Hegre and Nygard 2014). They also found that informal aspects of good governance are at least as important as formal institutions in preventing conflict.

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<sup>1</sup> For other definitions of *governance*, see AFDB (2010), ADB (1999), Commission of the European Communities (2001, 2003), OECD (2007), UNESCAP (2010), World Bank (2009), and Fukuyama (2013).

<sup>2</sup> On principles of good governance, see UNESCAP (2009), Lausche (2011), IFAD (1999), Ray (1999), Johnston (2002), Kemp, Parto, and Gibson (2005), Weiss and Steiner (2006), OHCHR (2013), and UNDP (2014); on principles of good governance in land and natural resource tenure, see Grover (2009); on principles of good governance for planted forests, see FAO (2006).

<sup>3</sup> On the rule of law, see UNSG (2004).

Natural resources hold tremendous potential to generate revenues, be a driver of economic growth and livelihoods, and constitute a means to finance education, construction of infrastructure, and other public goods. Paradoxically, however, the opposite is too often the case. Natural resource wealth is often associated with a phenomenon known as the resource curse. The “resource curse” or the “paradox of plenty” occurs when a state has an export-driven natural resources sector that generates large revenues for the state, and these revenues paradoxically lead to negative development outcomes, including economic stagnation, social grievances, large-scale environmental degradation, and political instability (Auty 1993, 1994). The resource curse has been tied corruption, waste, debt, political repression, and conflict. While there are various theories regarding potential factors influencing the resource curse to materialize, quantitative analyses strongly suggest that institutions and governance are the most important factors (Hendrix and Noland 2014).

Natural resources themselves are not a curse. Rather, it is weak natural resource governance that triggers negative social outcomes and conflict. The resource curse is also not inevitable. Establishing good resource governance as a core component of peacebuilding can increase the likelihood that natural resources will be a blessing rather than a curse. Experience has shown, moreover, that the quality of preexisting institutions is important. Thus, it is important to build institutions, rules, and capacity before natural resources are extracted (Rustad, Lujala, and Le Billon 2012).

Armed conflict is “development in reverse” (Collier et al. 2003, 13). It ruins lives, destroys national and local economies, and undermines good governance and confidence in the government. With physical, human, and social capital heavily impacted from conflict, instability, and low levels of investment—often over a period of years or even decades—the most readily available asset to kick-start post-conflict stabilization and recovery is often natural capital. Staff may have been killed or driven from the country, equipment looted, and infrastructure destroyed or fallen into disrepair; but the natural resources persist. Over 80 percent of the forty-seven fragile states listed by the Organisation for Economic Co-operation and Development in 2013 are rich in one or more natural resources of global economic importance (OECD DAC 2013). At the same time, they are precisely the countries that lack the institutions, capacity, and safeguards to transform these natural assets into the revenues, jobs, and infrastructure needed for peacebuilding without triggering the resource curse or causing substantial social and environmental impacts.

How governments govern and manage<sup>4</sup> their natural assets after conflict can fundamentally influence the course of peacebuilding, helping to determine whether

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<sup>4</sup> Christina Cook distinguishes the terms *governance* and *management*: “Often used interchangeably, management and governance are distinct, but related concepts. Governance is the process through which decisions regarding allocation, use, and access are taken. Management refers to the quotidian activity of executing the decisions made in governance processes.” (Cook 2014, 192).



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peace persists or there is a relapse to conflict. A quantitative study of ninety-two countries between 1996 and 2006 measured the impact of resource governance on conflict, finding that good governance of natural resources significantly reduced the likelihood of violent conflict in resource-rich countries (Franke, Hampel-Milagrosa, and Schure 2007). Within the broad rubric of good governance, five dimensions were found to be particularly important, namely democratic oversight, transparent revenue-sharing, corruption control, a stable investment environment, and the implementation of international control regimes.

The challenge for post-conflict countries, then, lies in effectively and equitably governing the use of those natural resources and then converting the revenues derived from their extraction into jobs, infrastructure, and the basic services needed to consolidate and sustain peace. Effective and equitable governance of natural resources has the potential to transform post-conflict countries by providing tangible peace dividends that can propel the peace process forward while also kick-starting economic growth and supporting statebuilding.

In order for natural resources to be used successfully to support long-term development, extraction must be done without triggering new conflicts, fueling corruption, causing macroeconomic instability, or exceeding the carrying capacity of the environment to accommodate development over the long term. While few post-conflict governments have managed to overcome all of these challenges, there are many principles and examples of good practice that can enhance post-conflict peacebuilding. The resource curse can be overcome if governments and their partners take into account these lessons on good governance of natural resources.

Good governance of natural resources is essential to post-conflict peacebuilding. With industrial and service sectors underdeveloped, natural resources play a significant role in the economies of post-conflict countries. More than one-third of post-conflict countries since 1989 have derived more than 30 percent of their gross domestic product from extractive industries (Webersik and Levy 2016\*; Harwell 2010).<sup>5</sup> Natural resources also play an important role in subsistence farming and rural livelihoods. In Afghanistan, for example, 80 percent of the population relies directly on land, water, and other natural resources for their livelihoods (UNEP 2003). With the government weakened by thirty years of conflict (especially in the rural areas), a 2008 Oxfam survey found that land and water were the two most common sources of local conflict in Afghanistan (Waldman 2008).

At the same time, poor governance of natural resources can undermine post-conflict peacebuilding. In the push to rebuild the economy and generate revenues, governments often encourage commercial investment in the mining, petroleum, forestry, and agricultural sectors. Many concessions, however, are on lands held under customary tenure, and the rapid proliferation of natural resource concessions have led to claims of land grabbing, as well as tensions and even localized conflict in Liberia, South Sudan, Peru, Afghanistan, Timor-Leste, and

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<sup>5</sup> Citations marked with an asterisk refer to chapters within this book.

many other countries emerging from conflict.<sup>6</sup> The situation has been exacerbated by the globalization of the extraction of and trade in primary commodities, with post-conflict countries often seen as the last frontier for extractive industries—in contrast to countries not affected by conflict, where rights to oil, gas, minerals, and other resources have already been largely allocated (Klare 2012).

Good governance of natural resources in post-conflict countries is complicated by many challenges. Information about the location, condition, and ownership of resources may have been lost or destroyed (Conca and Wallace 2012). More fundamentally, both the status of resources and the nature and distribution of human demands on them may have changed profoundly during the conflict, and may undergo further change as forces demobilize, displaced persons seek to return home, and rebuilding begins (Brooke and Matthew 2016\*). In addition, the political economy and maintenance of elite interests are often fundamentally underpinned by control of natural resources and their revenues (Garrett 2016\*).

The complexity of post-conflict peacebuilding—including the governance dimensions therein—is illustrated by an example from Afghanistan. In April 2010, the *New York Times* published a leaked presentation slide that sought to encapsulate, in a single conceptual map, the profound complexities facing ongoing stabilization efforts in Afghanistan, from limited governance capacity to tribal structures to corruption and popular support for insurgents still in control of large sections of the country. The conceptual map identified eight main topics affecting the outcome of the counterinsurgency, subdivided these into thirteen categories and 107 nodes, and then linked these subtopics to one another with 255 criss-crossing arrows, some of them multidirectional, marking thirty of the arrows with slashes to indicate significant delays in implementation. The resulting diagram prompted General Stanley McChrystal, then-leader of the United States and NATO forces in Afghanistan, to quip: “When we understand that slide, we’ll have won the war” (Bumiller 2010).

Six weeks later, the *New York Times* published a map documenting nearly one trillion dollars in mineral wealth estimated to lie below Afghanistan’s surface (Risen 2010). Many of the richest reserves underlie regions without the roads, rail lines, or the industrial infrastructure necessary to exploit them effectively. More significantly from the perspective of peacebuilding, many of these reserves underlie areas which, as late as 2015, were under the control of insurgents or otherwise at risk.

Governed well, these resources—including iron, copper, cobalt, gold and lithium—could not only help to rebuild Afghanistan, but they could also provide a substantial financial endowment for long-term development (UNEP 2013). Realizing this promise, however, would require substantial efforts to build institutional capacity in a war-torn country whose mineral industry has been historically dominated by small-scale, artisanal mining. Moreover, corruption

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<sup>6</sup> See, for example, Unruh and Williams (2013).

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has been a pervasive problem in Afghanistan, both in the mining sector and more broadly.<sup>7</sup>

A previous Afghan government attempted to expedite the development of the extractives sector by splitting its efforts into (1) large, strategic projects requiring international investment and expertise, and (2) medium-scale mining projects which were preferentially awarded to Afghan companies. The government advanced the concept of so-called *resource corridors*, which leveraged large investments in extractive industries to create growth opportunities, employment, and diversification in other sectors, including infrastructure, agriculture, construction, and enterprise development. By this approach, the government sought to expand the economic benefits beyond the confines of a concession and into a whole region.

This strategy has encountered multiple problems associated with governance failures. The large mining projects have faced problems associated with insecurity, damage to national heritage, mismanagement of resettlement operations, local protests, and contract violations and disputes. The medium-scale mining projects have suffered from deeply flawed processes for awarding contracts; conflicts of interest; contract violations and disputes; nonpayment of royalties, rents, and taxes; a failure to submit reports and other key documents; and a culture of impunity that has developed around these mines. Furthermore, artisanal mining is unregulated, and thus informal and often criminalized, with local conflicts over the control of mines and illegal taxation by armed groups commonplace. Governance problems across the mining sector are exacerbated by flawed, conflicting, and missing legislation and a dearth of regulations, policies, and guidance necessary for implementation.

To date, the U.S. government has invested more than US\$280 million to build capacity of the Afghan government to govern and develop its oil, gas, and mineral reserves; and the World Bank, the United Kingdom, and Finland have contributed millions more (SIGAR 2015). Notwithstanding the millions of dollars in technical assistance, policy advice, capacity building, and other aid, pervasive governance problems have led to project failures and ultimately caused the new Afghanistan government to rethink its approach.

Afghanistan's situation is not unique, nor are the challenges limited to mining. The country's struggles with institutional and political gaps, weak governance capacity, an insufficient reach of state authority, and the threat of continued violence—all of which undermine good governance of natural resources—is shared by most post-conflict countries (UN DESA and UNDP 2007). A multitude of international, domestic, and foreign civil society, government, military, and private sector actors are involved in overlapping and sometimes conflicting activities throughout the peacebuilding process. Corruption and malfeasance are common problems, often linked to the political influence generated by the disproportionate

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<sup>7</sup> The Independent Joint Anti-Corruption Monitoring and Evaluation Committee—an independent agency comprising Afghan and international experts—has produced several reports addressing various aspects of corruption in the country. See [www.mec.af/#publications](http://www.mec.af/#publications).

economic role of natural resource–related industries in a country’s economy.<sup>8</sup> In the Democratic Republic of the Congo (DRC), for example, mining concessions were granted at such a substantial discount that the government lost an estimated US\$5.5 billion, leading the International Monetary Fund to suspend its economic assistance to the country (OECD 2013). Additionally, governments must manage citizen expectations, especially when they see high economic growth rates fail to translate into commensurately better services and governance. Military involvement in key natural resource sectors—for example in the DRC (Garrett 2016\*)—create additional governance challenges, and climate change and variability add yet another layer of uncertainty (Matthew and Hammill 2012). These dynamics, as well as those described in the box below, place additional pressures on already weak post-conflict institutions.

**Key governance challenges for post-conflict natural resource management**

Countries emerging from conflict face numerous governance challenges with substantial natural resource dimensions.

1. *Restoring governmental legitimacy* through the provision of basic services. This requires generating domestic revenues, including from resource contracts and taxes.
2. *Firefighting versus governing*: Meeting short-term economic and security needs while enabling sustainable and lasting economic, social, and political development.
3. *Managing powersharing* agreements between parties to a conflict when they allocate political authority over natural resources and then have difficulties cooperating.
4. *Decentralizing authority* for natural resource management providing oversight to fight corruption, address bias, and ensure respect for human rights.
5. *Progressively projecting state authority* into resource-rich areas controlled by armed groups, with a particular focus on addressing illegal exploitation of natural resources and the role of organized crime.
6. *Progressively formalizing* natural resource sectors (which were often governed largely informally during conflict) and applying the rule of law in those sectors.
7. *Decision making in the absence of reliable, comprehensive, and timely data*. In natural resource sectors, this can be especially challenging when the private sector holds more data than governments and communities, leading to undervalued natural resource concessions, inequitable provisions, or both.
8. *Attracting responsible investment*, especially in natural resource sectors, from socially and environmentally responsible investors in the context of political uncertainty and insecurity. In such cases, governments often lack leverage to set strong ground rules and are willing to make sacrifices in terms of taxation and performance standards in exchange for timely investment. Promoting a good investment climate in natural resource sectors also depends on regulatory certainty.
9. *Responsibly issuing contracts for natural resource extraction even before governance capacities are fully entrenched*. This may be done in a stepwise manner, closing loopholes to ensure maximum rents are captured.
10. *Conducting public consultations* on natural resource contracts and legislative reforms in situations where there is little trust in the government or governance.
11. *Equitably distributing revenues and other benefits* from natural resource extraction across the country, in producing regions, and for future generations.
12. *Promoting economic diversification* to avoid overdependence on resource rents generally and on any particular natural resource.
13. *Managing expectations* of the public regarding the scale of natural resource revenues and how they will be utilized.

<sup>8</sup> Sierra Leone, for example, has experienced substantial economic growth associated with two iron ore mines. In 2013, the country had a growth rate of 20 percent, and nearly 72 percent of the growth was due to the new Marampa and Tonkolili mines (Fofana 2014).

## **10 Governance, natural resources, and post-conflict peacebuilding**

Post-conflict peacebuilding provides societies with a window of opportunity to remake their governance structures to become more effective, efficient, and equitable, and to address problems and injustices in previous structures, which may have contributed to the conflict. The post-conflict period is also a time of great fragility. Newly built or rebuilt governance structures are fragile and at risk of collapse. If the government fails to act or fails to act appropriately, bad governance can be entrenched; misdirected reinforcement of authority and governance systems can lock in norms and institutions perpetuating inequity, encouraging environmental degradation, or disregarding human rights.

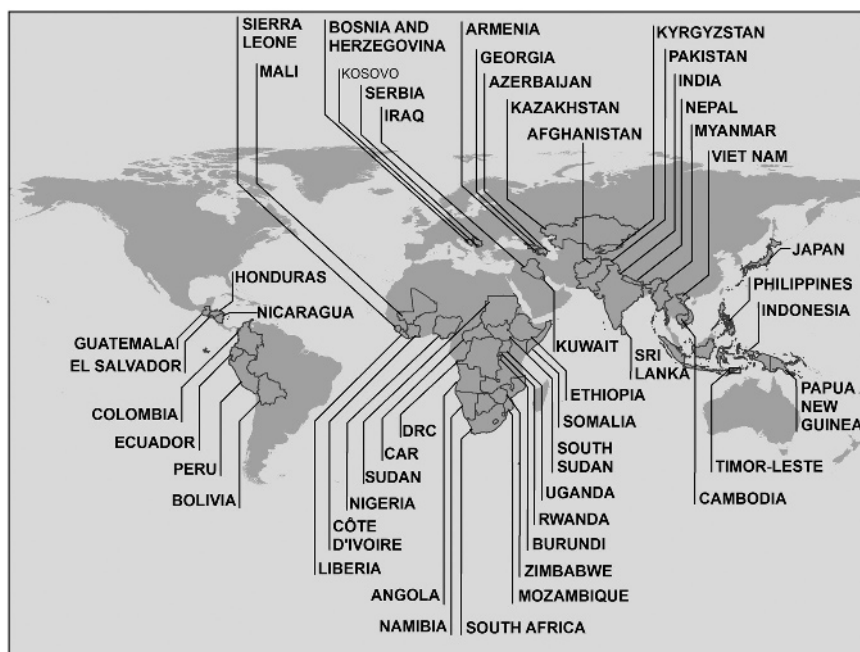
While estimates of conflict recurrence vary, war is substantially more likely in countries with a history of conflict than in those with a recent history of peace, with the risk of recurrence highest during the immediate post-conflict period (Webersik and Levy 2016\*). A major risk factor for conflict is the availability of lootable natural resources, particularly high-value resources (Webersik and Levy 2016\*; Rustad, Lujala, and Le Billon 2012). Failure to establish appropriate, effective, and equitable governance can undermine endanger environmental and economic sustainability, stunt recovery, and undermine peacebuilding. From a more positive perspective, good governance of natural resources can support the reestablishment of security, delivery of basic services, strengthening of the economy and livelihoods, and improved legitimacy and cooperation.

### **ORGANIZATION OF THE BOOK**

This book examines the theory, practice, and realities of post-conflict governance, natural resources, and peacebuilding in fifty conflict-affected countries and territories (see map on page 11). It includes thirty-nine chapters written by more than seventy researchers, diplomats, and practitioners from governmental, inter-governmental, and nongovernmental organizations, as well as military personnel. These chapters draw on case studies, field experience, academic theory, legal and policy documents, and economic, social, and environmental data to analyze approaches for addressing natural resources and governance following conflict, and the implications of those approaches.

The book highlights the mutually reinforcing relationship between natural resources, good governance, and peace. Drawing on analyses of the close relationship between these themes, the book explores lessons from past and ongoing peacebuilding efforts; illustrates how those lessons may be applied to the formulation and implementation of more effective governance initiatives; and presents an emerging theoretical and practical framework for policy makers, researchers, practitioners, and students.

The book is divided into seven thematic parts covering (1) peace agreements and peacebuilding strategies; (2) peacekeepers and the security sector; (3) laws and institutions; (4) local authorities and marginalized populations; (5) transitional justice, liability, and compensation; (6) transboundary governance and environmental



**Conflict-affected countries and territories from which lessons have been drawn in this book, either through case studies or broader thematic analyses**

*Note:* UN member states are set in bold.

cooperation; and (7) mainstreaming environment into post-conflict humanitarian and development programming.

## **Peace agreements and peacebuilding strategies: Frameworks for peace**

Peace agreements and peacebuilding strategies create frameworks for rebuilding governance structures, including for natural resources. However, in the rush to end a conflict, address immediate crises, and avoid volatile issues that may hinder conclusion of a peace agreement, consideration of natural resources were often omitted from peace agreements. Approximately one-half of all peace agreements concluded between 1989 and 2004 (51 out of 94) contained direct provisions on natural resources (Mason et al. 2016\*). Increasingly, belligerents and peace negotiators have recognized the significant role of natural resources as a contributing cause of conflict or in helping to finance armed conflict. As a result, every major peace agreement from 2005 to 2014 explicitly incorporated provisions related to natural resources (DPA and UNEP 2015).

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The failure of a peace agreement to address natural resource issues that contributed to a conflict can increase the risk of conflict recurrence. In Sierra Leone, for example, diamonds became a substantial source of revenues for the Revolutionary United Front, generating an estimated US\$25-125 million per year for the rebels (UNSC 2000). The 1996 Abidjan Peace Agreement and 1997 ECOWAS Six-Month Peace Plan were negotiated and broken—neither addressed diamonds—before the 1999 Lomé Accord explicitly addressed control of the diamond sector. Notwithstanding implementation challenges, the Lomé Accord has held (Mason et al. 2016\*).

Issues left out of a peace agreement may receive less attention and funding in the peacebuilding process, and are thus less likely to be addressed in post-conflict governance reform processes. Addressing natural resources in peace agreements and peacebuilding strategies can be complex and difficult. In some cases, it may not be necessary to resolve a particular natural resource-related issue. For example, it may be possible to provide for the establishment of a mechanism or process to undertake land reform, rather than negotiating the details for inclusion in a peace agreement (Unruh and Williams 2013; DPA and UNEP 2015).

The five chapters in the first part of this book survey considerations and approaches for incorporating natural resources in peace agreements and peacebuilding strategies. Drawing upon lessons from the Central African Republic, the DRC, Guatemala, Liberia, Mozambique, Rwanda, Sierra Leone, Somalia, South Sudan, Sri Lanka, and Sudan, these chapters address not only illustrate how to integrate natural resource-related issues into peace agreements and peacebuilding strategies, but also when doing so is appropriate and feasible. They provide lessons for practitioners and policymakers in establishing the frameworks that shape post-conflict governance.

### **Peacekeepers and the security sector: Enforcing peace**

Once a peace agreement is in place, the immediate priority is to establish and maintain security so that other peacebuilding efforts can proceed. Establishing security includes three broad sets of activities, namely peacekeeping (whether by UN or regional peacekeeping forces or by national militaries), security sector reform (SSR), and disarmament, demobilization, and reintegration of excombatants (DDR) (USIP and U.S. Army PKSOI 2009).

Natural resource governance problems can undermine efforts to reestablish and maintain security. Natural resources may have financed armed conflict; they may still be controlled by vested interests; and they may provide an incentive and means for resuming conflict. Armed groups or criminal networks may control resource-rich areas or impose fees for the transport of extracted resources. In the eastern DRC, for example, UNEP estimates that the illegal and illicit exploitation of minerals, timber, and other natural resources exploitation totals more than US\$1.25 billion per year, with 98 percent of the net profits flowing to transnational organized criminal networks (UNEP 2015b). These revenues help to finance more than twenty-five armed groups, contributing to the ongoing instability in the region.



Accordingly, a top priority after conflict is to secure and demilitarize resource-rich areas to prevent them from providing the incentive or means to renew conflict.

Peacekeeping and military missions can have significant (albeit unintentional) impacts on natural resources. Missions require water, land, and building supplies, and they generate large volumes of solid, liquid, and hazardous waste which can contaminate land and water. These impacts can create tensions with local communities, affecting both the mission's security goals and the establishment of good natural resource governance (Waleij et al. 2016\*; UNEP 2012). In some cases, individual peacekeepers may become involved in illegal markets for natural resources, undermining the legitimacy of the operation (Waleij 2016\*).

Increasingly, the UN Security Council has provided an explicit mandate for specific peacekeeping missions to address natural resources and environmental considerations (UNEP 2012). When the Security Council empowered the United Nations Multidimensional Integrated Stabilization Mission in Mali (MINUSMA) in 2013, it required the mission to “consider the environmental impacts of the operations of MINUSMA when fulfilling its mandated tasks . . .” (UNSC 2013, para. 32).

The international community has similarly begun to consider natural resources and the environment in planning and carrying out peacekeeping and military operations in post-conflict areas. The UN Department of Peacekeeping Operations (DPKO) and Department of Field Support (DFS) developed an environmental policy and draft guidelines addressing environmental problems associated with peacekeeping missions (DPKO and DFS 2009a, 2009b; Ravier et al. 2016\*). National and international peacekeeping and military operations have begun to consider potential environmental problems when designing camps and sourcing water, wood, and other necessary resources (Waleij et al. 2016\*).

The six chapters in part 2 explore connections between natural resources, governance, and post-conflict security goals, focusing particularly on peacekeepers and the security sector. It draws upon case studies from Afghanistan, Angola, Cambodia, Colombia, Côte d'Ivoire, the DRC, India/Pakistan, Iraq, Kosovo, Liberia, Mali, Sierra Leone, Sudan, and Viet Nam. The first chapters explore impacts of peacekeeping and military operations on the natural environment and governance of natural resources, and ways in which peacekeeping and military operations can prevent and manage these impacts. The final chapters discuss the potential for cooperation between militaries and between military and civilian entities on issues of environmental conservation and natural resource management, not only as a means to promote sustainable development and associated security goals, but also as a way to build relationships of trust and goodwill that can spill over into economic, political, and other areas.

### **Strengthening laws and institutions: Rebuilding governance frameworks**

A fundamental component of building effective governance following conflict is strengthening (and sometime developing) laws and institutions that follow principles



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of good governance, such as inclusion, equity, rule of law, transparency, and accountability. Many principles of good governance are articulated in the 1992 Rio Declaration on the Environment and Development (UN 1992).<sup>9</sup> For example, the principles of transparency, inclusion, and accountability enshrined in principle 10 of the Rio Declaration are critical to supporting post-conflict peacebuilding by fighting corruption (especially in the natural resource sector), empowering communities to participate in decisions regarding natural resources affecting their livelihoods and welfare, and building governmental legitimacy. As such, they can help to address the resource curse and reduce the risk of conflict relapse.

The existence of high-value natural resources can hinder the establishment and implementation of such laws and institutions by providing an incentive for rent seeking, spurring conflict and motivating corruption (Hendrix and Noland 2014). In the extreme, the presence and bad governance of high-value natural resources and their revenues can motivate secessionist movements, as in Aceh, Kurdistan, and southern (now South) Sudan (Collier and Hoeffler 2006; Lujala 2010).

Good governance of natural resources requires current information on natural resources combined with clear and equitable legal frameworks supported by strong and effective institutions. In the wake of conflict, however, laws and institutions are often weak or non-existent, and data is usually outdated, incomplete, or even missing. Although this presents challenges, it also presents opportunities to develop new laws and institutions that not only address past problems (for example, with corruption or insecure rights to natural resources) but also learn from approaches in other conflict-affected countries. Post-conflict natural resource management also presents opportunities to rebuild the social and political relationships that are at the core of good governance (UNEP 2014).

Post-conflict efforts to reform laws and rebuild institutions typically focus on mechanisms for peacefully resolving conflict, equitably allocating natural resource rights and benefits, and promoting transparency in natural resource management as a means of fighting corruption and supporting dialogue. Indeed, the period immediately following conflict presents an unusual opportunity for a country to revise its laws and institutions, as there often is more public pressure to adopt a different approach to resource governance, more governmental receptivity for doing so, and more international technical assistance available to help countries (Nichols and Al Moumin 2016\*).

The third part of this book addresses challenges and opportunities associated with developing laws and institutions governing natural resources and the environment following conflict. Its eight chapters include case studies from seventeen countries—Afghanistan, Cambodia, Côte d'Ivoire, the DRC, Ecuador, El Salvador, Ethiopia, Iraq, Japan, Liberia, Myanmar, Nepal, Philippines, Rwanda, Sierra Leone, South Sudan, and Timor-Leste—highlighting the importance, diverse roles, and various approaches of natural resource governance following conflict. Several

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<sup>9</sup> See note 2, above, and accompanying text.

chapters illustrate the potential for exploitation of natural resources to undermine peacebuilding goals in the absence of effective regulation and accountability. Others describe attempts at legal and institutional reform in the natural resource sector, including concession reviews, benefit-sharing arrangements, and bottom-up campaigns for increasing transparency and fighting corruption.

### **Local authorities and marginalized populations: Recognizing and empowering all segments of society to participate**

The political, social, cultural, and legal context in which post-conflict efforts to strengthen governance take place is volatile, fluid, and multilayered, particularly with respect to natural resources. Different ethnic and social groups have interests and needs with regards to natural resources that do not always align with mainstream and national level ideas about post-conflict reconstruction and development. In many instances, women, youth, and certain ethnic and religious groups are marginalized from decision-making processes. Customary, religious, and local-level legal systems and institutions can overlap with statutory or national-level legal structures, creating uncertainty as to what laws and regulations apply to access, ownership and use of natural resources (Meinzen-Dick and Pradhan 2016\*; Sait 2013; Miyazawa 2013).

In the post-conflict rush to develop natural resource wealth, the interests of marginalized groups and the complexity of pluralistic legal systems may be ignored in favor of reforming statutory laws, strengthening national institutions, and ensuring benefits for the most visible—and powerful—groups. At best, this approach can undermine the legitimacy and effectiveness of the new regime, as customary and local structures continue to compete for regulatory authority. At worst, it can create systems under which women, ethnic minorities, and indigenous groups are denied access to vital natural resources upon which they and their communities depend.

The fourth part of this book includes five chapters analyzing experiences from Afghanistan, Bolivia, Burundi, Cambodia, Colombia, the DRC, Liberia, Mozambique, Nepal, Papua New Guinea, Sudan, Timor-Leste, Uganda, and Zimbabwe. The chapters detail approaches to recognizing multiple legal and institutional systems for governing natural resources after conflict, and for empowering all segments of society to participate in resource governance. They highlight opportunities for advancing decentralization, mainstreaming gender considerations, and incorporating indigenous needs and perspectives into natural resource governance systems.

### **Transitional justice, liability, and compensation: Promoting peace through justice**

While it is essential to rebuild governance structures after conflict, it is often necessary to address past violations. Transitional justice is the process of investigating

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legal and human rights violations committed during a conflict, publicizing the violations and the violators, and, where appropriate, holding accountable perpetrators and compensating victims (Harwell 2016\*; Teitel 2014). Transitional justice mechanisms such as tribunals, truth and reconciliation commissions, and compensation funds can reduce the likelihood that perpetrators return to positions of power, address political and social dynamics and grievances that contributed to conflict-related human rights violations, and mitigate the environmental impacts of the existing conflict (by providing funds for remediation) and future conflicts (by providing a deterrent to future wrongful behavior). Transitional justice can also inform governance reforms and help rebuild trust in government.

The excesses of wartime human rights violations and atrocities often extend to natural resources. For example, the prosecutor of the International Criminal Court has charged Sudanese president Omar Al Bashir with genocide, citing poisoning of wells and a scorched earth campaign (Vialle et al. 2016\*). And the Special Court for Sierra Leone convicted three defendants of crimes against humanity and war crimes associated with forced labor to mine diamonds (two codefendants died before the trial concluded). In a growing number of instances, conflict resources provide revenues to purchase arms and pay rebel soldiers. Damage to natural resources themselves can result in significant economic and physical injury that can last for generations.

Notwithstanding the severity of wartime damage to the environment, courts, tribunals, and other post-conflict transitional justice mechanisms rarely address the role of natural resources or impose liability for environmental damage committed during conflict. The four chapters in the fifth part of this book examine how international and domestic courts, tribunals, and other mechanisms have addressed natural resource–related issues after conflict. The chapters consider, for example, experiences with the International Court of Justice, the International Criminal Court, ad hoc international tribunals, national courts, the United Nations Compensation Commission, and truth and reconciliation commissions. Case studies highlight efforts to address resource–related dimensions of conflicts in the DRC, Iraq, Japan, Kuwait, Liberia, Serbia, Sierra Leone, South Africa, South Sudan, Sudan, Timor-Leste, Uganda, and Viet Nam. The chapters address specific challenges to treatment of environmental damage and crimes linked to natural resources by commissions and tribunals, and provide suggestions for future inclusion of natural resource–related issues in transitional justice processes.

### **Transboundary governance and environmental cooperation: Bringing together states and peoples around shared environmental interests**

Natural resources that cross national borders—including watercourses, wildlife, fisheries, and oil and mineral deposits, among other resources—provide opportunities for transboundary cooperation and governance. This is especially important where countries face common threats to those resources, such as disasters

and climate change. Transboundary natural resources often require international mechanisms for effective management, conservation, and allocation of benefits. Oil, gas, and metal deposits that straddle international borders may also require a joint approach to ensure their peaceful and equitable exploitation. Even where a resource is not shared, poachers, smugglers and other opportunists may cross national borders in search of resources to exploit or markets for their illicit goods—requiring coordinated responses. Natural resource extraction and other activities in one country can cause pollution and environmental degradation in neighboring countries. In addition to threatening the resources and the communities that depend on them, these dynamics can create political tensions and undermine natural resource and environmental governance regimes.

Transboundary cooperation over natural resources or environmental conservation can have benefits that reach beyond the natural resource sector. Environmental cooperation can provide a less politically controversial starting point for building confidence and developing channels of dialogue, even between previously warring countries. Regional cooperation on environmental governance can help resolve natural resource–related disputes before they escalate. Protected areas along borders between countries formerly at war—often referred to as “peace parks”—may be managed jointly or in a coordinated manner to help resolve territorial disputes and build grassroots support and capacity for cooperation (Westrik 2015; Walters 2015; Kakabadse, Caillaux, and Dumas 2016\*). Similarly, cooperative and transparent efforts to assess the potential transboundary environmental impacts of a proposed project can build trust (Nordström 2016\*).

Mechanisms for transboundary environmental cooperation and governance are the focus of the sixth part of this book. The four chapters in this part present case studies from Central America (El Salvador, Guatemala, Honduras, and Nicaragua), South America (Ecuador and Peru), Central Asia (Kazakhstan and Kyrgyzstan), and East Africa (the DRC, Rwanda, and Uganda) demonstrating how regional environmental initiatives and transboundary protected areas can support and promote efforts to improve governance in post-conflict regions.

### **Humanitarian and development programming: Mainstreaming environmental considerations and conflict sensitivity**

The final part in this book addresses the problem of integrating consideration of natural resources and the environment into humanitarian and development programming. Historically, humanitarian and development organizations working in conflict-affected settings have focused on their core competencies, ignoring or deprioritizing environmental considerations and conflict dynamics. Ignoring availability of crucial water and other natural resources can lead to shortages, complicating humanitarian assistance, as happened with water and wood in Darfur (Suliman 2011). Similarly, failing to adopt a conflict-sensitive approach to developing natural resources can generate tension and even strife, as happened in the Fadama I project in Nigeria (Ruckstuhl 2016\*).

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International agencies, national governments, and NGOs are beginning to explicitly recognize the importance of considering natural resources when designing and implementing post-conflict humanitarian and development programming. Moreover, the private sector often recognizes the importance of good natural resource governance for creating an attractive investment climate in post-conflict countries. In most cases, the priority is on (1) being aware about how natural resource availability, dynamics, and governance could affect their programming, (2) being aware of how their programming could affect natural resource governance, and (3) seeking to avoid actions that create subsequent environmental problems (such as siting camps for displaced persons in areas without adequate water) or exacerbate conflict.

The six chapters in this part trace the evolution of mainstreaming consideration of natural resources and the environment into policies of institutions working in conflict-affected settings, as well as the development of conflict-sensitive approaches. The chapters draw upon case studies of experiences in Armenia, Azerbaijan, Colombia, the DRC, Georgia, Indonesia, Mozambique, Namibia, Nepal, Nigeria, Rwanda, Sri Lanka, and Uganda. They include examples of innovative projects that focus on natural resource management as a tool for development and peacebuilding, as well as examples of what can happen when projects fail to consider natural resource governance dynamics and deliver projects in a conflict-sensitive way.

### **CROSSCUTTING THEMES**

Five themes recur throughout this book, cutting across the various chapters and appearing in relation to different sectors, different countries, and different contexts. While they are not the focus of any particular part of the book, they are critical considerations in understanding the role of natural resources in post-conflict peacebuilding, and in developing and implementing effective interventions. The themes include (1) appropriately framing natural resource-related interventions; (2) adaptive governance to account for post-uncertainties; (3) adopting progressive and decentralized approaches to governance; (4) political will and accountability; and (5) transparency and public participation. The final chapter in the book distills lessons across the chapters, places them in the broader literature, and delves into these themes in more detail.

### **Framing natural resource-related interventions**

Governments and institutions engaged in post-conflict peacebuilding confront a staggering array of urgent, competing priorities. They must demobilize combatants; ensure access to food, water, shelter, and medical care for internally displaced persons and returning refugees; establish order; restore critical infrastructure; rebuild basic institutions, services, and governance mechanisms; heal the societal rifts that engendered or emerged from the conflict; and generate economic growth

to sustain these activities, all while maintaining an often fragile peace. Most countries emerging from conflict have extremely limited human, technical, and financial resources to deploy in addressing these priorities, and environmental considerations are often viewed as matters to be addressed later, once peace has been established and consolidated.

The chapters throughout this book emphasize more than the importance of natural resources to security, basic services, livelihoods and economic recovery, governance, and cooperation in a wide variety of circumstances. They also emphasize the importance of framing natural resource interventions by their relevance to specific peacebuilding priorities (Oglethorpe et al. 2016\*). The issue thus is less about choosing between natural resources and other pressing priorities, than about recognizing that the governance, management, and equitable allocation of natural resources is inextricably linked to many of the peacebuilding priorities. Growing awareness of this reality has led to increased mainstreaming of the environment-peace-development linkages into the policy and planning processes of national governments, militaries, international organizations, humanitarian agencies, and business and conservation groups (UNEP 2015a).

### **Adaptive governance**

Governance in the wake of conflict is plagued by complexity, uncertainty, and often profound information asymmetries and gaps. Multifaceted and constantly shifting social, legal, cultural, and environmental dynamics are made more complicated by the impacts of armed conflict, including changes in formal and informal governance structures, loss of environmental and regulatory data, environmental degradation, and demographic changes. This complexity is further exacerbated by emerging environmental problems, such as those associated with climate change.

Restoring governance capacity under these circumstances requires an adaptive approach that acknowledges this complexity, addresses (or at least copes with) information gaps, and ensures the ability to adjust governance strategies to new information and changing contexts (Folke, Hahn, Olsson, and Norberg 2005; USIP and U.S. Army PKSOI 2009). While there are a range of frameworks for adaptive governance,<sup>10</sup> there are commonalities among them. Generally, adaptive governance entails a cyclical process of articulating objectives, conducting an assessment of options, making a policy choice, implementing and monitoring, periodically assessing progress, adapting objectives and periodically repeating the process (Brunner et al. 2005; Rijke et al. 2012).

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<sup>10</sup> Steve Hatfield-Dodds, Rohan Nelson, and David C. Cook define *adaptive governance* as “the evolution of rules and norms that better promote the satisfaction of underlying human needs and preferences given changes in understanding, objectives, and the social, economic and environmental context” (Hatfield-Dodds, Nelson, and Cook 2007, 4).

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Adaptive governance recognizes that governance decisions are made with imperfect information in highly fluid contexts. While this is especially the case in post-conflict countries, this is also the case in countries not affected by conflict. Nevertheless, the greater lack of information and capacity in post-conflict countries makes adaptive governance all the more important for countries recovering from conflict (Nichols, Lujala, and Bruch 2011; Ratner et al. 2013).

Assessment is central to adaptive governance, as it provides an evidence base to inform policy choices (Oglethorpe et al. 2016\*). Assessment tools help decision makers—whether in government, intergovernmental bodies, or NGOs—to understand the specific post-conflict situation and how governance interventions may affect that situation (Jensen and Lonergan 2012). Post-conflict needs assessments, post-conflict environmental assessments, environmental and social impact assessments, and strategic environmental assessments help decision makers to understand the potential impacts of their decisions on different groups within society and on the natural environment. On this basis, they can tailor programs and strategies to the specific social and environmental reality of a particular post-conflict situation.

In addition to the initial assessment, monitoring and periodic assessment processes are essential to improving understanding of the environmental, social, economic, political, and other contexts by continuing to collect information. Monitoring and periodic assessment also help to determine whether policies and other interventions are effective, or if they need to be amended.

### Progressive and decentralized approaches

Effective natural resource governance depends on effective laws and institutions. Where conflict has eroded governance capacity and legitimacy, the process of rebuilding governance capacity can take many years, if not decades. The chapters in this book highlight two key strategies for rebuilding natural resource governance: (1) adopting a progressive and sequential process to governance interventions, and (2) engaging and empowering subnational institutions through decentralization and legal pluralism.

Rebuilding governance is a progressive and iterative process (Nichols and Al Moumin 2016\*). Part of this is due to the sequencing that necessarily happens when there are multiple needs. For example, in Afghanistan, efforts focused initially on establishing the National Environmental Protection Agency and on developing a framework environmental law; work then focused on developing the environmental impact assessment regulation, while building capacity for environmental governance (Bowling and Zaidi 2015). In Liberia, efforts focused initially on reforming the forestry law to ensure that forests went to community, commercial, and conservation uses, and were not used to finance conflict; then attention focused on developing ten core forestry regulations; and subsequent efforts focused on building capacity for implementation and enforcement (Nichols and Goldman 2011; Altman, Nichols, and Woods 2012). Governments may adopt



a progressive approach to offering natural resource concessions, starting with a few limited offerings and then expanding, so that weak or newly established agencies are not overwhelmed at the outset. Progressive measures are also important in engaging with informal water providers. During Angola's civil war, the government had difficulty providing water services, and informal water providers grew (Cain 2014). After the war, the government engaged the informal providers and worked to formalize the sector.

In most countries emerging from conflict, governments have difficulty projecting their authority into rural areas. They often lack sufficient staff, the inadequate transport infrastructure may make it difficult for inspectors and regulators to travel, and there is often lingering mistrust of the government. The limited government presence, however, does not mean that there is a lack of governance. Customary institutions and norms often govern natural resource management; and these customary regimes often enjoy more familiarity and local legitimacy than top-down national statutory regimes. A growing number of countries have sought to engage customary institutions and norms through legal pluralism, providing a structured relationship between statutory, customary, and religious legal regimes (Meinzen-Dick and Pradhan 2016\*; Unruh and Williams 2013; and Sait 2013).

Decentralization of authority to regulate and manage natural resources to local institutions is another means of simultaneously engaging communities in governing resources essential to their wellbeing and strengthening governance capacity and legitimacy (Nichols and Al Moumin 2016\*). Indeed, many countries emerging from conflict have enshrined decentralization as a policy in their post-conflict constitutions. And where national governments lack capacity to resolve disputes over natural resources, more localized approaches can be successful, as seen in the resolution of disputes over land rights in Afghanistan (Stanfield et al. 2013).

There are two key challenges associated with community-level governance of natural resources in post-conflict countries: namely, capacity and potential bias. First, local-level institutions may lack technical capacity both when navigating national standards and regulations and when negotiating with corporations on natural resource concessions. As a result, capacity building at the local and community levels can be as important as—or even more important than—building capacity of central government authorities (Van der Auweraert 2013; Alden Wily 2015). Second, community structures can also marginalize or leave out certain groups, such as ethnic minorities or women, undermining the ultimate legitimacy of such structures (McCarthy and Mustafa 2014; Karuru and Yeung 2016\*). To address potential bias, national laws often prohibit such discrimination and allow people to appeal customary decisions to statutorily mandated courts that apply national law (Nichols and Al Moumin 2016\*; Unruh and Williams 2013).

### **Political will and accountability**

Governance reform is impossible without high-level political will. With the strong incentives for rentseeking associated with high-value natural resources and weakened



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governance, the will to ensure that natural resources and their revenues are sustainably and equitably managed is essential from the earliest stages of peacebuilding. Case study after case study illustrates the ongoing problems of corruption, exploitation, and mismanagement associated with natural resources in post-conflict countries.<sup>11</sup>

Where there is political will and leadership, it is necessary to ensure that it is maintained, including across changes in government administration. This may be done, for example, through mechanisms for ongoing transparency and accountability, such as national-level processes for the Extractive Industries Transparency Initiative (EITI). Where political will does not exist, the question becomes how to constrain corruption and how to provide an incentive for different behavior, particularly on the part of elites. One such approach was the Governance and Economic Management Assistance Program (GEMAP) in Liberia (Hope 2010).

How natural resources and their revenues are governed can substantially influence political will and accountability. For example, when a substantial portion of the government's budget derives from natural resource revenues (rather than tax revenues paid by the citizenry), there can be less accountability to the citizenry (Collier 2010). Weak, vague, or poorly implemented regulations can allow elites to exploit natural resources themselves or gain rents through cancellation and renegotiation of resource exploitation contracts and concessions (Garrett 2016\*). This can lead to a situation where it is in the interest of those in power to keep natural resource governance weak and opaque. In these cases, it is necessary to either adjust the incentives of those in power so that it is in their interest to back reforms, or in extreme circumstance to call for a change in government.

There are several potential mechanisms for increasing accountability and realigning incentives to spur reforms. The most successful examples are when the process is internally driven by government leadership supported through a robust stakeholder dialogue. The international community can encourage reforms and—in the most extreme cases (usually associated with human rights violations)—exert pressure on political elites through sanctions, supply chain mechanisms, or even, in some cases, direct international oversight such as GEMAP in Liberia (Taylor and Davis 2016\*; Mitchell 2012; Grant 2012). Civil society can work with the population to exert pressure from the bottom up. One of the most effective tools for generating and maintaining political will and accountability is transparency.

### Transparency and participation

Transparency and public participation in decision making are essential components of good governance, but they are also key tools for establishing governance

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<sup>11</sup> See, for example, Cheng and Zaum (2016)\*, Yoboué (2016)\*, Garrett (2016)\*, and Gould and Winters (2012).

following conflict, including in the natural resources sector (Epremian, Lujala, and Bruch forthcoming). Key dimensions of transparency in natural resource governance relate to the status of natural resources; potential projects or decisions that could affect natural resources; the flow of revenues from natural resource exploitation; and the environmental, social, economic, and political impacts of natural resource exploitation. Transparency-related provisions may be narrowly tailored, for example addressing payments associated with concessions for extractive industries (provided by the Extractive Industries Transparency Initiative), or they may be more broadly framed as a constitutional right of access to environmental information or a freedom of information law (Rich and Warner 2012; Bruch 2007).

Public participation also improves governance by improving oversight opportunities and empowering diverse voices and perspectives to be involved in governance processes. Participation can be particularly important in empowering marginalized groups that may have different interests and needs, not all of which are immediately visible. In addition, specific groups such as women and indigenous groups may have particular perspectives, strategies, or expertise with regards to natural resources and their management, which can inform the design and implementation of natural resource governance structures. A participatory process for developing laws and institutions—and subsequently in implementing the laws—can help to elicit these different interests and perspectives, and prevent the creation of formal structures that entrench discrimination or inequality.

Together, transparency and public participation can help to ensure that the government is relying on the best available information, is considering an appropriately wide range of options, and engages with its citizenry. They can also help to ensure that decisions regarding natural resources reflect the needs of a broad range of stakeholders, helping to rebuild government legitimacy.

## **CONCLUSION**

Crisis and opportunity. Opportunity and crisis. Out of the horrors of conflict, post-conflict peacebuilding offers an opportunity to rebuild society and to rebuild it in better ways. While rebuilding the roads, water services, and other hard infrastructure is important, the process of rebuilding governance is equally important. The laws, institutions, and capacities of a country determine who has access to which natural resources for their livelihoods, food security, and cultural uses. They determine whether revenues from natural resources will flow to restoring basic services and providing public goods, or if they will be diverted for private gain. They establish whether there are impartial, effective, and legitimate means of resolving disputes over land, water, and other resources, or whether the most effective means of dispute resolution will be violence.

Governance extends well beyond governments. In addition to the national government, key governance institutions include subnational and local government, traditional institutions, religious institutions, the private sector, the military,

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and international actors. In a post-conflict context, in which national governance capacity is often so diminished that it has difficulty governing outside urban population centers, these other institutions can play an unusually prominent role in governance of natural resources. Unfortunately, organized crime and rebel groups can, and too often do, step into the new governance context.

The multipolar, multilevel, and multimodal nature of post-conflict governance of natural resources is both an opportunity and a risk. The other institutions bring resources and capacity, they may offer better ways of governing natural resources, and they may enjoy local legitimacy. They also introduce questions of sovereignty, and the potential for newly introduced governance structures to collapse once international support is withdrawn.

The challenge, then, is to manage the transition from a wartime governance system to a resilient system of good governance. The relationship between good governance, natural resources, and peace is mutually reinforcing.

The transition to good natural resource governance and to a durable peace is a long process. Returning to the example of Liberia which opened this chapter, following a brutal and prolonged civil war in which timber and diamonds provided financing for conflict, Liberia adopted a new law and new regulations, it rebuilt its regulatory institutions, and it built capacity for implementation. In 2012, scandal broke in the forestry sector as it came to light that certain individuals in government illegally granted so-called private use permits to log one-quarter of the country (Global Witness 2012; Waugh and Murombedzi 2016\*). The government cancelled the illegally granted permits, indicted key officials, and—as of the date this book went to press—was seeking to improve its capacity to enforce forestry laws. At the same time, Liberia was also considering a new land law that was years in the making, with questions arising about how the new land law might intersect with the 2006 National Forest Reform Law, the 2009 Community Rights Law, and other laws governing forestry resources.

Some view the process in Liberia with cynicism, noting one problem after another. Others see hope. Liberia has a long legacy of mismanagement of land and other natural resources, and it will take a prolonged effort to rebuild the laws, institutions, and practices at multiple levels so that Liberia's natural heritage is used for the benefit of all.

Reestablishing good governance—or establishing it in the first place—in a post-conflict country takes years. There are often diversions, lapses, and relapses. But with persistence and commitment on the part of the government, civil society, and the international community, it is possible to promote good governance and thereby help to ensure that a country's natural resources are a blessing and not a curse.

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# **PART 1**

## **Frameworks for peace**



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# Introduction

Although noninternational armed conflicts associated with natural resources are more likely to relapse into conflict—and do so twice as quickly (Rustad and Binningsbø 2010)—the United Nations Environment Programme has noted that “fewer than a quarter (26 out of 137) of peace negotiations aiming to resolve conflicts linked to natural resources have addressed resource management mechanisms” (UNEP 2009, 5).

Disputes over natural resources and their associated revenues are a potential source of renewed violence; at the same time, natural resources provide essential and rapidly accessible means for a conflict-affected country to recover and achieve lasting peace and stability. Natural resources provide revenues for reconstruction; the foundation for rebuilding livelihoods and ensuring food and energy security; opportunities for reintegrating excombatants, returning refugees, and internally displaced persons; and the basis for rebuilding and growing the economy. To realize this potential, it is necessary to ensure that natural resources are fairly allocated and appropriately managed—a process that begins with the establishment of a framework for peace.

Peace agreements, the most common frameworks for peace, seek to end conflict and lay a foundation for a durable peace. On the one hand, such agreements have limitations. They do not, for example, necessarily represent the wishes of the whole population, but only those upon which the negotiating parties could agree; nor is membership in a negotiating party typically characterized by inclusiveness. On the other hand, a peace agreement that does not address a specific natural resource or dynamic does not necessarily preclude certain actions: in fact, many measures and strategies implemented in the post-conflict period are not addressed in the peace agreement. That said, including natural resource-related issues in peace agreements can provide an explicit mandate to address them after conflict (sometimes identifying the means), and the simple act of including such issues in the peace agreement can reassure belligerents that issues central to a conflict—such as inequitable land distribution—will be addressed as part of the post-conflict peacebuilding process.

This part of the book examines how incorporating natural resources into peace processes can help frame the proper conditions for a durable peace. In the course of the long and fragile process of peacebuilding, post-conflict countries face an ongoing threat of conflict relapse. The first chapter, “Reducing the Risk of Conflict Recurrence: The Relevance of Natural Resource Management,” examines the risk factors that are most likely to cause war recurrence in post-conflict contexts. According to authors Christian Webersik and Marc Levy, these factors include environmental change, resource scarcity, and dependence on natural resources for revenue—all of which can contribute to conflict relapse if not

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planned for and managed.<sup>1</sup> The authority and legitimacy of the national government and the institutions responsible for allocating and managing natural wealth play a critical role in the transition from war to peace. Webersik and Levy conclude by identifying natural resource policies that may help in designing more effective peacebuilding programs and reducing conflict recurrence.

The next two chapters analyze the role of natural resource provisions in peace agreements ending internal armed conflicts. On the basis of a review of ninety-four peace agreements—concluded in twenty-seven countries, between 1989 and 2004—Simon J. A. Mason, Damiano A. Sguaitamatti, and María del Pilar Ramírez Gröbli explore how natural resource–related provisions have been incorporated into peace agreements and whether they can promote sustainable natural resource management, given the realities of post-conflict contexts. “Stepping Stones to Peace? Natural Resource Provisions in Peace Agreements” presents case studies illustrating how peace agreements in four countries—Guatemala, the Democratic Republic of the Congo, Sierra Leone, and Sudan—dealt with various natural resources (namely, land, lootable resources, and oil). The authors then discuss the implications for policy makers, highlighting (1) the benefits and limitations of including natural resources in peace agreements; (2) the importance of considering noneconomic aspects of natural resources in negotiating peace accords (in particular, justice, security, social concerns, and environmental protection); and (3) challenges and solutions for the implementation of provisions included in peace agreements.

In “Considerations for Determining When to Include Natural Resources in Peace Agreements Ending Internal Armed Conflicts,” Marcia A. Dawes brings a practitioner’s perspective to the discussion of natural resource provisions in peace agreements. Dawes examines the factors that affect the feasibility and impacts of addressing natural resources issues in peace processes. She then analyzes the instruments available to the international community and natural resource practitioners to enhance the inclusion of natural resource provisions in peace agreements, as well as their implementation in the post-conflict period. Dawes offers five scenarios to guide the international community in the selection of natural resource issues to be included in a peace agreement, and presents the best strategies for ensuring inclusion of those issues.

In recognition of their connection to both armed conflict and post-conflict peacebuilding, natural resource issues have been increasingly integrated into peacebuilding strategies. In “Peacebuilding through Natural Resource Management: The UN Peacebuilding Commission’s First Five Years,” Matti Lehtonen explores the country-specific work of the UN Peacebuilding Commission (PBC) in Sierra Leone and the Central African Republic. Lehtonen’s chapter illustrates how the PBC integrated natural resource management issues into its peacebuilding efforts, from initial analysis to design and implementation. He concludes by highlighting

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<sup>1</sup> Other risk factors include poverty, economic inequality, demographic factors, and crime.

lessons and identifying future opportunities for integrating natural resource management into the UN's peacebuilding architecture.

For a peace process to be effective, natural resources may need to be considered long before a peace agreement is signed. In "Preparing for Peace: An Analysis of Darfur, Sudan," Margie Buchanan-Smith and Brendan Bromwich explore sustainable natural resource management in Darfur as a means of laying the groundwork for peace in Sudan, even while the conflict is ongoing. Buchanan-Smith and Bromwich analyze the impact of the conflict on natural resource management, as well as the effect on the environment of the accelerated urbanization that occurred between 2003 and 2009. They then consider the role of the international community, which has struggled to reverse environmental degradation and build peace in Darfur. Drawing from experience in the country, Buchanan-Smith and Bromwich conclude that a dual approach to humanitarian programming is required to address both short-term needs and long-term processes. They argue that dealing with natural resource-related issues during the crisis is critical to achieving long-term peace and recovery in the post-conflict period.

Together, the five chapters in this part emphasize that, when properly managed, natural resources play an important role in both ending conflict and promoting a long-lasting peace and recovery. The chapters propose a range of tailored approaches to capitalizing on the potential value of addressing natural resources in peace agreements: the inclusion of natural resource provisions in peace agreements as a means of promoting sustainable natural resource management; the expansion of peacebuilding programs to natural resource issues; and the integration of natural resource considerations in humanitarian programming during a crisis, even before a peace agreement has been concluded.

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# Reducing the risk of conflict recurrence: The relevance of natural resource management

*Christian Webersik and Marc Levy*

The past few decades have witnessed many tragic cases where armed conflict has reoccurred. Whether these conflicts ended by ceasefire, outright victory, or mediated negotiation, Afghanistan, Angola, Burundi, Cambodia, Chad, the Democratic Republic of the Congo, Indonesia, Liberia, Rwanda, Sierra Leone, Somalia, and Sri Lanka, among others, have all experienced renewed violence. Various quantitative studies now concur that “conflict begets conflict” (Walter 2004). Countries with a history of armed conflict are at a much higher risk of experiencing renewed conflict. The overall aim of this chapter is to survey risk factors of conflict recurrence—those related to natural resources as well as those not directly related to them. Hopefully, this analysis will contribute to a better understanding of why some post-conflict societies experience conflict relapse whereas others remain at peace.

In an effort to help design more effective interventions and to achieve lasting peace, a growing body of research is seeking to identify which risk factors—alone and together—matter most. It has been argued that if underlying characteristics of the society are not addressed in the post-conflict period, the risk of renewed conflict rises. The main risks discussed here are: (1) natural resource dependence; (2) environmental change; (3) poverty and low or declining economic growth; (4) intergroup inequalities; (5) youth bulges; and (6) crime. While some studies have focused on the nature of peace—especially how the original armed conflict

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ended—other studies have focused on the nature of the conflict itself: its length, human casualties, and physical destructiveness—in an effort to explain why some post-conflict countries relapse to conflict. This chapter concludes with a consideration of the role of institutions and the state in the transition from conflict to peace.

### DOES CONFLICT BEGET CONFLICT?

The pillaging of natural resources, such as gems, timber, and oil, is a common characteristic of most conflict economies. High-value natural resources, such as oil and gas, have been associated with civil war onset. As witnessed in Angola and discussed by Philippe Le Billon and Eric Nicholls, access to revenues derived from natural resources generally prolongs conflicts (Le Billon and Nicholls 2007). The availability of high-value natural resources in countries with poorly developed government institutions can lead to rent-seeking,<sup>1</sup> and those who are excluded from the economic benefits may seek secession. While there is a large body of literature on the role of natural resources in causing armed conflict, little is known about the impact of natural resource management on reducing the risk of conflict recurrence.

In some of these recurring cases of conflict, as in Angola in the mid-1990s, the relapsed conflict was a repeat of the old dispute involving the same parties. In others, recurrence entailed an altogether new kind of conflict and different combatants. While the number of intrastate conflicts increased by four from 2005 to 2006, none of these were “new wars”; all occurred in countries with a previous history of armed conflict, as reported by the Uppsala Conflict Data Program/Peace Research Institute Oslo Armed Conflict Dataset (Harbom and Wallensteen 2009).

Numerous studies do, in fact, claim that conflict begets conflict.<sup>2</sup> A World Bank quantitative study written by Paul Collier and Anke Hoeffler has found that “shortly after a conflict, on average, countries face a 50% risk of renewed conflict during the next 5 years” (Collier and Hoeffler 2002, 17). This finding has been frequently cited by many international agencies and by several authoritative sources. It was also cited in former United Nations Secretary-General Kofi Annan’s March 2005 report that set out the priorities for UN reform: “Our record of success in mediating and implementing peace agreements is sadly blemished by some devastating failures...for instance in Angola in 1993 and in Rwanda in 1994. Roughly half of all countries that emerge from war lapse back into

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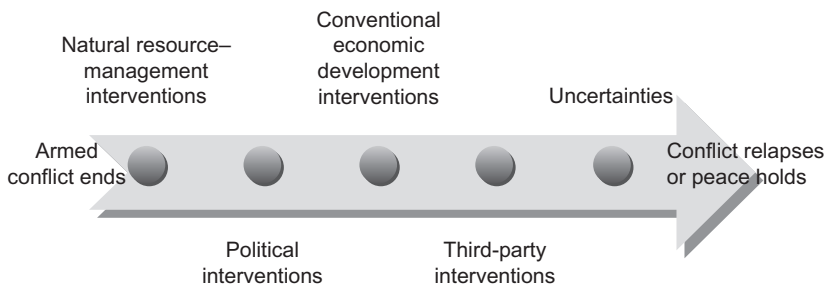
<sup>1</sup> *Rent seeking* occurs when groups or individuals attempt to obtain access to economic benefits without contributing to overall economic production. For additional information on rent seeking, see Collier and Hoeffler (2012).

<sup>2</sup> See, for example, Collier et al. (2003); Collier, Hoeffler, and Söderbom (2006a); and Walter (2004).

violence within five years... [I]f we are going to prevent conflict we must ensure that peace agreements are implemented in a sustained and sustainable manner..." (UNGA 2005, 31). This finding has undoubtedly led peacebuilding actors to be more attentive to the risks of conflict recurrence and to the need for better post-conflict interventions. It also explains why natural resource management has gained new urgency as necessary not just for sustainable development, but also for sustainable peace. Even so, the 50 percent figure creates an illusion of greater empirical certainty regarding the rates of conflict recurrence than is warranted. Subsequent quantitative studies have in fact shown wide variation in the rate of conflict recurrence. Indeed, some of the same researchers have found, subsequently, a lower risk of conflict recurrence. In 2003, Collier and colleagues concluded that countries face a 44 percent chance of civil war recurrence within five years (Collier et al. 2003). By 2006, two additional World Bank studies found an even lower risk of armed conflict recurrence within four years—one citing a 21 percent risk and the other a 23 percent risk—with the chances of recurrence over ten years between 34 percent and 40 percent (Collier, Hoeffler, and Söderbom 2006a, 2006b). Other studies have found the rate of conflict recurrence to be lower still. Based on the same data, but a simpler method of quantification, Astri Suhrke found only a 26 percent rate of conflict recurrence within five years (Suhrke 2007).

Other empirical evidence suggests that as the peace endures, the risks of conflict recurrence are reduced. Collier, Hoeffler, and Måns Söderbom find that the risk of renewed conflict significantly changes over time. In the first four years, the risk is 23 percent but only 17 percent in the subsequent six years (Collier, Hoeffler, and Söderbom 2006a).

While we still have much to learn about civil war recurrence, it is clear that post-conflict countries do face a higher risk of further conflict than developing countries not affected by conflict. Whether the risk increases actually depends on many intervening variables. These variables include, but are not limited to, how post-conflict countries manage their natural resources, both renewable and minerals, so that war-torn societies successfully recover from conflict and move toward peace (see figure 1).



**Figure 1. Flow diagram: From armed conflict to peace**

## WHAT ARE THE RISK FACTORS OF CONFLICT RECURRENCE?

There are various factors that explain recurrence: those related to natural resources (with two variants: root causes and post-conflict natural resource management) and those not related to natural resources (for example, political and security risks). Risk factors related to natural resources focus on whether the terms of peace have addressed the root causes or underlying reasons that led to the outbreak of armed conflict.<sup>3</sup> It has been argued that if these underlying issues are ignored, the risk of renewed violence increases in the post-conflict period. For example, if interethnic discrimination and exclusion from accessing natural resources, or mass poverty, or poor governance leading to the plunder of national resources were factors in the outbreak of armed conflict, then the extent to which a peace accord addresses these issues will determine the risk of conflict recurrence. This approach acknowledges that some of these characteristics are reinforced by the negative legacies of armed conflict and can actually leave groups that are excluded from the peace process even worse off than before.

These explanations extend their focus beyond urgent security and political issues to the risks related to natural resources that may undermine peace. The main risks include natural resource dependence, environmental change, and natural resource scarcity. Since the industrial and service sectors of most post-conflict countries are in their preliminary stage, the economic dependence on forests, water resources, fisheries, and land is greater than in industrialized countries. In a well-managed post-conflict environment, natural resources can help to rebuild a country, as witnessed to some extent in Liberia (Altman, Nichols, and Woods 2012; Beevers 2012). In other cases, challenges to natural resource management, such as unresolved land tenure as experienced in Somalia (Sait 2013), can increase the risk of conflict recurrence.

Other socioeconomic risk factors that do not directly relate to natural resources include poverty and low incomes, intergroup inequalities, demographic factors, and crime, all of which can be root causes of conflict. Studies that seek to understand how these problems impact prospects for sustainable peace and economic recovery are premised on the idea that where conflict-affected populations have low incomes, real or perceived feelings of relative economic deprivation, or little confidence in their new governments to provide economic security and to allocate natural resources in an equitable manner, the risk of disaffected populations taking up arms increases.

But as discussed by Susan Woodward, addressing the root causes of conflict is not sufficient to improve the outcomes and effectiveness of peacemaking interventions (Woodward 2007). Three different explanations have been offered for this: (1) the economic, social, and political transformations wrought by the conflict itself; (2) the political arrangements that can reduce the uncertainty about

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<sup>3</sup> For an in-depth discussion on the issues surrounding the theory, practice, and consequences of reconstruction and peacebuilding after armed conflict, see Paris (2004).

power—in Woodward’s words, “who has it, who has a right to it, how access to it is regulated” (Woodward 2007, 164); and (3) the motivations for intervention by outside actors that have nothing to do with the root causes and will always take priority. In other words, armed conflicts often leave behind conditions that lead to conflict relapse—the so-called conflict trap (Collier et al. 2003). Under this trap, conflicts recur because of the failure to navigate the military, political, social, and economic complexities of war-to-peace transitions, their fragility, and their volatility. This variety of explanations of conflict recurrence focuses not on whether root causes have been resolved, but on how post-conflict conditions may themselves generate renewed conflict (Walter 2004). These studies have argued that the risk elements that initially caused the conflict may not have the same explanatory power to assess the risks of conflict recurrence (Woodward 2007). Michael W. Doyle and Nicholas Sambanis have argued that “the most important conceptual difference between the processes of war onset and duration or recurrence is that war duration or recurrence will be affected by conflict dynamics that are absent from the process of initial war onset” (Doyle and Sambanis 2006, 45).

As Barbara F. Walter has suggested, recurrence of armed conflict may have less to do with the legacies of previous conflicts than with post-conflict incentives for individuals to restart armed rebellions (Walter 2004).

Focusing on security and political variables, Stephen J. Stedman, Donald Rothchild, and Elizabeth M. Cousens have examined the nature of peace—especially how the original war ended (Stedman, Rothchild, and Cousens 2003). Security variables include, among other considerations, the number of belligerent groups, whether the conflict was subnational or national, the relative size of the armies, whether the combatants are backed by neighboring countries, and whether third-party mediation has helped resolve security problems. Most often, studies focusing on the transition to peace ask whether conflicts that end through mediated peace negotiations are more stable than those that end with a clear military victory. For this chapter’s analysis, the key question is whether external peacebuilding interventions improve the prospects of conflict-torn countries. Political variables include the inclusiveness of the peace agreement, the role of peace spoilers, whether underlying political grievances, such as minority exclusion, have been addressed, and whether political processes are more responsive to civil society.

Although security and political variables address root causes of conflict and the nature of peace, other studies focus on the nature of the conflict itself—such as its length, human impacts, and physical destructiveness—in an effort to explain why some post-conflict countries relapse to armed conflicts. Do longer conflicts mean a more fragile peace? Are countries that have experienced armed conflict throughout their territories at greater risk than those where violence is isolated to a specific region?

Finally, most post-conflict societies experience some degree of state failure, which in turn can elevate the risk of renewed conflict. The following sections describe in more detail the various factors that are considered to be the central explanations of conflict recurrence. The first two relate directly to natural resources,

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and the latter four (poverty, intergroup inequalities, demographics, and crime) relate indirectly to natural resource management.

##### Natural resource dependence

Natural resource wealth has been identified as a major risk factor for conflict onset (Collier and Hoeffler 2004a; Fearon 2005; Humphreys 2005; Le Billon 2003; Ross 2004). There is, then, a *prima facie* argument that natural resource wealth also complicates any post-conflict recovery efforts. As discussed by Stedman, and by Le Billon, large resource rents can provide strong incentives for peace spoilers, as they do for corrupt governance (Stedman 1997; Le Billon 2003). This largely applies to high-value natural resources, such as minerals, onshore oil, and gas, and to a lesser extent water and land. As Le Billon and Nicholls point out, non-lootable resources, such as kimberlite diamonds, deep-shaft minerals, and offshore oil, are more difficult to exploit, steal, or extort by rebel forces compared to lootable resources, such as alluvial gems and minerals or timber (Le Billon and Nichols 2007). Therefore, peace spoilers pose a greater risk when lootable resources are involved.

Most important, dependence on natural resource production weakens state structures that redistribute wealth, and the state is thus less able to provide public goods. Weak states, in turn, are at higher risk of civil war (Fearon 2005). This is because states that rely on natural resources for revenue tend to be less democratic; such states need not be accountable to the public because natural resources provide large rents that preclude the need for taxation (Humphreys, Sachs, and Stiglitz 2007). Large resource rents offer the elite population many opportunities to sustain power by distributing their wealth among their supporters (Le Billon 2003). Over the long term, this undermines the government's legitimacy and capacity to foster broad-based economic recovery.<sup>4</sup>

But, by themselves, rent-seeking incentives provided by natural resources for governments and rebels alike are not sufficient to explain conflict recurrence. The composition of the domestic economy seems to play a role. Countries that have a large agricultural sector and relatively small industrial and service sector—irrespective of mineral deposits—are more prone to conflict (Humphreys 2005).<sup>5</sup> Post-conflict countries such as Liberia and Sierra Leone, for example,

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<sup>4</sup> The government does not only lose income, it also faces armed excombatants and potential would-be rebels with little interest in supporting the new government (Cheng 2006). For example, in Liberia, excombatants controlled and benefited from former government-owned rubber plantations.

<sup>5</sup> As Macartan Humphreys points out, "Natural-resource-dependent economies may have weak manufacturing sectors . . . and correspondingly low levels of internal trade. Insofar as internal trade is associated with greater levels of social cohesion and interregional interdependence, the weakness of the manufacturing sector and the fragmentation of an economy into independent enclaves of production may raise conflict risks" (Humphreys 2005, 513).

have not gone through a process of industrialization, and this has generated clusters of agricultural communities with weak commercial ties.

The United Nations Development Programme (UNDP) rightly states that in times of rising global demand for oil and other natural resources, exploration and extraction of natural resources is pushed into post-conflict countries despite the uncertainties and risks involved (UNDP 2008). This can affect the durability of peace. For example, if the large-scale mining industry were to engage in post-conflict Sierra Leone, it could create new jobs and address poverty in the mining areas. On the other hand, it could also exacerbate income disparities which could foster a renewed violence for post-conflict societies. The UNDP report concludes that “natural resource wealth can be a great asset for post-conflict recovery, but it does pose particular challenges for regulation and distribution” (UNDP 2008, 21).

### **Environmental change and natural resource scarcity**

Renewable natural resources, such as water, arable land, or timber, are major sources for economic growth in a large number of post-conflict countries. Most post-conflict countries in sub-Saharan Africa depend on rain-fed agriculture, which constitutes a large percentage of their gross national income. When rainfall patterns change, economic performance changes too. Accordingly, since the fall of the Berlin Wall, an academic and policy debate has emerged regarding the significance of the contribution of environmental factors to conflict and the outbreak of violence. In this respect, Johan Galtung argues that “wars are often over resources” and that the “destruction of the environment may lead to more wars over resources” (Galtung 1982, 99). He suggests that the scarcity of natural resources, as a common source of conflict, has reached new dimensions through environmental degradation.

As early as the 1970s, others began to argue that a shrinking natural resource base eventually leads to violent conflict when renewable resources such as arable land become scarce.<sup>6</sup> They claim that environmental degradation, scarcity of renewable resources, and population pressures are an increasingly important new source of armed conflict, especially in developing countries.<sup>7</sup> This viewpoint continued into the 1980s. For example, the 1987 report of the World Commission for Environment and Development (also known as the Brundtland Commission) contained a passage correlating environmental degradation and conflict, and called

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<sup>6</sup> See, for example, Meadows et al. (1972), Ehrlich (1971), Ehrlich and Harriman (1971), and Ward and Dubos (1972).

<sup>7</sup> Previous research was conducted, for instance, by the Environmental Change and Security Project at the Woodrow Wilson International Center for Scholars in Washington, D.C.; the Environment and Conflicts Project, which was jointly run by the Center for Security Studies and Conflict Research at the Swiss Federal Institute of Technology Zurich; and the Swiss Peace Foundation in Bern and the Global Environmental Change and Human Security Project, University of Victoria, Canada.



for developing an expanded definition of security: “The whole notion of security as traditionally understood in terms of political and military threats to national sovereignty—must be expanded to include the growing impacts of environmental stress—locally, nationally, regionally, and globally” (WCED 1987, para. 86).

By “securitizing” environmental change, researchers and environmental activists alike hoped to attract more attention in the media and the policy world (Levy 1995). There have been several policy studies on the relationship between environmental change and conflict since the Brundtland Commission. As early as 1994, and at the behest of Vice President Al Gore, the Central Intelligence Agency launched the State Failure Task Force to better understand environment-human-security interactions. The subsequent report did not find a direct link between environmental change and state failure or conflict recurrence (Esty et al. 1998). A 1999 report commissioned by the North Atlantic Treaty Organization found that environmental stress could be a “structural source of conflict as well as a catalyst for conflict, or a trigger for conflict” (Lietzmann and Vest 1999, 11). But the report does not support the hypothesis of a strong relationship between environmental stress, scarcity, and conflict. It did note that the alliance “looks increasingly at threats from non-traditional sources” to “include an economic, and to a lesser extent, a social dimension to its conception of security” (Lietzmann and Vest 1999, 9). A report published by the German Advisory Council on Global Change and a report by the German Development Cooperation also incorporate environmental aspects into the concept of security (Carius, Tänzler, and Maas 2008; Schubert et al. 2008). The former argues that “climate change will overstretch the adaptive capacities of many societies. . . . The resulting violence and destabilisation threaten national and international security . . .” (Carius, Tänzler, and Maas 2008, 19).

A range of academic studies that do not have such explicit links with Western policy discussions has developed in parallel. Some are clearly polemical—for example, the often-quoted article by Robert D. Kaplan, “The Coming Anarchy,” argues that population growth, many unemployed youth, scarcity of natural resources, a high disease burden, and crime are “rapidly destroying the social fabric of our planet” (Kaplan 1994, 44). However, several analyses have involved careful statistical work or comparison of a range of case studies (Bächler and Spillmann 1997). In 1998, studies of Mexico, Palestine, and South Africa were carried out (Howard and Homer-Dixon 1996; Kelly and Homer-Dixon 1995; Percival and Homer-Dixon 1998), as well as an examination of Pakistan and Rwanda (Homer-Dixon and Blitt 1998). These case studies, led by Thomas Homer-Dixon, examined the link between environmental scarcity of renewable resources such as cropland, freshwater, forests, and fisheries on the one hand, and violence on the other hand. The key findings of these case studies indicate that resource scarcity can help to generate instability. An indirect causal relationship is identified, while “migration, ethnic tensions, economic disparities, and weak institutions in turn often appear to be the main causes of violence” (Homer-Dixon and Blitt 1998, 223). The core finding of Homer-Dixon and Jessica Blitt

was that civil wars in African countries, such as Rwanda and Somalia after the Cold War, constituted a new global threat: ecoviolence (Homer-Dixon and Blitt 1998).<sup>8</sup> Along these lines, Wenche Hauge and Tanja Ellingsen found a significant impact from deforestation, soil degradation, and freshwater access on political violence (Hauge and Ellingsen 1998).

Other research points to the security implications of climate change (Faris 2007). In 2007, the United Nations Security Council dedicated its 5,663rd debate to the impact of climate change on security (Sindico 2007). Other political hearings and important policy statements include *National Security and the Threat of Climate Change* (also known as the Zinni Report) (CNA Corporation 2007); the testimonies of Adm. (ret.) Lee. F. Gunn (U.S. Navy) and Sharon Burke, vice president of the Center for a New American Security, before the U.S. Senate Foreign Relations Committee (U.S. Senate Committee on Foreign Relations 2009); the U.S. National Intelligence Assessment on the National Security Implications of Global Climate Change to 2030 (Fingar 2008); and the synthesis report from “Climate Change: Global Risks, Challenges and Decisions,” an international scientific congress held in Copenhagen, Denmark, in 2009 (Richardson et al. 2009).

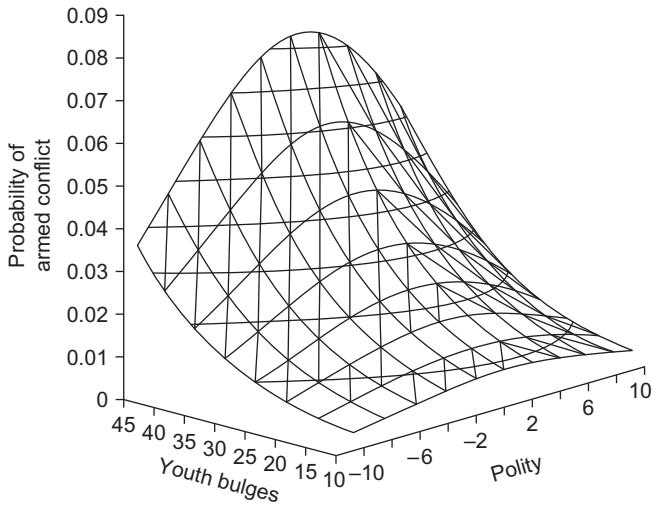
The rationale behind such climate-induced recurrence risk is the following: most post-conflict countries are agrarian and therefore climate sensitive. An analysis of conflict hot spots in 2006 shows that most conflict zones are highly dependent on agricultural production, making them more vulnerable to climatic changes, such as an increase in droughts and floods (Webersik 2010). Floods destroy agricultural land, homes, and infrastructure, whereas droughts mainly disrupt rain-fed agriculture. This can lower economic income and put more stress on already fragile post-conflict societies, undermining their capacity to adapt to environmental change (Buhaug, Gleditsch, and Theisen 2008).

Several policy reports go beyond the risk of internal conflict and project future international security risks. The Zinni Report, signed by eleven retired U.S. generals and admirals, interprets climate change as a threat multiplier with implications for national security (CNA Corporation 2007).<sup>9</sup> If warming of the globe continues, Marshall B. Burke and colleagues project an increase of roughly 54 percent in armed conflict (within and between states) in sub-Saharan Africa, with an additional 393,000 battle deaths by 2030 (Burke et al. 2009). In addition, more droughts, floods, and sea-level rise will lead to an unprecedented number of migrants, argues a report published by Christian Aid (Christian Aid 2007). This same report predicts that up to 1 billion people will be forced to move from 2010 to 2050.

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<sup>8</sup> Homer-Dixon and Blitt’s book is the product of a research program in the field of environmental security and conflict. In this book, researchers from the University of Toronto and the American Association for the Advancement of Science studied the links between environmental scarcity and violent conflict.

<sup>9</sup> A follow-on report, in 2014, framed climate change as a “catalyst for conflict” (CNA Military Advisory Board 2014).



**Figure 2. Association between armed conflict, youth bulges, and regime type**

*Note:* Conflict propensity is highest in so-called anocracies, countries that are neither democratic nor autocratic: +10 on the polity scale indicates fully developed democracies, and -10 on the polity scale indicates consistent autocracies.

*Source:* Urdal (2004).

Other studies are more measured.<sup>10</sup> Ragnhild Nordås and Nils P. Gleditsch of the Peace Research Institute Oslo argue that there are only a few studies that provide evidence that climate change will cause more poverty while lowering rebel recruitment costs (Nordås and Gleditsch 2007). In response to 2009 work by Burke and colleagues, Halvard Buhaug argues that climate variability is a poor predictor of armed conflict, highlighting instead ethnopolitical exclusion, poor economic performance, and the end of the Cold War as drivers of conflict (Buhaug 2010). Most of the reports that make the climate-conflict link are based on assertions rather than rigorous research, lacking empirical foundations (Barnett 2000). Certainly, environmental change will have negative impacts on peoples' livelihoods, but it is not clear to what extent it will heighten the risk of renewed violence. Accordingly, correlations between environmental change, such as temperature increases, and conflict do not necessarily imply causation (Lipschutz 1997). This rigid approach acknowledges environmental change as an important factor in shaping human interactions but is more careful than to equate environmental change with conflict. As Henrik Urdal observes, capturing arable land and livestock is a common cause of localized armed conflict, and there is little evidence that environmental change is sufficient to trigger armed conflict, or conflict relapse (Urdal 2005). Apart from environmental change, when resource-dependent populations grow, they put greater strains on natural resources. Although research shows that a larger youth bulge elevates the conflict risk (see figure 2),

<sup>10</sup> See, for example, Webersik (2010).

more people do not necessarily mean more conflicts, as discussed later in this chapter. Regions with high population growth often need to develop economically in order to overcome natural resource scarcity (Boserup 1981). This is supported by research done in the African drylands, where a greening of the environment was accompanied by population growth (Tiffen, Mortimore, and Gichuki 1994). More often, conflict arises over the distribution of natural resources, and therefore natural resource management is the key factor in deciding if conflict recurs, rather than the degree of absolute availability or scarcity of natural resources per se (Galtung 1980). Most important, other factors, such as the historical framework, global linkages, and the role of outsiders, play a role in the success or failure of post-conflict societies.

### **Poverty and low incomes**

Most post-conflict societies have weakened economies and low-growth figures. Research demonstrates that low per capita incomes elevate the risk of renewed violence (Collier and Hoeffler 2002; Fearon and Laitin 2003; Humphreys and Richards 2005; Nafziger and Auvinen 2000). Poverty or low incomes have a statistically significant impact on most forms of armed conflict, except terrorism (Sambanis 2004). In the context of poor economic performance, rebellions are more feasible and are thus more likely to occur, regardless of individual motives. This may explain the high rate of conflict relapse, especially in poor countries with low rebel recruitment costs (Collier, Hoeffler, and Söderbom 2006a). Wealthier states, on the other hand, are better able to protect assets, thus making violence less attractive for would-be rebels (Humphreys 2003). Similarly, because wealthier states have a functioning government and can collect more taxes, they are better equipped either to pacify or put an end to an armed rebellion (de Soysa 2002).

Accordingly, economic growth in post-conflict countries limits the risk of renewed conflict (Collier and Hoeffler 2002; Fearon and Laitin 2003; Miguel, Satyanath, and Sergenti 2004). Using a benchmark of a 40 percent risk of conflict recurrence, Collier, Hoeffler, and Söderbom find that doubling the initial mean income reduces conflict risk by 9 percent (Collier, Hoeffler, and Söderbom 2006a). In this connection, however, it is important to note that post-conflict countries show great variability in their growth rates. Some grow rapidly, whereas others languish. If a post-conflict country's growth rate remains stagnant over a ten-year period following armed conflict, the country's conflict risk stays high, at approximately 42 percent (Collier, Hoeffler, and Söderbom 2006a). But if its growth rate averages 10 percent over the same period, this reduces the risk of renewed conflict to approximately 27 percent. As a result, post-conflict countries with low incomes—such as Chad, Liberia, and Sri Lanka—are at far greater risk than Kosovo or Lebanon for renewed conflict.

Another study, by Collier, Hoeffler, and Dominic Rohner, demonstrates that the growth rate in the five years prior to conflict—including cases of conflict recurrence—averages negative 0.5 percent (Collier, Hoeffler, and Rohner 2006).

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This is far lower than the average growth of 2 percent in countries at peace. The authors conclude that growth significantly reduces the risk of renewed conflict; if growth rises by one percentage point, the risk of conflict falls by 0.6 percentage points, from 4.7 percent to 4.1 percent. One explanation may be that growth stimulates job creation, thereby reducing grievances and making armed conflict less attractive to would-be combatants. Also, there is a strong link between the legitimacy of post-conflict governments and economic performance and palpable peace dividends. In order for post-conflict governments to enjoy greater popular support, they must ensure that their country's economic recovery is strong, land tenure issues are resolved, and that they are able to deliver essential services to their people.

The capacity for post-conflict governments to generate economic growth, however, may be constrained by the degree of conflict-related destruction. Compelling evidence indicates that less destructive conflicts generate greater post-conflict economic growth. But countries that have experienced the longest and most destructive civil wars register growth rates in the negative double digits for up to six years after conflict ends, yet, their susceptibility to conflict recurrence is debatable (Kang and Meernik 2005).

Natural resources play an important role in economic growth in post-conflict societies. If properly managed, natural resource wealth can contribute to economic recovery and growth. Most important, natural resources form the basis for employment, revenues, and foreign export earnings in the developing world (Repetto 1992). Renewable resources, if looked after correctly, can create long-term economic benefits, argues Achim Steiner, the Executive Director of the UN Environment Programme (Steiner 2009). In terms of nonrenewables, such as minerals and oil, verified auctions can reveal the real value of natural resources, as was done in post-conflict Liberia. Collier provides an example from Britain, where the British Treasury first planned to sell the rights to the 3G mobile phone network for £2 billion but eventually realized £20 billion through a public auction (Collier 2009). In many post-conflict countries, however, overexploitation, corruption, lack of political will, and the involvement of foreign actors can jeopardize the conversion of natural resource wealth into economic wealth for the nation.

### Intergroup inequalities

Most of the literature on inequalities and conflict aims to explain the onset of armed conflict, rather than conflict recurrence. Nevertheless, this literature sheds some light on the relationship between inequality and violent conflict. Much of the discussion on inequality relates to inequality among richer and poorer individuals or households—an issue known as *vertical inequality*. Substantial vertical inequality tends to be associated with high poverty levels, and according to Juha Auvinen and E. Wayne Nafziger, it helps to fuel the strong grievances that the poorer members of society harbor toward the wealthier (Auvinen and Nafziger 1999).

A 1989 survey of more than forty studies found mixed results: some studies showed that vertical inequality was positively correlated with violent conflict, a few found it was negatively correlated, and a number found no relationship (Lichbach 1989).<sup>11</sup> Other econometric studies of vertical inequality and the risk of violent conflict have found no significant relationship between vertical inequality and armed conflict.<sup>12</sup> Similarly, David Lake and Donald Rothchild conclude that grievance generally and vertical inequality in particular play little or no role in causing conflicts (Lake and Rothchild 2003). However, disaggregating types of conflict into disputes between identity groups and “class or revolutionary” wars, Marie Besançon (using country data for the period 1960–2001) finds that a measure of income concentration is negatively related to ethnic conflicts and positively related to revolutionary conflicts (Besançon 2005).

Others have examined the relationship between conflict risk and intergroup inequalities—or *horizontal inequality*—rather than inequalities among individuals. The main difference between horizontal inequality and vertical inequality is that horizontal inequality refers to situations involving a number of individuals with common and significant identity ties (for example, based on ethnicity, religion, gender, or location), while vertical inequality refers to situations involving individuals, regardless of their identity affiliations.<sup>13</sup>

Many case studies have documented the salience of socioeconomic horizontal inequalities in provoking violent conflicts (Cobham 2005; Langer 2005; Nkidumana 2005). Several quantitative cross-country and within-country studies have also found a significant association between the presence of severe socioeconomic horizontal inequalities and the emergence of violent conflict (Mancini 2005; Murshed and Gates 2005).

One study finds that inequalities among ethnic groups showed a consistently positive correlation with political instability across thirty-two sub-Saharan African countries in the 1960s, with the measure of inequality including both a group’s share of political power and its socioeconomic standing (Barlow and Snyder 1993). Gudrun Østby reaches similar conclusions for forty-three developing countries between 1986 and 2001 (Østby 2006). Horizontal inequality has also been calculated in terms of both social and economic variables. The results reveal a sizable correlation between social horizontal inequalities and the likelihood of conflict, where conflict is defined as resulting in twenty-five or more battle deaths.

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<sup>11</sup> It should be noted that the survey includes some horizontal inequality measures among the majority of vertical inequality studies.

<sup>12</sup> This includes Collier and Hoeffler (2004b). For analysis of conflicts between 1960–1999 using both inequality data for income and land, see Fearon and Laitin (2003). For analysis of conflicts between 1963–1999 using income data, see Lazar and Dixon (2006). Each of these studies uses cross-country data, and to some degree, different data sources.

<sup>13</sup> For vertical inequality studies, see among others Auvinen and Nafziger (1999), Collier (2004), and various references in Lichbach (1989). For horizontal inequality studies, see Stewart (2002), Cobham (2005), and Langer (2005).

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The impact of economic horizontal inequality is weaker both in magnitude and statistical significance. According to Østby, the health inequality variable is negatively associated with the probability of conflict incidence, yet not significantly associated with the likelihood of conflict onset.

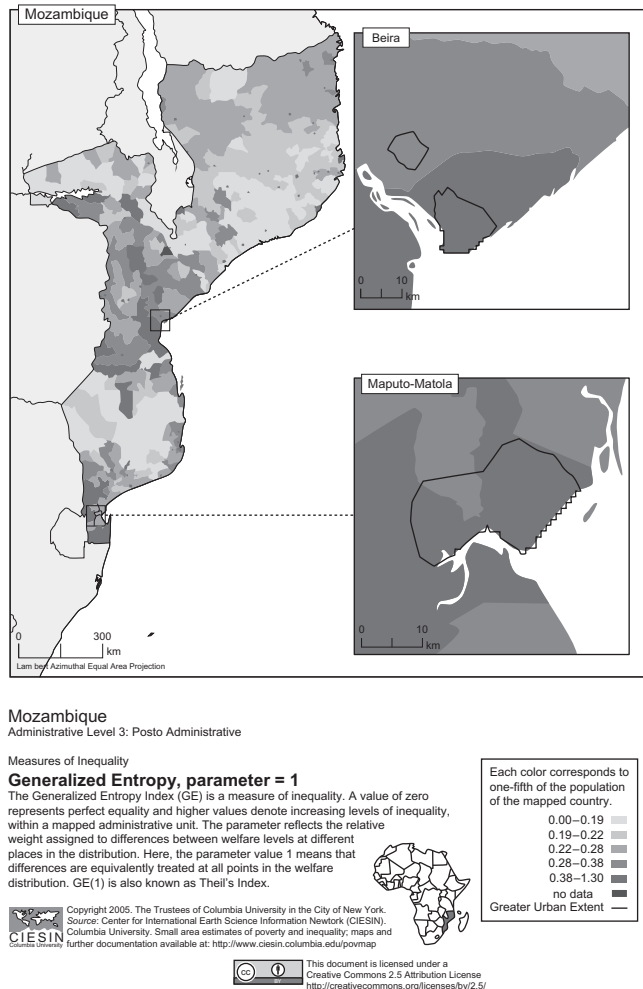
Østby's findings, based on data from fifty-five developing countries from 1986 to 2003, show a significant rise in the probability of conflict across countries where severe social and economic horizontal inequalities exist (Østby 2006). Social horizontal inequalities are measured by average years of education, and economic inequalities are measured by average household assets. The effect of horizontal inequalities on conflict occurrence is high, with the probability of conflict tripling with respect to horizontal inequalities in assets. These assets can include arable land or access and control over other natural resources. Although Østby did not explicitly mention conflict recurrence, it can be assumed that the effect on conflict recurrence is similar.

Studying spatial horizontal inequality in Nepal, S. Mansoob Murshed and Scott Gates find that "horizontal inequalities . . . robustly explain the intensity of the Maoist insurgency" (although not the incidence), with a statistical link between district-level relative poverty and the incidence of violent deaths in that same district (Murshed and Gates 2005, 132).

Whether and when vertical inequalities lead to renewed conflict in post-conflict countries is less understood, as few rigorous studies have been undertaken. The case study evidence provides few general lessons. Tackling horizontal inequalities has been an important element in some peace agreements, without which such commitments would probably not have been made. For example, in the twenty-two-year North-South conflict in Sudan, in which political and economic marginalization was an important element, the peace agreement of 2005 incorporated power-sharing, federalism, and wealth-sharing elements (Cobham 2005; Wennmann 2012). In others, the effort to address such inequalities has had disastrous results. Most notably, the 1993 power-sharing accord between the dominant Tutsi minority and the majority Hutu in Rwanda was designed to correct for previous vertical inequalities yet has been implicated as helping precipitate the genocide that followed. In Mozambique, successful peacebuilding and steady economic recovery was based on giving opposition elites generous political and economic opportunities, yet regional and intergroup inequalities have not only persisted post-conflict, they have grown (Manning 2002; Stewart 2005) (see figure 3).

The risk of renewed conflict posed by horizontal inequalities may depend on how conflict itself transforms inequalities. For instance, when a part of the country successfully secedes along ethnic lines, finding the reason for this depends on whether previously excluded or marginalized groups of these regions benefited economically and politically from peace agreements and their implementation. Further, knowing whether prior injustices associated with real and perceived discrimination were satisfactorily addressed in the post-conflict period can help to understand the risk of renewed conflict (UNDP 2008). Also, the risk may even





**Figure 3. Spatial distribution of inequality in Mozambique**

depend on how the dynamics of intergroup relations are affected by the conditions of post-conflict peacebuilding and development. All of these issues may matter to natural resource management and economic recovery, but there are few reliable analyses to demonstrate how they matter, how much they matter, or under what circumstances.

## Demographic factors

Several studies point to the risk of instability and violent conflict in developing countries whose populations feature a large number of youth, especially young



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men. Indeed, historically, demographic youth bulges have been strongly correlated with conflict and violence (Goldstone 2001). More than a decade ago, Kaplan's controversial prognosis of "the coming anarchy" described young West African men as "loose molecules in a very unstable social fluid, a fluid that was clearly on the verge of igniting" (Kaplan 2000, 5).<sup>14</sup> The conditions he predicted seemed to have materialized, in the 1990s, in the graphic and horrifying media images of Liberian and Sierra Leonean children and teens as the shock troops of armed violence that captured world attention. Indeed, concerns about the destabilizing effects of youth bulges have prompted a new emphasis among international donors to target aid to youth in fragile and conflict-torn countries (Sommers 2006).

The critical question remains whether only the presence of youth bulges heightens the risk of conflict. The fact is that many countries in the developing world have large youth bulges. Poverty, famine, and disease have decimated populations even in the absence of armed conflict. The youth bulge is particularly acute in sub-Saharan Africa; fifteen out of twenty countries with the greatest youth bulges were in Africa as of 2000 (Urdal 2004). Even so, not all of these countries have experienced civil war, including Botswana and Ghana.

According to studies of civil war onset, if unemployment, low schooling rates, and political alienation persist in the post-conflict period, there may be an added potential for youth violence and also a higher risk of conflict recurrence (Collier and Hoeffler 2002; Esty et al. 1998). Looking at the period 1950–2000, large cohorts of fifteen- to twenty-four-year-olds (defined relative to the total adult population in an environment of poor economic opportunity) appeared to increase the propensity toward conflict (Urdal 2006). According to Urdal, countries with more than 35 percent of youth as a percentage of the total population are associated with a 150 percent higher risk of conflict compared to a country with an average age structure of developed countries (see figure 2). As post-conflict economies often struggle with low economic growth and high unemployment, these societies are especially vulnerable to conflict recurrence if job creation fails.

So why are youth bulges associated with violence and armed conflict? It is clear from most studies on youth violence that youth bulges alone are not what matter. Instead, it is the perceived and real socioeconomic and political barriers that young people are confronted with that increase the risk of violence (Humphreys and Weinstein 2004). Young people (including women, but even more so men) are discouraged and disillusioned by the absence of social recognition and the lack of educational and employment opportunities. As argued in UNDP's 2008 report *Post-Conflict Economic Recovery: Enabling Local Ingenuity*, "[t]his leaves them alienated and, in many cases, susceptible to recruitment, whether by rebels or government armies, if only to secure a livelihood" (UNDP 2008, 21).

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<sup>14</sup> See also Samuel P. Huntington's study arguing that the risk of conflict is high when the number of fifteen- to twenty-four-year-olds as a percentage of the total population reaches a critical threshold of 20 percent (Huntington 1996).

The unemployment rate for young people in developing countries is up to three times higher than for adults (UNDP 2006). As a result, youth in developing countries often feel marginalized and excluded from political and economic life. And participating in armed conflict presents an opportunity for economic enrichment and social recognition. Indeed, rebel leaders often lure the young into fighting by offering them better economic and political opportunities in the wake of victory. The opportunity costs for joining a would-be rebel organization are lower in countries where alternative opportunities—approximated by the level of gross domestic product per capita—are less attractive (Collier and Hoeffler 2002).

Economic opportunities, including access to and control of natural resources, such as land and water in subsistence-dominated societies, may be further constrained under autocratic regimes that have closed recruitment processes, which worsen unemployment and frustration (Goldstone 2001). At the same time, migration—which could otherwise act as a safety valve—is restricted by potential host countries. For instance, some 62 percent of young people in Bosnia and Herzegovina would choose to migrate if they had the opportunity, even more than a decade after the end of the Balkan wars (UNDP 2000). Research suggests that opening regional labor markets in developed countries would be a good way to address the youth crisis in Africa and elsewhere (Peters, Richards, and Vlassenroot 2003). But this seems unlikely since, currently, most young people manage to migrate to cities of their own country, and not beyond its borders. On arrival, they find little opportunities for their talents and energy, driving them toward crime and political unrest (UNDP 2000).

## **Crime**

Rates of violent crime have tended to spike in post-conflict situations. According to Collier and Hoeffler, post-conflict homicide rates are 30 percent higher than those in non-conflict areas (Collier and Hoeffler 2004b). A cross-country sample of risk assessments indicates that post-conflict countries tend to experience high levels of risk in the first two years following widespread armed conflict, but that they converge back to the same levels as non-conflict developing countries by the third year of an enduring peace (Chen, Loayza, and Reynal-Querol 2007). This risk index—the International Country Risk Guide, produced by the PRS Group—also includes measures of economic and financial risk, although political risk includes several measures of insecurity and is weighted twice as strongly as economic and financial indicators.<sup>15</sup> El Salvador and Guatemala, for example, experienced record-high levels of criminal violence after their conflicts ended. Their homicide rates in 2005 were at 54.7 per 100,000 and 48.5 per 100,000, respectively, among the highest in the world (Richani 2007). In El Salvador, the

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<sup>15</sup> See [www.prsgroup.com/about-us/our-two-methodologies/icrg](http://www.prsgroup.com/about-us/our-two-methodologies/icrg).

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post-conflict period saw the upsurge of *maras*—gangs of excombatants, especially youth—engaging in crime and other illegal activities (Moser 2004). Yet, there are exceptions. In post-conflict Lebanon, for example, the recorded crime rate was 2.2 per 100,000 in 2004, lower than before the civil war (Richani 2007). However, it should be noted that due to insufficient state capacity and underreporting of crime, accurate statistics are difficult to establish.

Why does crime tend to spike after armed conflict? Beyond the continuity of violence even after ceasefires or any formal end to conflict, excombatants may resort to economic crime after army or rebel movements have been downsized and the security sector reformed. This is partly because of their need for income but also because of their socialization into violence. Furthermore, unemployment, rootlessness, and a lack of trust among migrants are often key contributors to crime.

Crime can also reflect the sustained activities of armed groups and banditry. Two types of criminal activities can be observed in post-conflict countries: (1) violent crime, such as robbery, rape, and murder; and (2) economic and financial crime, such as cross-border corruption and drug trafficking. The connection to natural resources is obvious, especially natural resources that are obstructable, or in other words, lootable. Lootable resources include alluvial gems and minerals, timber, agricultural goods, and on-shore oil.<sup>16</sup> Illegal lootable resources, including all types of drugs, are at great risk of being subject to exploitation, theft, or extortion by would-be rebel forces (Le Billon and Nicholls 2007).

Although there is no evidence that violent crime leads directly to conflict relapse, it certainly weakens the society's capacity to build trust and achieve reconciliation. Organized crime constitutes a more serious problem for peacebuilding as it undermines already weak state institutions and challenges state authority. Achim Wennmann argues that "parallel economies contribute to the undermining of post-conflict peace building by diverting resources away from reconstruction and state-building and by empowering actors with little interest in peace" (Wennmann 2005, 479). Criminal activities tend to involve acts of violence, which increases the likelihood of conflict recurrence. "Conflict entrepreneurs" who benefit from the lack of regulation and law enforcement, and who are not co-opted by the post-conflict regime, will typically opt for violence rather than support political stability (Eide 1997). As a result, powerful individuals involved in organized crime, such as kidnapping or drug trafficking and illicit trade in minerals, gems, and timber, may have vested interests in a country relapsing into conflict (Cornell 2007). In many conflicts, kidnapping, extortion, or the capturing of valuable natural resources take place without political motivation, but instead mainly for their profitability (Malone and Nitzschke 2005).

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<sup>16</sup> Regarding bananas and fish in Somalia, for example, see Webersik and Crawford (2014), Crawford and Brown (2008), and Webersik (2005).

## THE NATURE OF CONFLICT AND PEACE

How the original conflict was fought and the terms of peace also play a role in whether a country remains peaceful. Conflict duration and conflict recurrence appear to be related (Walter 1999). If the conflict was highly destructive and lasted for many years, it is less likely to recur. The explanation is twofold: conflicts that last longer provide more information about the military strength and capability of the parties to the conflict. Uncertainty about the true balance of power is reduced, thus making peace agreements more viable (Smith and Stam 2004). Furthermore, longer-lasting conflicts are usually more destructive than shorter ones and thus reduce military capability, exhaust supplies, lower the morale of combatants, fatigue soldiers, and diminish popular support. But this finding is tempered by the fact that civil wars that result in high casualty rates make conflict recurrence more likely (Mason et al. 2005; Fortna 2003).

Civil wars end in three main ways: (1) outright military victory by one party to the conflict (as in Angola in 2002, or as in Sri Lanka in 2009); (2) the conclusion of a negotiated peace settlement; or (3) attrition (the winding down of major armed conflict in the absence of either a peace agreement or outright victory). Other possibilities include ceasefire agreements or conflicts ending without an observable victory or peace settlement. This is particularly true for low-intensity conflicts, where it is difficult to decide which side “won.” Conflicts in Africa and Asia are especially likely to end without a decisive victory or negotiated peace agreement (Kreutz 2006) (see table 1).

Several studies over the last decade have found that military victories produce a more robust, if less just, peace. One study demonstrates that only 15 percent of armed conflicts ending in victory recur, whereas 50 percent of negotiated settlements break down within five years (Licklider 1995). Another study finds recurrence in even fewer cases: 9 percent for a victory and 44 percent for a negotiated settlement (Mack 2007). Still another study finds that the likelihood of recurrence falls by 70–90 percent if one side is victorious (Fortna 2004). However, this relationship is less clear for cases of the post-Cold War era. Large standard errors make the result insignificant for the post-1989 era. Roy Licklider has found that when armed conflict results from struggles between competing identity groups, 21 percent of the conflicts that end in military victory are

**Table 1. Outcomes of armed conflict by region, 1946–2005**

<i>Region</i>	<i>Victory</i>	<i>Peace agreement</i>	<i>Ceasefire</i>	<i>Other</i>	<i>Total terminated</i>	<i>Ongoing</i>
Africa	38	23	12	44	117	7
Americas	29	7	1	6	43	2
Asia	25	16	17	64	122	15
Europe	10	7	9	12	38	2
Middle East	18	4	8	22	52	5
All regions	120	57	47	148	372	31

*Source:* Kreutz (2006).

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followed by renewed violence, compared with 67 percent of conflicts that end at the negotiating table (Licklider 1995).

Why are military victories less vulnerable to conflict recurrence? One explanation is that victory resolves uncertainty about authority and legitimacy on the part of the losing party (Hartzell 1999). Victories discredit the losing side's organizational and institutional structures, making it more difficult for them to take up arms. By controlling the monopoly of physical force, the victors can repel any opposition uprising. Doyle and Sambanis have concluded that if conflict does recur in such cases, it tends to be short and likely to lead to a decisive victory and longer-lasting peace (Doyle and Sambanis 2006).

Negotiated settlements are often considered an effective means of ending violence and bloodshed. Moreover, such settlements, typically accompanied by disarmament and demobilization arrangements and by political power-sharing mechanisms, can provide the institutional rudiments that allow transitional governments to resolve ongoing disputes more peaceably.

So, why have negotiated settlements been associated with increased risk of conflict relapse? Some speculate that the defeat of an enemy force undermines both the incentive and the capacity for relaunching military operations. Negotiated agreements, in contrast, may serve as tactical steps in preparation for renewed offensives, where actors have not suffered the loss of legitimacy brought about by defeat. Negotiated settlements often create balance-of-power struggles, without any one party being stronger, which can undermine the effectiveness of new governments (Licklider 1995). Alternatively, negotiated settlements may create opposition groups with vested interests that do not surrender power if their future is uncertain.

The patterns of conflict termination have clearly shifted since the end of the Cold War, with implications for the risk of conflict recurrence and the prospects for sustainable peacebuilding (see table 2). From 1945 to 1992, most civil wars

**Table 2. Outcomes of armed conflict, 1946–2005**

	<i>Victory</i>	<i>Peace agreement</i>	<i>Ceasefire</i>	<i>Other</i>	<i>Total terminated</i>	<i>Ongoing</i>
1946–1950	17	3	0	9	29	41
1951–1955	6	4	1	4	15	27
1956–1960	8	5	1	9	23	36
1961–1965	11	4	4	6	25	47
1966–1970	11	3	3	10	27	47
1971–1975	11	4	4	7	26	51
1976–1980	11	1	1	4	17	52
1981–1985	9	1	1	10	21	59
1986–1990	12	4	4	22	42	79
1991–1995	14	14	12	30	70	96
1996–2000	6	7	10	21	44	75
2001–2005	4	7	6	16	33	66
All episodes	120	57	47	148	372	

*Source:* Kreutz (2006).

ended when one warring party achieved victory. Since the end of the Cold War, however, far more conflicts end by negotiated agreements, ceasefires, and other types of conflict termination than by outright military victory (Hartzell 1999). Indeed, nearly one-half of the conflicts that ended since the Cold War concluded at the negotiating table,<sup>17</sup> whereas between 1945 and 1992, only one-quarter of recorded civil wars ended in negotiated settlements (Licklider 1995). This trend may be due to the increasing number of international peacekeeping operations.

At the same time, the salutary role played by international peacekeepers can reduce the risk of conflict recurrence. Multinational peace operations can, for example, provide incentives for conflict parties to cooperate by raising the cost of defection. International peacekeeping interventions have made war-torn countries more stable. Virginia Page Fortna finds that the risk of renewed conflict drops by 32 percent when UN peacekeepers intervene (Fortna 2004). This percentage rises to almost 70 percent in the post-Cold War era, owing to the overall increase in peacekeeping operations. Doyle and Sambanis find that UN peacekeeping missions are most effective for preventing renewed conflict in the first few years (Doyle and Sambanis 2006). The involvement of a third party prevents post-conflict security dilemmas by providing credible guarantees of stability and disarmament (Bellamy and Williams 2005). But peacemaking fails when potential spoilers are not properly anticipated or managed (Stedman, Rothchild, and Cousens 2003).

Often, the case for external intervention rests on two premises, as Jeremy Weinstein explains: (1) failed states cannot emerge from conflict on their own; and (2) intervention is needed to reverse these countries' political and economic decline (Weinstein 2005). Weinstein's investigation questions these premises with a view toward understanding the internal processes of change that lead to successful state building, the conditions under which these internal mechanisms are likely to work, and the lessons to be drawn. He looks at the experiences of Eritrea, Somalia, and Uganda, where varying degrees of autonomous recovery have occurred, and concludes that under some circumstances it may make sense to allow internal mechanisms to operate without interference in order to achieve a locally grown, more representative, and, ultimately, more durable recovery from conflict. He thus argues that the international community should develop a new strategy for ending civil conflicts and rebuilding states that "supports competent, legitimate military actors to help them win and then constrains these victors to prevent authoritarian decay from taking root" (Weinstein 2005, 5). In

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<sup>17</sup> Walter argues in this respect that "[t]he biggest challenge facing civil war opponents at the negotiating table . . . is not how to resolve issues such as land reform, majority rule, or any of the underlying grievances that started the war. These are difficult issues, but they are not the most difficult. The greatest challenge is to design a treaty that convinces the combatants to shed their partisan armies and surrender conquered territory even though such steps will increase their vulnerability and limit their ability to enforce the treaty's other terms" (Walter 1999, 129).

addition, overambitious democratization goals—often set by international actors—can aggravate unresolved disputes or generate fresh tensions while failing to ensure robust institutions of conflict mediation (Paris 2004).

### THE ROLE OF GOVERNANCE AND INSTITUTIONS

Although outcomes differ from one country to another, UNDP's 2008 report argues that post-conflict societies are all at risk to experience some degree of state failure (UNDP 2008). A failed state, or one with malfunctioning institutions, increases the risk of conflict relapse due to the fact that it is unable to provide essential public goods, such as education, health, employment, and, most importantly, security. Natural resources are exploited and plundered in the absence of a functioning government that could protect national assets, such as fisheries or forests, or implement an accepted land tenure system (Webersik 2008).

In some relatively contained conflicts in well-established states—such as the United Kingdom, Indonesia, and Sri Lanka—the state's basic functioning was hardly affected by conflict (UNDP 2008). At the other extreme are countries where conflict brings about the collapse of the state, and no functioning replacement emerges; contemporary Somalia is an example. Somalia is also a good illustration of where the malfunctioning government has led to an overexploitation of natural resources (for example, where the unchecked and unregulated trade in charcoal has led to serious negative environmental consequences) (Webersik and Crawford 2014). In other cases, for example, as seen in contemporary Afghanistan and Iraq, the state may continue to exist when the conflict ends, or a new regime may emerge, but without firm control over the entire territory. In Afghanistan, this has led to a flourishing trade in illegal natural resources, mainly in the production and trade of opium poppy but also in illegal timber.<sup>18</sup>

Post-conflict political outcomes differ according to whether the challenge to state authority is mainly subnational or national. Subnational challenges vary substantially in the extent of the territory they affect. The Indonesian province of Aceh, where a separatist rebellion was brought to an end by the 2005 post-tsunami peace accords, constitutes less than 3 percent of the country's land mass and less than 2 percent of its population, whereas the northern and eastern provinces of Sri Lanka, claimed by Tamil separatists, constitute more than 14 percent of the population. When conflict over territory arises in one part of the country, the remaining territory may be unaffected by violence. Sri Lanka and Uganda, for example, have enjoyed effective policies and economic growth despite protracted conflict.

But in many cases, regional or separatist conflicts result in stalemate, evidenced by the fact that separatist conflicts last, on average, twice as long as other internal conflicts (Stewart and Brown 2009). Moreover, the frequent splintering

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<sup>18</sup> See Sandra S. Nichols and Mishkat Al Moumin, "The Role of Environmental Law in Post-Conflict Peacebuilding," in this book.



of separatist movements complicates the attainment of a complete ceasefire. Witness the Philippines, where the two main separatist groups, the Moro Islamic Liberation Front and the Moro National Liberation Front, have vacillated in their stance toward peace, while smaller splinter groups such as Abu Sayyaf have rejected all moves toward peace (Noble 1981; Turner 2003). In these situations, conflict recurrence is more likely.

Finally, even where conflict ends in some form of partition—whether through formal secession and the formation of a new state, as in Timor Leste, or through *de facto* partition, as in Kosovo—revenge attacks may undermine the authority of the partitioned entity. As Walter explains, the division of territory is likely to lead to new conflicts because “partition serves to signal to other ethnic groups that the government is conciliatory and will likely acquiesce to their own demands for greater self-rule” (Walter 2004, 374). As for conflicts that engulf almost the entire country or where the state has essentially dissolved, a comprehensive victory by a well-organized force, such as in Uganda in 1986, can reestablish state authority and capacity relatively quickly. Thus, in turn, the risk of conflict recurrence is reduced.

Even if states are able to provide public goods, some may be unwilling to implement inclusive and remedial policies, particularly to address the causes of armed conflict (UNDP 2008). Strong post-conflict states may seek to preserve the privileges of particular groups and therefore resist the adoption of sound and inclusive policies, as experienced in Eritrea. Such states may be captured by interest groups—especially in countries with abundant nonrenewable resources—and act violently to divert recovery resources to those who control it. Leaders and parties who see their power and interests threatened by peace emerging from negotiations often resort to violence to undermine the peacemaking (so-called peace spoilers) (Stedman 1997). This also involves natural resources, largely lootable ones, such as timber, minerals, and gems. Angola and Sierra Leone in the 1990s are examples. In Somalia, charcoal, bananas, and fisheries have played an important role in financing militias, thereby obstructing durable peacebuilding efforts (Webersik and Crawford 2014). In these cases, “good” recovery policies were unlikely to bring about the desired outcomes (Englebert 2006; Reno 2000).

The two particularly difficult cases involving post-conflict recovery are those where the state is capable but unwilling and those where the state is incapable. In the first, the government does little to address conflict risks and promote economic recovery and indeed may pursue deliberately exclusionary policies. Côte d’Ivoire has moved increasingly in this direction since the end of the Houphouët-Boigny regime (Langer 2005). In relation to natural resource management, economically, natural resources are often regarded as a “free gift of nature” (Repetto 1992). Consequently, governments give out logging or other exploitation licenses in the post-conflict period without considering the environmental and social costs of, for instance, deforestation or the economic exclusion of parts of the population, such as forest-dependent communities. In the second case, where government capacity is weak, the deployment of international peacekeeping



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troops can support the government's capacity to ensure security, disarmament, and demobilization.

The capacity and authority of the post-conflict regime will ultimately determine if peace prevails. International intervention should be constructive in cases where regimes are moving from authoritarian to democratic rule. Transitions are dangerous: countries in political transition—anocracies—are at highest risk of civil war recurrence when they are neither democratic enough to allow broad-based participation and representation, nor authoritarian enough to suppress opposition groups that are potential peace spoilers (Collier, Hoeffler, and Söderbom 2006a). Autocratic regimes are associated with a lower risk of conflict recurrence as they may have more power to contain violence (see figure 2). Benchmarking the risk of conflict recurrence at 40 percent, ten years after the cessation of conflict, Collier, Hoeffler, and Söderbom find that the risk drops to 24.6 percent if the polity is highly autocratic (Collier, Hoeffler, and Söderbom 2006a). This finding stresses the importance of economic recovery and comprehensive security guarantees in favor of political solutions.

### CONCLUSION

In sum, risk factors that are believed to be important for conflict onset must be addressed in post-conflict societies to avoid conflict recurrence. These are (1) natural resource dependence; (2) environmental change and natural resource scarcity; (3) poverty and low or declining economic growth; (4) intergroup inequalities; (5) youth bulges; and (6) crime.

The nature of the armed conflict and the subsequent peace is important, too. Very destructive and long-lasting conflicts are less likely to recur. Outright victories have a pacifying effect, as seems to be the case in Angola and Sri Lanka. It is important to note that conflicts transform societies and with them the availability of, access to, and control over natural resources. This transformation creates new conflict risks, making the transition from conflict to peace volatile and thus more difficult. Transitions from conflict to peace are dangerous, particularly when societies move from an autocracy to a democracy.

Institutions matter, too, especially in terms of authority and legitimacy over its territory to allocate and distribute a country's natural wealth, even more so in an era of increasing global demand for raw materials and minerals. As much as natural resources—given other intervening social, economic, and institutional circumstances—can increase the risk of conflict recurrence, they can also help a country to recover and to achieve lasting peace and stability.

The risk factors that are closely related to natural resource management are natural resource dependence and, to a lesser extent, environmental change and natural resource scarcity. Natural resource availability is not a sufficient factor to trigger conflict recurrence. Only when groups within the society are excluded politically or economically from access and allocation of natural resources does resource dependence become a risk. Accordingly, the impact of natural resource

management on economic growth is another important variable that influences whether a country lapses back into conflict. Other factors, not directly related to natural resource management, include horizontal inequalities, crime, and the nature of conflict and peace. Yet, natural resources are often at the root of horizontal inequalities (land), crime (opium poppy), and peace agreements (oil in Sudan).

And just as with the broader transition from conflict to peace, transitions in the control and management of natural resources can exacerbate risks of conflict. These risks emerge when societies move from ambiguous property rights to clear property rights; communal property rights to private property rights; plundered resource rents to invested resource rents; or squandered ecosystem services to managed ecosystem services.

Consequently, this chapter offers a number of natural resource policy recommendations to local stakeholders, policy makers, and the international community to make the transition from conflict to peace possible, and to ultimately avoid conflict recurrence. The recommendations include the following:

- To break the resource curse, verified public auctions should be held to reveal the real value of natural resources.
- Resource-sharing arrangements in negotiated settlements need to be monitored and enforced by third parties to ensure durable peace (Le Billon and Nicholls 2007).
- In order to avoid reemergence of rebel groups, dilute lootability of natural resources for rebellion financing.
- Clarify and secure rights of land tenure and resource access.
- Protect against livelihood shocks through drought insurance, precision agriculture, and price protection.
- Introduce adaptive management. This involves the use of policy targets to improve information about what works and what does not. Refine goals in response to new information, and if the goals are lacking, acknowledge the gaps and try to revise the goals accordingly.

Many of these recommendations are echoed, and explored in greater detail, in other chapters of this book. Together, they reflect a growing recognition that the drivers of conflict recurrence, like the origins of conflict, are complex, subtle, and often tightly interwoven. Natural resources are an inextricable part of that fabric. Whether and how they are managed in the post-conflict period contributes not only to the risk of conflict recurrence but to the long-term prospects for peace.

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# Stepping stones to peace? Natural resource provisions in peace agreements

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To what extent can provisions on natural resources in peace agreements be “stepping stones” on the path from violent conflict to post-conflict natural resource management? In an effort to help answer this question, this chapter provides an overview of natural resource provisions in ninety-four peace agreements from twenty-seven countries and regions. It then examines the cases of Guatemala, the Democratic Republic of the Congo (DRC), Sierra Leone, and Sudan in more depth—not as comparative case studies, but to illustrate the diversity of natural resources addressed in peace agreements and the various ways they are addressed. Approximately one-half of these ninety-four peace agreements have provisions on natural resources, twenty-two are of a declaratory nature, and twenty-nine include more specific provisions. Land appears most frequently, followed by water and fisheries, lootable resources, and oil and gas. Analyzing these peace agreements, three implications for policy makers in a post-conflict period stand out.

First, natural resource-related provisions in peace agreements provide an important anchor to refer to in the post-conflict period. They often take local particularities into account, avoiding standardized solutions. They also give valuable clues to how natural resources relate to noneconomic issues, such as power sharing, justice, and culture.

Second, it is not helpful to expect peace agreements to establish permanent mechanisms for post-conflict natural resource management because one must

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recognize the democratic deficit of the parties negotiating peace agreements, and unrealistic expectations can overload the negotiations and thereby prevent an agreement. Furthermore, many management issues can also only be addressed effectively through a regional or global regulatory framework (for example, diamond and oil trade).

Third, implementation is enhanced by specific provisions, continuity and coherence of actors signing and implementing an agreement, tailor-made approaches, a long-term vision for society, a dominance of political over criminal motives of the actors, and sustained support from the international community.

A peace agreement is an imperfect document that lacks democratic legitimacy. It represents a snapshot summary of a much longer process of interdependent decision making (that is, negotiations) between two or more opposing groups. Generally, it is the military fighting strength that brings the opposing groups to the negotiating table, rather than their support in the population and the degree to which they represent the population. A peace agreement represents a set of decisions that the conflicting parties generally do not like, but which they nevertheless can accept. The understanding is that it satisfies the minimal requirements of the parties to the agreement.<sup>1</sup> Moreover, many peace agreements are only partially implemented.<sup>2</sup>

Despite all these drawbacks, more than one-third of all conflicts from 1989–2008 ended through negotiations in a durable way, according to the Uppsala Conflict Data Program (UCDP) (Wallensteen and Eriksson 2009).<sup>3</sup> A peace agreement is often a key document that can help a country torn apart by violent conflict move in a new direction.<sup>4</sup> Rather than being a perfect document, it should be seen as an attempt to get the best out of an extremely difficult, messy, and violent situation. A key advantage of a negotiated agreement is that it is owned by the parties that negotiated it, and is thus more legitimate (even if not democratically legitimate) and sustainable than any solution imposed from the outside. Negotiations and assisted negotiations (such as mediation) are popular precisely because they leave the parties with a high degree of autonomy (Bercovitch 2002).

The aim of this chapter is to examine how natural resources are integrated into peace agreements, and how far such provisions represent a “stepping stone” on the way to peacebuilding and sustainable management of natural resources. The guiding question is, in the trajectory from conflict to peace, what role do natural resources play and how is this role represented in a peace agreement?

To answer this question, the chapter is divided into four sections: The first section discusses the significance of natural resources in peace processes from

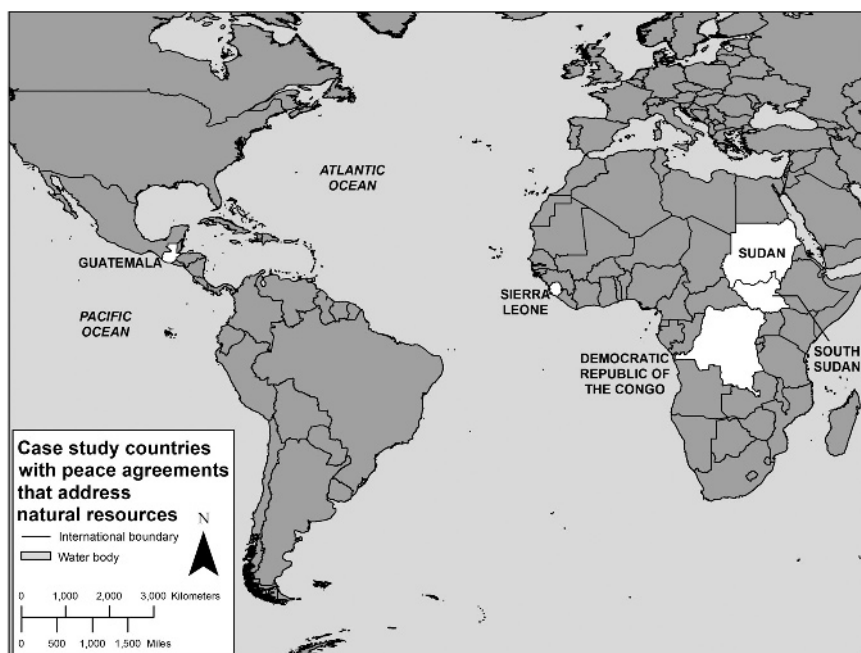
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<sup>1</sup> Robert Weibel mentions “meets at least minimal requirements” as an objective of agreements (Weibel 2007, 7).

<sup>2</sup> According to the Centre for Humanitarian Dialogue, approximately 40 to 50 percent of all peace agreements fail within five years of signing (CHD 2007).

<sup>3</sup> For the purposes of this chapter, *conflict* is defined as an incompatible interaction between two or more actors. In this chapter, the focus is on violent, armed conflict.

<sup>4</sup> The image of a peace agreement creating a “spin” for a society reflects the nonlinear quality of this process (Hottinger 2009b).



*Note:* The Sudan Comprehensive Peace Agreement was adopted before South Sudan became independent.

a conceptual point of view, outlining the issues that will be the focus of the case studies. The second section closely examines a list of peace agreements based on the list of peace agreements in armed conflicts between 1989 and 2004 compiled by Stina Högladh (2006).<sup>5</sup> This list, which was compiled independently of the authors' research, was used to minimize selection bias. The third section considers how land, lootable resources, and oil are dealt with in the peace agreements of Guatemala, DRC, Sierra Leone, and Sudan.<sup>6</sup> The fourth section concludes with a consideration of some implications for policy makers.

## PEACE AGREEMENTS AND NATURAL RESOURCES

Negotiators and mediators often distinguish between the process and the content dimension of a peace process and its ensuing peace agreement.<sup>7</sup> These dimensions

<sup>5</sup> Some peace agreements had to be excluded due to unavailability of the full text or due to the fact that the agreement was not intended to address any substantive issues (e.g., so called process agreements); see Högladh (2006) for the complete list. Three more recent agreements were also included: Burundi (2006 and 2007) and Uganda (2007).

<sup>6</sup> The main selection criterion for these four case studies was to have agreements that dealt with a variety of types of natural resources in the context of a comprehensive peace agreement.

<sup>7</sup> Mediators are accepted third parties that assist negotiators in the peace negotiations. On the importance of the acceptability of the mediator, see Mitchell and Webb (1988).

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are interdependent,<sup>8</sup> yet when one reads a peace agreement, one mainly sees the content dimension—the substantive aspects. But to make sense of the content of a peace agreement, it is essential to have a basic idea of both the process and the context that shaped the content. This helps to explain why, contrary to expectations, some ambiguous and nonspecific peace agreements (such as the Good Friday Agreement in Ireland) were by and large successfully implemented, while other peace agreements that were more clear and specific were only partially implemented.

With respect to process, one can distinguish between the pre-prenegotiations, the prenegotiations,<sup>9</sup> the negotiations, the implementation or interim phase, and the post-conflict phase, in which some sort of “normal” democratic processes should begin to function again, often signaled by holding elections. Peace agreements can be (1) process agreements that clarify who is meeting, when they are meeting, and how they are meeting (via teleconference or physically in same conference room, for example) but do not specify any agreed content; (2) partial agreements, often signed at the end of prenegotiations or early on in the negotiations (such as ceasefire agreements that deal only with aspects of security); and (3) comprehensive peace agreements, often signed at the end of negotiations, that deal with all key topics of the conflict (Höglbladh 2006). While natural resources play a role throughout the peace process, they are most likely to be mentioned in the comprehensive peace agreements.

The litmus test of any agreement occurs during the implementation phase. Jean Arnault differentiates between “constitutive” peace agreements, which place value on the content of the peace agreement as the key factor in making the implementation phase successful (examples include agreements in Guatemala (1996) and Sudan (2005)), and “instrumental” peace agreements, where the agreement is less central and is merely one stage of an entire process, and priority is given to maintaining the momentum of change, even if the agreement is imperfect (examples include agreements in Burundi (2000) and the DRC (2002)) (Arnault 2002).<sup>10</sup> For the actual process of negotiating natural resources, Nicholas Haysom and Sean Kane point out that it often helps to “technicize” the debate and provide all the parties with an equal knowledge base to thereby move away from wishful thinking, finger-pointing, and slogan bashing (Haysom and Kane 2009).

With respect to the content of peace agreements, one can distinguish five broad topics frequently addressed in peace agreements: (1) security issues; (2) governance, power sharing, and institutional issues (including constitutional

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<sup>8</sup> Sara Cobb argues that mediators shape the content by shaping the process (Cobb 1993).

<sup>9</sup> In the pre-prenegotiations, the parties have not yet decided they want to try negotiation. In the prenegotiations, they have decided they want to try negotiations, but have not yet clarified the “who, when, where, and what” (Hottinger 2009b).

<sup>10</sup> For the text of these four agreements, see [https://peaceaccords.nd.edu/site\\_media/media/accords/Guatemala\\_1997\\_CPA\\_and\\_Annexes.pdf](https://peaceaccords.nd.edu/site_media/media/accords/Guatemala_1997_CPA_and_Annexes.pdf); [https://peaceaccords.nd.edu/site\\_media/media/accords/SudanCPA.pdf](https://peaceaccords.nd.edu/site_media/media/accords/SudanCPA.pdf); [https://peaceaccords.nd.edu/site\\_media/media/accords/Arusha\\_Peace\\_Accord\\_.pdf](https://peaceaccords.nd.edu/site_media/media/accords/Arusha_Peace_Accord_.pdf); and <http://www.ucdp.uu.se/gpdatabase/peace/DRC%2020021216.pdf>, respectively

aspects and elections); (3) economic issues and wealth sharing (sometimes including environmental aspects); (4) justice and rule of law (dealing with human rights and past injustices); and (5) social and environmental concerns (culture, education, and sustainability).<sup>11</sup> These topics are interlinked. The disarmament, demobilization, and reintegration (DDR) of former combatants, for example, is usually dealt with in the security clauses. Yet DDR also requires economic resources. Furthermore, DDR may also touch on issues of justice and amnesty. According to the above clusters, natural resources are mentioned in the context of wealth-sharing clauses, as well as in the more general social and environmental clauses.

The recognition of interconnections between process and content, and between different topics within the content, is essential and often only possible by taking a broader view of the actual peace agreement. Three possible linkages between natural resources, conflict, peace processes, and agreements are highlighted below—the first two are largely backward-looking, while the third is more forward-looking.<sup>12</sup>

### **Mismanagement of natural resource causing the conflict**

If natural resources are managed poorly or inequitably, they may give rise to violent conflict.<sup>13</sup> Statistical research seems to indicate that oil is correlated with a greater probability of civil war, secessionist tendencies, and bad governance (Ross 2004a, 2004b). However, there is no deterministic link between the scarcity or abundance of natural resources and conflict. For example, Laurie Nathan highlighted the danger of focusing only on the relationship between natural resource dependence and the onset of civil war (Nathan 2005). The danger is that aggregate country data are used to make sense of micro-level conflict dynamics.

Furthermore, other types of causes of conflict, including structural causes, dynamic causes, catalytic events, actors' decisions and motives, are frequently ignored. Only a multidimensional perspective can trace the complex causal mechanisms of how natural changes, or human-made changes (such as climate change) can lead to pressure on the use of a given natural resource, which then may or may not lead to conflict. Nevertheless, including provisions on natural resources in the peace agreement is a way of trying to deal with one of the possible causes of the conflict. Often conflict over ownership of natural resources

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<sup>11</sup> For another approach to clustering topics or “functions,” see Suhrke, Wimpelmann, and Dawes (2007), which uses (1) security; (2) public administration and governance; (3) justice; (4) economic reform and recovery; (5) political representation and accountability; and (6) post-conflict integration.

<sup>12</sup> See Wennmann (2010).

<sup>13</sup> For an overview of different schools of thought on this issue, see Mason and Muller (2007). Key studies that initiated research on natural resources and economic aspects of civil war include Collier and Hoeffler (2004) and Ross (2004a, 2004b, 2004c); see also Christian Webersik and Marc Levy, “Reducing the Risk of Conflict Recurrence: The Relevance of Natural Resource Management,” in this book.

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blocks agreement on a better management of the resources. According to Haysom and Kane, one way peace agreements can circumvent thorny issues of ownership of natural resources is to explicitly delink it from the question of natural resource management and revenue sharing (Haysom and Kane 2009).

### **Wealth from natural resources prolonging a conflict**

Even if a conflict is not caused by the mismanagement of natural resources, armed actors need funding to sustain their combat. The availability of lootable natural resources especially seems to prolong the duration of armed conflicts; such conflict resources include, for example, cassiterite, cobalt, coltan, copper, diamonds, gold, silver, timber, uranium, and zinc (Ross 2004a, 2004b). Achim Wennmann points out, however, that wealth from natural resources is only one part of the funding of armed groups, and their multiple financing strategies have to be analyzed in order to respond adequately (Wennmann 2007).

Limiting the availability of conflict funding can be a key to bringing the parties to the table, or getting them to move ahead during negotiations. Natural resources may therefore also be an important topic in the peace agreement, even if natural resources were not linked to the original onset of the conflict.

### **Natural resources as an entry point for peacebuilding**

Natural resources may also provide an incentive for peacebuilding across conflict lines. There is a limit to growth of conflict economies. The joint management of natural resources across conflict lines in order to increase profitability can be a step on the road to expanding the limits of conflict economies, building the first, minimal state structures, and supporting bottom-up peacebuilding processes (Hottinger 2009b).<sup>14</sup> The exploitation of oil and gas needs infrastructure that is hard to develop in an extremely violent and unstable situation, providing an incentive for the parties to make peace. The implication for a peace agreement is that it can enhance a forward-looking dynamic, sowing the seeds for a divided society to use natural resources as an entry point to peacebuilding (Suhrke, Wimpelmann, and Dawes 2007).

## **OVERVIEW OF NATURAL RESOURCE PROVISIONS IN PEACE AGREEMENTS**

Natural resources play a significant role in peace agreements. Approximately one-half of the peace agreements analyzed in this chapter make reference to natural resources. However, only approximately one-third of the peace agreements contain clear provisions on natural resources, and another one-quarter mentions natural resources in a declaratory manner, without providing specific details. The remaining half of the agreements do not mention natural resources at all.

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<sup>14</sup> For ideas on how this approach can be pursued in Somalia, see Little (2003).

Among those agreements that do address natural resources, natural resource management is the main concern addressed, followed closely by questions of ownership and revenue sharing. Although they appear less often than management questions, it is nevertheless noteworthy that ownership issues—a tricky matter to resolve—appear in more than one-half of the agreements with natural resource provisions (that is, in approximately one-third of all the peace agreements examined). Land is the most frequently mentioned natural resource, not least because it has different functions, supporting economic, socioeconomic, cultural, and military objectives. Water is also frequently mentioned, in relation to fisheries, drinking water, and boundaries.

According to a study by Astri Suhrke, Torunn Wimpelmann, and Marcia Dawes, security and political power are the topics most frequently addressed in peace agreements (Suhrke, Wimpelmann, and Dawes 2007). In their analysis of twenty-seven peace agreements, eight peace agreements had provisions on land reform or distribution, and five on regional wealth allocations. The overview analysis on which the present study is based, which is summarized in the annex at the end of the chapter, is less comprehensive of all provisions in peace agreements, focusing only on provisions related to natural resources. The number of peace agreements analyzed is also higher because a different categorization of “peace agreement” was used (recognizing that a single peace process often results in more than one peace agreement). Thus, the chapter utilizes a list of ninety-four peace agreements from twenty-five intrastate and two interstate conflicts; this reflects the prevalence of intrastate conflicts in recent decades (Högbladh 2006).

Analysis also included how specific natural resources are addressed, and whether questions of resource management, revenue sharing, or ownership are focused on. Furthermore, we consider whether noneconomic aspects of natural resources are also mentioned.<sup>15</sup>

Of the ninety-four peace agreements, fifty-one (54 percent) made reference to natural resources. Of these fifty-one agreements, twenty-nine (57 percent) had specific provisions that had substantial instructions on natural resource management, revenue sharing, ownership, and economic or noneconomic use of the resource. The other twenty-two agreements were only declaratory texts, without any clear instructions. Table 1 summarizes the frequency with which the reviewed peace agreements addressed various natural resources and aspects of natural resources.

The fact that natural resource provisions often appear in peace agreements does not imply that this automatically translates into natural resource management after the conflict. According to Helga Binningsbø and Siri A. Rustad,

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<sup>15</sup> A note of caution is warranted mainly because there is a subjective element to the way certain provisions were allocated to certain categories, not least of all due to limited background information on the circumstances leading to the inclusion of certain provisions in many peace agreements. Nevertheless, the authors sought to minimize this by having two of the authors (Damiano A. Sguaitamatti and María del Pilar Ramírez Gröbli) of this chapter review the peace agreements independently of one other.



**Table 1. Summary of peace agreements with natural resource–related provisions**

	<i>Number</i>
Agreements reviewed	94
Agreements referring to natural resources	51
With specific provisions	29
With declaratory text	22
Resource management	36
Resource ownership	32
Revenue sharing	12
Provisions address only economic aspects	25
Provisions address economic aspects and environmental protection	9
Provisions address economic aspects and boundaries	5
Provisions address economic aspects and restitution	4
Provisions address economic aspects and compensation	4
Provisions address economic aspects and power sharing	3
Provisions address economic aspects and restoration of infrastructure and cultural heritage	2
Provisions address economic aspects and confidence building	1
With provisions related to land	39
With provisions related to water and fisheries	11
With provisions related to natural resources in general	6
With provisions related to lootable resources (such as coltan, diamonds, and gold)	5
With provisions related to energy, gas, oil, and uranium	4

*Note:* The ninety-four peace agreements reviewed are based on Högladh (2006), plus three more recent ones. A detailed summary of the provisions are in the annex to this chapter.

less than one-quarter of the post-conflict countries between 1946–2006, in which natural resources played a role in the conflict, actually implemented some kind of natural resource management (Binningsbø and Rustad 2008). However, the frequency with which natural resources are mentioned in a peace agreement does give a preliminary idea of their significance in peacemaking, as viewed by the negotiating parties.

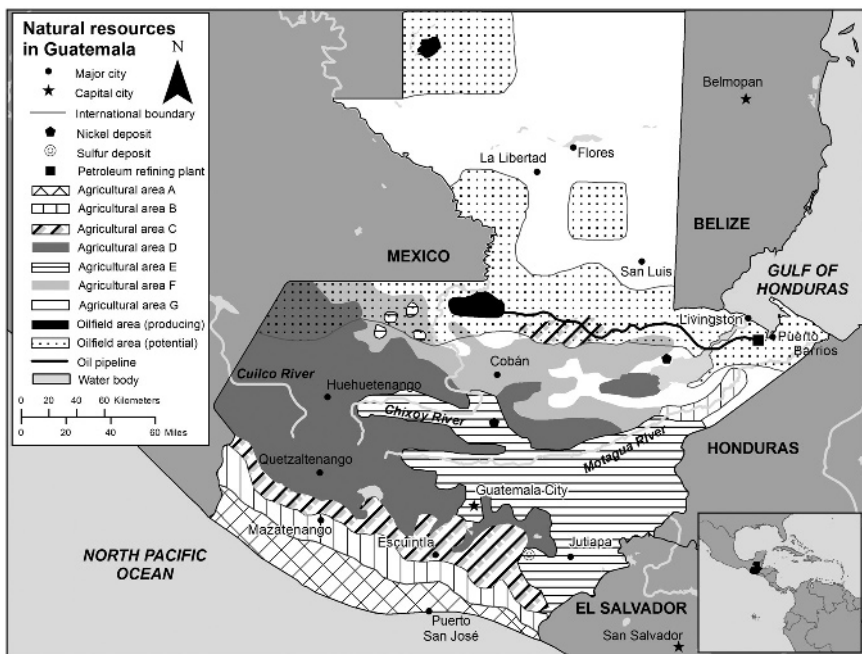
## **INTEGRATING NATURAL RESOURCES IN PEACE AGREEMENTS: CASE STUDIES**

In order to study the complex dynamics of natural resources in a peace process, the authors analyzed four comprehensive peace agreements by first looking at the background, context of the conflict, and negotiation process, and then focusing on the peace agreement. Then the authors addressed the implementation of the provisions, and drew some lessons on the influence of the agreement in the longer peacebuilding process. The cases were not chosen for purposes of direct comparison, as they stem from very different political contexts. Rather, the idea was to illustrate the diversity of natural resources contained in different peace agreements. One agreement chosen focused mainly on land (Guatemala), two on lootable resources (DRC and Sierra Leone), and one on oil (Sudan). It is important to note that although these agreements cover many more issues than just natural

resources, this chapter focuses only on the provisions related to natural resources and how these provisions relate to nonenvironmental issues in the agreement.

### Addressing land issues: Guatemala's 1996 peace accords

The roots of the Guatemalan land conflict go back generations, originating in the practice of the colonial and republican governments to divide up indigenous people's land to reward the loyalty of their supporters. In addition to land, key factors in the Guatemalan civil war were the marginalization of the indigenous population, exclusive political organization of the government, and the lack of



**Figure 1. Natural resources and agricultural areas in Guatemala**

Source: Adapted from MapCruzin (1983).

Notes: Agricultural area A: Principal cotton area; secondary agricultural activities include sugarcane, rice, and bean cultivation, and cattle ranching.

Agricultural area B: Commercial agriculture, including sugarcane, corn, cotton, cocoa, bananas, coffee, and beef.

Agricultural area C: Principal coffee area.

Agricultural area D: Predominantly subsistence agriculture; mostly corn with secondary crops of beans and squash, wheat, potatoes, deciduous fruits, and sheep grazing in higher areas.

Agricultural area E: Principal food-producing area; corn, beans, vegetables, tropical fruits, and beef.

Agricultural area F: Predominantly subsistence agriculture; primarily corn with secondary crops of beans, grains, vegetables, and some coffee.

Agricultural area G: Mostly forested and agriculturally undeveloped; some shifting cultivation, bananas, and abacá in the southeast portion of the area.

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checks and balances on the state security apparatus. During more than three decades of civil war between 1960 and 1996, it is estimated that 180,000 people were killed, 40,000 people “disappeared,” and 100,000 people sought refuge in Mexico (Costello 1997). During the 1950s and 1980s, there were several failed attempts at land reform. Finally, in the early 1990s, due in part to external pressure from the European Union, Mexico, and the United States, and with help from international aid agencies and international financial institutions, negotiations for true land reform moved forward, and the Agreement on Social and Economic Aspects and the Agrarian Situation was signed on May 6, 1996 (Armon, Sieder, and Wilson 1997a).<sup>16</sup>

### *Peace agreement*

The Agreement on Social and Economic Aspects and the Agrarian Situation sought to balance the demands of the Guatemalan National Revolutionary Unit (Unidad Revolucionaria Nacional Guatemalteca, or URNG) to reallocate land resources with the demands of the government negotiators to provide legal certainty for investment and use market mechanisms for reallocating land. One of the main goals stated in the agreement was to set up development projects in the rural area to promote agriculture, fisheries, and forestry. The land registration aimed to strengthen the institutions that could guarantee stability for peasants and indigenous people. Land taxation aimed to promote the use of underutilized land for productive purposes. One of the main elements of the agreement was the creation of a land fund (Fondo de Tierras, or FONTIERRAS)<sup>17</sup> to regulate and grant credit for land purchases.<sup>18</sup> According to chapter III, article 34(a) of the agreement, the fund should “promote the establishment of a transparent land market and will facilitate the updating of land development plans.” The basic idea of the land fund, supported by international donors, was to buy land from the state or on the open market and then facilitate the transfer to beneficiaries through low-interest loans and technical assistance.<sup>19</sup> The agreement did not contain any clauses for expropriating unused or underutilized land (Murga 1997).

The Guatemala business sector was favorable toward the agreement on land issues, and the URNG leadership said it was a significant step toward land reform, even if not definitive. However, the URNG rank and file and various campesino organizations were more critical, such as the National Coordination of Campesino

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<sup>16</sup> For the text of the agreement, see [www.usip.org/sites/default/files/file/resources/collections/peace\\_agreements/guat\\_960506.pdf](http://www.usip.org/sites/default/files/file/resources/collections/peace_agreements/guat_960506.pdf).

<sup>17</sup> The agreement specifies that the government will “[e]stablish a land trust fund within a broad-based banking institution to provide credit and to promote savings” (chap. III.B., art. 34(a)).

<sup>18</sup> Presently, Fondo de Tierras supports farmers and collectivities to buy and to lease land.

<sup>19</sup> Laura Saldivar Tanaka and Hannah Wittman discuss land markets and the establishment of Fondo de Tierras, and explore the role of civil society in shaping the debate over agrarian reform in Guatemala (Tanaka and Wittman 2003).

Organizations (CNOG) and the National Indigenous and Campesino Coordination (CONIC). The CONIC asserted, “These are minimum accords, that do not satisfy Mayan and *campesino* demands, because our positions were not taken into consideration and because (the accord was signed) behind our back” (Murga 1997, 78).

### ***Implementation and impact***

Despite the detailed provisions and support of the international community, the implementation of the Agreement on Social and Economic Aspects and the Agrarian Situation was uneven and slow. The main reasons were the lack of political will of the government of President Alvaro Arzú Irigoyen, the weakness of the URNG (Suhrke, Wimpelmann, and Dawes 2007), and resistance to the reform agenda on the part of the private sector (Wennmann 2009a).

As a state body, the Fondo de Tierras was in charge of the implementation of the market-assisted land reform. According to a study that was coauthored by the CNOG, which was already critical of the agreement when it was signed, the market-assisted land mechanism gave the government an inadequate role, and enabled substantial interference on the part of the banks. Beneficiaries did not take part in the selection of the assistance firms. There were no guarantees that the farmers would receive the infrastructure support needed to make land accessible in terms of location, transportation, water, and other services. The selection of beneficiaries and the land application process did not consider the whole target population, as outlined in the peace agreements. The duration of the application procedures, the search for suitable land according to the Fondo de Tierras requirements, discriminatory practices concerning land assignments for women, and the delays in receiving subsidies obstructed the achievement of the stated goals. Due to the lack of capacity and reliable information on the side of the government and the target public, the provided services were unsuitable to realize the agreed-upon goals and principles.<sup>20</sup>

Other studies were also critical of the agreement’s implementation by the Fondo de Tierras. In 2002, the United Nations Verification Mission in Guatemala (MINUGUA) pointed out that the Fondo de Tierras had not been provided the necessary funds to make sufficient land purchases. By 2001, the fund had entrusted 130 farms to 10,416 families (MINUGUA 2002), which stands in comparison to the estimated 500,000 families that are landless or do not have sufficient land to cover their subsistence (Tanaka and Wittman 2003). Further criticism of a more fundamental nature had already been published before the peace agreement was signed, highlighting that the prerequisites for a market-based land reform to

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<sup>20</sup> There was a lack of information regarding the debt, interest, terms, and conditions to assign efficiently the subsidies to the beneficiaries (Garoz and Gauster 2005). The services offered by the “land market reform” did not offer “incentives to sell unproductive land and even less incentive for redistribution of productive land” (Garoz and Gauster 2005, 25).

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function—including clarity of property rights, transparency of information, or sufficient resources for the campesinos to enter the market—were not provided in the case of Guatemala (Stringer and Lambert 1989).

Local land conflicts and tensions between different communities within Guatemala could also not be adequately addressed by the provisions of the peace agreement. At the local level, there are numerous land conflicts involving trespassing, squatting, inheritance-related disputes, and common property rights. There are indigenous conflict resolution mechanisms, but these often are not adequate when people from outside the respective community are involved. There is a lack of confidence in the national judiciary system to solve land conflicts (Macours 2009). These conflicts include both economic and noneconomic dimensions, as illustrated by the different labels used by different groups. Campesino (Ladino or non-Ladino) is a category related to a social class; in this sense, land acquisition is related to production means. Indio, in contrast, is related to an ethnic category and in this case the land acquisition and land function is also linked to cultural assumptions embedded in their cosmology and ancestral identity.<sup>21</sup> The differences among not only ethnic communities but also economic classes complicate the ability to sufficiently resolve land-related conflicts.

As of 2010, approximately 2 percent of the population owns about 72 percent of the cultivable land areas. In contrast, smallholders constitute 87 percent of farmers, but hold only 15 percent of the arable land (Krznaric 2005; Kurtenbach et al. 2008).<sup>22</sup> Furthermore, the agricultural sector in Guatemala was also negatively affected by the global coffee crisis that began in 2000.

### Lessons

In relation to the general questions stated at the beginning of this chapter, the case of Guatemala illustrates how various attempts to redress land problems failed and contributed to an escalating conflict. This is, thus, an example of mismanagement of natural resources constituting a cause of conflict. While the peace agreement represents a certain degree of balance of interests between the parties involved in the negotiations, in retrospect it seems biased toward government and private-sector interests. Furthermore, it was only partially implemented. There are three key lessons from this experience.

- *External advice and pressure can help a process, but also influences the content.* External pressure by international financial institutions, Mexico, the United Nations, the United States, and other international actors was used to

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<sup>21</sup> Guillermo Bonfil Batalla defines Indio as a “supra-ethnic category” (Bonfil Batalla 1972, 110; translation by authors). The term was adopted to distinguish a new dominated group within the colonial structure in Latin America. At the beginning of the colonial period, Indios were called “naturals.”

<sup>22</sup> A similar figure—3 percent of the population own 70 percent of arable land—is cited in Costello (1997).

move the negotiations forward and, in part, to level the ground between the armed movement and the government. However, it came with a price—the use of market mechanisms for land reform was also shaped by this external input.

- *Market-based land reform only works if certain prerequisites are fulfilled.* Land issues were addressed in the peace agreement with a narrow market-based approach, without providing the campesinos with the prerequisites for a land reform market to function—namely, clarity of property rights, negotiation power, and sufficient funding to enter the market.
- *If the peace agreement fails to adequately recognize noneconomic aspects of land use and provide equity, land-related problems can persist well into the post-conflict period.* The market-based approach to land reform adopted in the peace agreement did not sufficiently consider noneconomic aspects of land, for example, pertaining to perceptions and realities of historical injustice, cultural discrimination, and political strategies of the various actors. The demands during the peace negotiations for greater equality in land distribution were not met, so that unrest and dissatisfaction continued.

### Addressing lootable resources: DRC's 2002 peace agreement

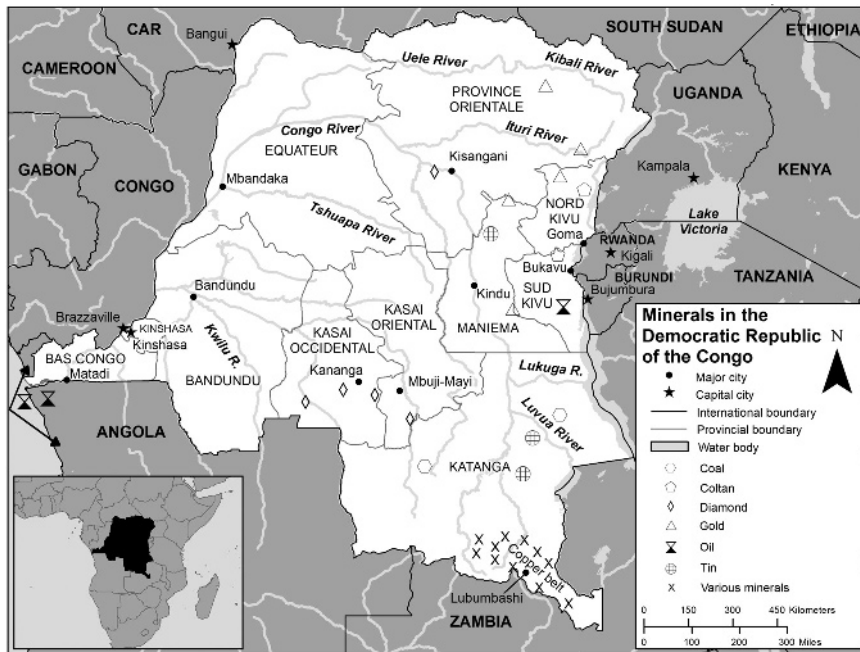
Africa's "World War," otherwise known as the Second Congo War, was the largest war on the continent in terms of casualties and countries involved.<sup>23</sup> It was directly linked to the First Congolese War, which erupted due to a conjuncture of forces, including aspirations of internal and external actors, structural preconditions, and historical fears. From 1981 onward, nationalist policies alienated the population of Rwandan and Burundian descent, most of them with Tutsi affiliation (Willame 1997). In addition, after the 1994 genocide, Rwanda was worried about the huge refugee camps in eastern DRC, hosting tens of thousands of alleged génocidaires. President Mobutu Sese Seko's nationalist policy triggered both internal insurgency and external intervention from Rwanda. Over time, however, control of minerals and other natural resources became a main driving factor of the conflict, determining both internal demands for federalism and external aspirations to permanently occupy parts of the DRC, be it directly or indirectly (ICG 2002; Renault 2005).

In early 2001, the UN Security Council requested investigations by a panel of experts on the illegal exploitation of natural resources in the DRC (UNSC 2000d). The panel delivered several reports in April 2001, May 2002, and October 2002, revealing Rwandan and Ugandan involvement in large-scale looting (UNSC 2001).<sup>24</sup> Increased international pressure on these states and a

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<sup>23</sup> For a detailed account of the war, see Prunier (2009a, 2009b); Lemarchand (2009).

<sup>24</sup> For a discussion of DRC's case against Uganda in the International Court of Justice, see Anne-Cécile Vialle, Carl Bruch, Reinhold Gallmetzer, and Akiva Fishman "Peace through Justice: International Tribunals and Accountability for Wartime Environmental Damage," in this book.



**Figure 2.** Natural resource concessions in the DRC

Source: UNEP (2011).

military stalemate on the ground eventually paved the way for the Inter-Congolese Dialogue.

The list of illegally exploited natural resources includes cassiterite, cobalt, coltan, copper, diamonds, gold, silver, uranium, zinc, and many other minerals, as well as gas, ivory, and oil (Global Witness 2004). The DRC is home to abundant reserves of those minerals, in particular coltan (see figure 2). While the linkage between the prolongation of war and natural resources is amply documented, it is misleading to say that the conflict was caused by natural resources, as the amalgam of regional and national grievances shows (Ross 2004b).

### ***Sun City negotiations and agreement***

The Inter-Congolese Dialogue took place in Sun City, South Africa, from February 25 to April 19, 2002. Additional talks were held in Pretoria, Sun City, and other places to reach agreement on disputed issues and craft a new constitutional order. The most contested issues—power sharing, control of the army, and the state’s structure—were dealt with in the Global and Inclusive Agreement on Transition in the DRC, signed in Pretoria, South Africa, on December 16, 2002. Natural resources, environment, and economy were among those topics on which



negotiating parties could find agreement in Sun City in April 2002. The following considerations focus on the resolutions adopted by the Inter-Congolese Dialogue in Sun City.<sup>25</sup> Out of thirty-six resolutions, four have a link to natural resources and environment:<sup>26</sup>

- Res. No. DIC/CEF/04: Resolution calling for scrutiny to determine the validity of economic and financial agreements signed during the war.
- Res. No. DIC/CHSC/01: Relating to the emergency program in different social sectors.
- Res. No. DIC/CHSC/03: Relating to the emergency program for the environment in the DRC.
- Res. No. DIC/CPR/01: Relating to the restitution of property.

In essence, the Congolese Dialogue decided to screen all the contracts concluded during the two Congolese wars and assess their validity. In addition, the Commission on Humanitarian, Social, and Cultural Affairs highlighted the following priorities: “Restore the transport networks, especially those which serve the agricultural areas, so as to facilitate distribution . . . of agricultural products . . .”;<sup>27</sup> establishment of “an emergency programme for the environment”;<sup>28</sup> a panel of experts on the implementation of this program;<sup>29</sup> and the request for compensation from foreign private companies, Uganda, and Rwanda for damages to the environment.<sup>30</sup> There was no specific reference to lootable or other resources.

### ***Implementation and impact***

The resolutions were lengthy and inappropriate for implementation. There is no timescale and only vague designation of responsibilities, such as “the Congolese Authorities” or “the International Community.” As a consequence, most of the recommendations are mere appeals without any binding force. They also left most of the work for the transitional bodies.

Even where a resolution was implemented, the long-term impact is questionable, as the fate of Resolution CEF/04 shows. In 2004, the transitional parliament commissioned a report by a panel of experts, which became known as the Lutundula Report (DRC 2005). The report contained detailed information on

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<sup>25</sup> For analysis of the Inter-Congolese Dialogue, see Bouvier and Bomboko (2004).

<sup>26</sup> The resolutions were drafted by five commissions: (1) Commission on Political and Judiciary; (2) Commission on Economy and Finance; (3) Commission on Humanitarian, Social, and Cultural Affairs; (4) Commission on Defense and Security; and (5) Commission on Peace and Reconciliation.

<sup>27</sup> Res. No. DIC/CHSC/01, para. 7(a)(ii).

<sup>28</sup> Res. No. DIC/CHSC/03, para. 1.

<sup>29</sup> Res. No. DIC/CHSC/03, para. 3.

<sup>30</sup> Res. No. DIC/CHSC/03, paras. 2 and 7.



persons and companies involved in illegal exploitation of natural resources, both within and outside the country. However, the government did not implement the commission's recommendations, deciding instead to conduct its own investigations after the 2006 elections (Global Witness 2007).

Issues of natural resources were closely linked to state structure and power sharing. As mentioned before, political and economic objectives merged during the war, when interventions by all actors became increasingly driven by a "predatory logic" (Renauld 2005). In the peace talks, this logic was reflected by the discussions on the state's structure, where the Congolese Rally for Democracy (backed by Rwanda) opted for federalism, in which the province (governed by pro-Rwandan politicians) would retain 50 percent of the revenues (ICG 2002). In the light of the resource abundance in the Nord-Kivu and Sud-Kivu provinces (see figure 2), this request is of no surprise. Yet, those provinces less endowed with resources would only accept joint central resource and revenue management. The linkage between territory and resources—and the mediation's inability to delink it—was probably an important obstacle to the peace talks.

In the light of this winner-takes-all logic, where those in power—be it in the capital or in the provinces—divide the spoils among themselves, it is not surprising that reports and commissions on the validity of contracts are of little relevance. Likewise, recommendations regarding sustainability and long-term environmental impacts were included in the agreement but have not yet been implemented.

The experiences in the Great Lakes Region are similar to those in West Africa, discussed below, in so far as various conflicts and interests merged into a regional system of conflicts.<sup>31</sup> The regional dimension was taken into account in the peace agreement as well as in the overall peace process. However, the complexity of the system made it difficult to disentangle the various actors entirely. Indeed, the issue of génocidaires in eastern DRC and the economic and political influence of the Rwandan government in the Nord-Kivu and Sud-Kivu provinces remained unresolved until violence broke out again in 2008.

## Lessons

Experiences in trying to address lootable natural resources in eastern DRC highlight five key lessons:

- *The scope of a peace agreement is limited.* Peace agreements are a mirror of how parties envisage a transition from violent conflict to the nonviolent, political management of disputes. In that sense, peace agreements are limited in their scope, and it is unlikely and not necessarily desirable that they shape long-term development and environmental policies, as the resulting nonbinding character might dampen the commitment of the parties and overly restrain the room for maneuver of future democratically legitimized authorities.

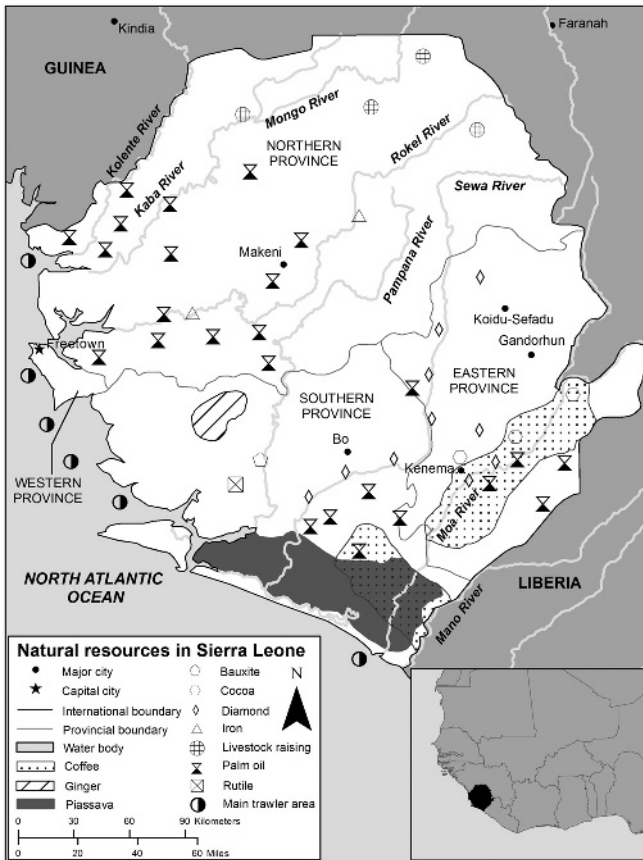
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<sup>31</sup> The term *system of conflicts* was used in Marchal (2002, 5–12 n.88).

- *Resource conflicts, in particular regional ones, must also be dealt with on a global level.* Peace agreements are also limited in their inclusiveness and impact when it comes to regional conflict systems. The United Nations can use expert panels to investigate the multiple linkages between regional and global economic actors and war. It should also provide more assistance to national investigations and apply more pressure on the follow-up to these investigations.
- *Resource disputes are linked to governance and the state's structure.* Sustainable resource management needs to address the relationship between the center and the periphery. Issues of regional autonomy are closely linked to resource ownership and use. However, when resources are distributed unequally throughout the country and there is little trust among the various actors, it is preferable to delink territorial ownership from power sharing and wealth sharing.
- *Center-periphery relations are key to regional and resource conflicts.* The economic development of peripheral areas, their connection to the center, and participation in local and national decision making processes is crucial, in particular when the periphery is rich in natural resources. Marginalized peripheries, like the Nord-Kivu and Sud-Kivu provinces during the 1980s and 1990s, turn to other centers of power and forge cross-border alliances. International and regional bodies should pay particular attention to the development of peripheral areas.
- *Implementation modalities must be included in peace negotiation.* On the one hand, the peace agreement of the DRC would have to be more specific. For instance, it must include a clear implementation matrix (see the Sudan case, below) with detailed responsibilities for actors or the establishment of a clear timeline. On the other hand, post-conflict natural resource management efforts need to begin immediately after the signing of the agreement. Two years were lost in the DRC peace process before the commissioning of a report whose recommendations were not even implemented.

### **Addressing lootable resources: Sierra Leone's 1999 peace agreement**

Sierra Leone, the lowest ranking country on the Human Development Index in 1991 and one of the lowest since then, has witnessed multiple coups and turmoil since independence (UNDP 1991). The 1978 constitution introduces one-party rule under the All People Congress Party. In the 1990s, the country was drawn into a regional system of conflicts (Marchal 2002). In 1991, Foday Sankoh's Revolutionary United Front (RUF) started their struggle against the government of Sierra Leone (GOSL) with the support of regional actors, such as Libya, Burkina Faso, and Charles Taylor's National Patriotic Front of Liberia (NPFL). The RUF's brutality forced hundreds of thousands of civilians into neighboring Guinea. While regional allies of the GOSL (mainly Nigeria) immediately sent a peacekeeping force (Economic Community of West African States Monitoring Group, or ECOMOG), the army leadership reacted by seizing power and propping



**Figure 3. Natural resources in Sierra Leone**

Source: MapCruzin (1969).

up its capacity with a private military company (Executive Outcomes), which stabilized the country to some extent (ICG 2001).

Elections were held in 1996, from which Ahmad Tejan Kabbah emerged as the winner. In the same year, Kabbah—with the help of attacks by Executive Outcomes on RUF bases—forced the RUF to sign the Abidjan Peace Agreement.<sup>32</sup> Shortly after Executive Outcomes' departure from Sierra Leone, intense fighting resumed. While the RUF hampered the deployment of UN peacekeepers, the Sierra Leonean Army took the opportunity to topple the Kabbah government and replace it with the Armed Forces Revolutionary Council (AFRC) in 1997. The AFRC invited the RUF to join the government. Only massive external

<sup>32</sup> Peace Agreement between the Government of the Republic of Sierra Leone and the Revolutionary United Front of Sierra Leon (RUF/SL), November 30, 1996, [www.ucdp.uu.se/gpdatabase/peace/SiL%2019961130.pdf](http://www.ucdp.uu.se/gpdatabase/peace/SiL%2019961130.pdf).

intervention, involving Nigerian ECOMOG troops in 1998, the deployment of the UN peacekeeping force (UN Mission in Sierra Leone, or UNAMSIL) in 1999, and British troops in 2000 were able to reinstall the Kabbah government and force the RUF and AFRC out of Freetown (BBC 1998; BBC 2000). In 1999, the Kabbah government eventually engaged in negotiations with the RUF and AFRC leading to the Lomé Peace Agreement.<sup>33</sup>

During the conflict, trade in diamonds became an appealing source of revenue for both soldiers and rebels. As a result, most armed actors, including some Nigerian ECOMOG troops, had little interest in peace (ICG 2001). As a consequence, scholars have described economic incentives as a major driving force of the conflict (Collier 2007). Research suggests that gems tend to influence the duration of war rather than the initial outbreak (Ross 2004b). The case of Sierra Leone is an exception in this respect, as it is part of a regional conflict system, in which any statement regarding the outbreak of the war must be put in the context of neighboring wars (Ross 2004b). Sierra Leonean gems were decisive for starting the war, among other factors, and they were instrumental to the continuation of the armed struggle in Liberia.

In addition to economic incentives, structural causes and catalysts of violent behavior were linked to political and social marginalization, as well as decade-long bad governance and corruption (Marchal 2002).

### ***Lomé negotiations and agreement***

The Lomé negotiations took place between the government and the RUF, including the AFRC, from April to July 1999. The resulting agreement comprises eight parts, addressing security, political, humanitarian, and economic issues among others. The main provisions regarding natural resources are found in Part Two (on governance), article VII, providing for the establishment of a Commission for the Management of Strategic Resources, National Reconstruction, and Development (CMRRD). The commission would be governed by a board, which comprised two representatives each from the government, from other political parties, and from the RUF, respectively; and three representatives of civil society—for a total of nine members. RUF leader Sankoh was offered the board's chairmanship (as well as the country's vice presidency). The CMRRD was granted authority over licensing the exploitation, export, sale, and artisanal production of diamonds; security of the mining areas; and management of the transactions on a special treasury account.

In essence, the Lomé Agreement bought military peace by granting important political and economic positions to warlords (ICG 2001; Hayner 2007). The agreement was an "open invitation for warlords to enjoy the spoils of office in

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<sup>33</sup> Peace Agreement between the Government of the Republic of Sierra Leone and the Revolutionary United Front of Sierra Leone, July 7, 1999, [http://peacemaker.un.org/sites/peacemaker.un.org/files/SL\\_990707\\_LomePeaceAgreement.pdf](http://peacemaker.un.org/sites/peacemaker.un.org/files/SL_990707_LomePeaceAgreement.pdf).

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a giant jumble sale of the national wares” (Adebajo 2002, 99), including the country’s most important sources of revenue: gold and diamonds.

### *Implementation and impact*

Both before and after the negotiations, Freetown was the scene of intense fighting between RUF/AFRC and ECOMOG troops. Despite a clear commitment for a strong ECOMOG and UNAMSIL presence to enforce the agreement, the RUF continued to threaten the UN and Nigerian ECOMOG presence in Sierra Leone to the point that 500 peacekeepers were abducted in May 2000. A series of UN Security Council Resolutions illustrate the deteriorating security situation in Sierra Leone after the Lomé process (UNSC 2000a, 2000b, 2000c). Resolution 1306 explicitly links the security situation with the trade in diamonds and requests an immediate embargo on all diamonds from Sierra Leone as well as the establishment of an “effective Certificate of Origin regime” (UNSC 2000c, paras. 2 and 3).

As a consequence of the volatile security situation, the implementation of all political aspects of the Lomé Agreement (including governance) was stalled. According to the panel of experts mandated by the Security Council, the CMRRD never met during Sankoh’s chairmanship (Bright 2000, 39). Sankoh simply “ignored his appointment” and continued to fund his movement through the diamond trade with a quasi-official blessing (Bright 2000, 39). In addition to Sankoh’s lack of commitment to the Lomé provisions, the agreement failed to recognize the global and regional implications of the diamond trade. The panel of experts thus requested the adoption of a global certification regime and an immediate embargo on all Liberian diamonds.<sup>34</sup>

### *Lessons*

Revenues from diamond mining are the most important source of foreign currency for Sierra Leone, accounting for 90 percent of the country’s exports (D4D 2006). Reserves of thirty million carats are estimated, but only five million are explored. Before the war, Sierra Leone produced around 2.5 million carats (\$330 million) a year, dropping to \$1.2 million in 1999. Production is slowly recovering, reaching \$141 million in 2007. According to *The Economist*, diamond reserves in Sierra Leone are dwindling, and it is unlikely production will ever reach the level before the war (*Economist* 2009; USAID 2001). Still, diamonds remain one of the only sources of income in one of the poorest countries of the world.

Sankoh sought to secure control over the diamond mining areas his troops were occupying during the negotiations. The CMRRD provisions in the Lomé

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<sup>34</sup> Ultimately, the Kimberley Process Certification Scheme was established to address concerns of conflict diamonds, especially from Sierra Leone and Liberia. For analyses of the Kimberley Process, see Grant (2012), Wright (2012), Bone (2012), and Mitchell (2012).

Agreement reflected the balance of power in the field. However, once the RUF units were either defeated or demobilized after May 2000, and the regular army slowly regained control over the entire territory, the CMRRD lost its *raison d'être*. Hence, the Ministry of Mines regained all its prerogatives (USAID 2001).

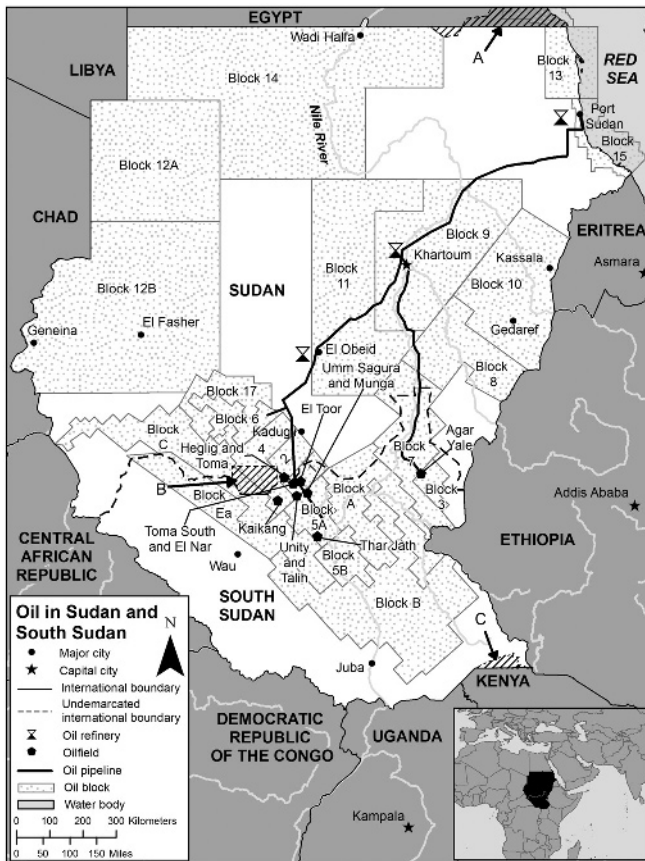
The agreement, and in particular the clauses on natural resources, were probably never meant to be properly implemented. Rather, article VII seems to be a way to buy the temporary domestication of an unpredictable rebel leader, while at the same time hoping for a shift in military power. As a consequence, there was no link to longer term institutional and political reforms. The CMRRD was a tailor-made body for Sankoh outside the country's regular institutions.

There are three key lessons from experiences in Sierra Leone:

- *Economic trade-offs can be problematic.* Governments are often tempted to buy peace by promising government posts to rebel leaders that are linked with important economic benefits. These types of trade-offs can be problematic, as they were in Sierra Leone. First, they create an incentive structure that fuels armed struggle, as it becomes a significant way to access the country's resource revenues (Mehler 2008). Second, such agreements generally are not sustainable if they are not integrated into a long-term vision of society. However, it is important to note that peace agreements are not necessarily the ultimate goal of peace negotiations nor the only cause of successful long-term peacebuilding and development. As Sierra Leone's experience shows, their provisions are at best a snapshot of a society's power balance and a struggle with its past. In some cases, such as Sierra Leone or Afghanistan, temporary solutions co-opting the "outlaws" might be the only possible way forward at a given moment (Wennmann 2009b).
- *Peacebuilding efforts need to account for the regional and global dimensions of natural resource trade.* Experiences in both the DRC and Sierra Leone highlight the fact that it is essential to differentiate between what aspects of natural resource management can be managed nationally, and what must be managed regionally or even globally. For example, illicit diamond trading has to be managed at all levels if it is to be successfully controlled. The peace agreement in Sierra Leone focused on diamond trade and management inside the country (through a special body to be established and presided over by Sankoh, the leader of the major armed rebel group); it did not consider the regional implications of trade and conflict.
- *Regional actors are key to sustainable peace agreements.* Regional actors can be part of the negotiations (like Nigeria in the Sierra Leone negotiations), but they rarely agree to be bound by provisions in a peace agreement. As a consequence, intergovernmental sub-regional bodies should be enabled to support peace negotiations based on a comprehensive long-term vision of regional development. They must not yield to the temptation to look for a quick fix, which is particularly strong when natural resources provide an easy means to buy the immediate acceptance of an agreement by all parties.

### Addressing oil: Sudan's 2005 Comprehensive Peace Agreement

The war between North and South Sudan cost the lives of some two million people, and the displacement of more than four million people. One of the root causes of the conflict lay in the segregation of the South from the North, dating to before independence in 1956 (Salman 2013).<sup>35</sup> Factors driving the conflict included unequal socioeconomic development, the lack of power sharing between the center (Khartoum) and periphery, and competition over the control of resources (including land, oil, and water). Of particular importance were key oil fields found in contested areas in southern Sudan (including in Abyei) (see figure 4).



**Figure 4. Oil resources and infrastructure in Sudan and South Sudan**

Source: UNEP (2006).

<sup>35</sup> South Sudan became an independent country on July 9, 2011 following a referendum held in January 2011.



The peace process took nearly three years of full-time negotiations between the government of Sudan (GOS) and the Sudan People's Liberation Movement/Army (SPLM/A) based in the South. The negotiations were mediated by the Intergovernmental Authority on Development (IGAD). Key issues in the negotiations were the relationship between religion and state, security arrangements, power sharing, wealth sharing, social issues (such as justice), and the three contested areas (Abyei, Blue Nile Hills, and the Nuba mountains). It seems that the SPLM/A negotiated the Comprehensive Peace Agreement (CPA) with the interest of ending the war and reforming the GOS, while keeping the option for independence if reform failed, while the GOS negotiated to end the war and maintain power without substantial government reform.

Due to the complexity of issues negotiated in the process (for example, on petroleum exploitation and economics), experts were called in to build the capacity of both parties. Only with sufficient technical knowledge could the parties adequately negotiate the substance of the CPA.<sup>36</sup>

### ***Peace agreement***

This section starts by examining the sequence in which various protocols comprising the CPA were signed, then focuses on the environmental aspects in the wealth-sharing protocol.

On January 9, 2005, the SPLM/A and the GOS signed the CPA. The CPA consists of the framework, the Machakos Protocol (signed July 20, 2002), the Protocol on Security Arrangements (signed September 25, 2003), the Protocol on Wealth Sharing (signed January 7, 2004), the Protocol on Power Sharing (signed May 26, 2004), the protocol on the Resolution of Conflict in Southern Kordofan and Blue Nile (signed May 26, 2004), and the Protocol on the Resolution of Abyei (signed May 26, 2004).<sup>37</sup> As Lazaro Sumbeiywo explains, the time between May 2004 and the final signing of the CPA was spent in negotiating the implementation mechanisms, as other agreements had failed due to the lack of clarity regarding implementation (Sumbeiywo 2009). Security, power sharing, and the Abyei region were the toughest issues in the negotiations. It is noteworthy how these difficult issues were spaced throughout the negotiations. Key guiding principles concerning these issues were outlined in the Machakos Protocol. Subsequent negotiations were used to fill in this framework and to hash out the details. There is no golden rule on when to negotiate the back breakers; one approach is to take it up when some confidence has been built, but then like a hot potato, put it down again if there is no movement, only to take it up later (Hottinger 2009a).

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<sup>36</sup> For more on the conflict and process, see de Waal (1990); Rogier (2005); Suliman (1999); Mason (2008); Wennmann (2009c).

<sup>37</sup> The full text of the CPA and the protocols are available at <http://unmis.unmissions.org/Portals/UNMIS/Documents/General/cpa-en.pdf>.



What is the role of natural resources in the CPA? The Protocol on Wealth Sharing can be broadly divided into clauses directly related to natural resource management (land and oil), and those dealing with other aspects of wealth (such as taxation, equalization and allocation of revenues collected, the question of fiscal monitoring, division of government assets, accounting standards, the dual banking system, or the financing of the transition period). The focus of this chapter is primarily on natural resource management—even if this is closely linked to questions of taxation and allocation of revenues.

The key principles of the Protocol on Wealth Sharing were shaped by the aim of power sharing, even if the Protocol on Power Sharing was not yet signed. For example, article 1.2 of the CPA states: “The wealth of Sudan shall be shared equitably so as to enable each level of government to discharge its legal and constitutional responsibilities and duties.” Article 1.8 expands: “That revenue sharing should reflect a commitment to devolution of power and decentralisation of decision-making in regard to development, service delivery and governance.” Concerning the question of the relationship between power sharing and wealth sharing, therefore, the CPA seems to give power sharing a higher priority. Political power without wealth, however, is useless.<sup>38</sup>

Land and oil were dealt with differently in the CPA. Article 2.1 stipulates that “this Agreement is not intended to address the ownership of those resources (i.e., land and subterranean natural resources). The Parties agree to establish a process to resolve this issue.” While the process and even various rates and allocation percentages for sharing the wealth from subterranean natural resources were outlined in the CPA, the process of dealing with land issues was not directly addressed. Rather, a National Land Commission and a Southern Sudan Land Commission were to be set up, and the agreement outlines various functions of these commissions. As seen in article 2.6.1, a key function, for example, was for the commission to “arbitrate between willing contending Parties on claims over land.” Articles 2.6.6.1 and 2.6.6.2 explain that the functions of the commission also explicitly include making recommendations to the various government levels on land reform policies and the recognition of customary land rights and law.

The composition of the commission was to be set by the legislature constituting it, with the chairperson of the National Land Commission appointed by the presidency (consisting initially in the transition phase of the president from the GOS, the vice president from the government of Southern Sudan (GOSS), and the second vice president from the GOS). In the case of the Southern Sudan Land Commission, the chairperson was to be appointed by the president of the GOSS.

Concerning oil, article 5.5 of the agreement stipulated that 2 percent of revenues were to be allocated to the oil producing states and regions in proportion to the output produced in such states/regions. After payment to the oil revenue stabilization account and to the oil producing states/regions, 50 percent

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<sup>38</sup> For an analysis of wealth sharing in the Sudan CPA, see Wennmann (2012).

of net oil revenue<sup>39</sup> from the oil wells in Southern Sudan was allocated to the GOSS, and 50 percent to the national government and states in northern Sudan.

Furthermore, articles 3.2–3.5 of the agreement stipulated the functions and composition<sup>40</sup> of the National Petroleum Commission (NPC). The president of the Republic of Sudan and the president of the GOSS were to act as co-chairs of this commission, signaling the importance of the NPC. The NPC had the task of formulating and monitoring policies related to the development of the petroleum sector. One of the key functions was to “negotiate and approve all oil contracts for the exploration and development of oil in the Sudan . . .” (article 3.4.4). Another sticking point in the negotiations was what to do about existing contracts. The SPLM wanted to reconsider past contracts on which it had had no say, while the GOS did not. The economic logic of maintaining a stable investment environment shifted the negotiations in favor of the GOS on this issue. The SPLM could include a social and environmental clause on the need to correct past contracts if those contracts did not include adequate social and environmental standards (Wennmann 2009c).

Another important aspect related to oil wealth was the question of post-conflict reconstruction. It is hard for an oil-exporting country to argue that it cannot pay part of the post-conflict reconstruction costs. In article 1.13, the CPA stipulates: “There is a limit on how much additional natural resources can be mobilized and part of the national needs in post-conflict Sudan will have to be met by external assistance.” Thus it was clear that Sudan would have to pay part of the burden, but it would also be able to gain additional assistance from external donors for reconstruction.

### ***Implementation and impact***

One positive aspect of the Sudan CPA is that it included a precise implementation matrix, clarifying what had to be done, when, by whom, how, and on what authority, and what was to be done if that step was blocked. Another positive aspect of the CPA implementation was that the UN Security Council agreed to implement it (even before it had been signed), due to the international perception that if the Sudan conflict escalated, it would be regionally detrimental. The United Nations Mission in Sudan (UNMIS)<sup>41</sup> subsequently took on the mandate to support implementation of the CPA with an authorized strength of up to

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<sup>39</sup> Article 5.3 provides that *net oil revenue* is the sum of the net revenue from exports of governmental oil and deliveries of government oil to refineries.

<sup>40</sup> Article 3.3 established the composition of the NPC as follows: president of the Republic and president of the GOSS as co-chairs and permanent members; four permanent members representing the national government; four permanent members representing the GOSS; and not more than three nonpermanent representatives of an oil-producing state/region.

<sup>41</sup> UNMIS concluded operations on July 9, 2011, and was succeeded by the UN Mission in South Sudan (UNMISS).

10,000 military personnel. Acting under chapter VII of the UN Charter, UNMIS had the mandate to take necessary action to protect UN personnel and civilians (UNSC 2007).

Key decisions during the implementation were delegated to the authority of the presidency. This presidency was shared between the SPLM and GOS during the interim period, but due to the death of John Garang soon after the agreement, the role of the SPLM in the presidency was weakened. Garang had negotiated the agreement on the side of the SPLM, and was a driving force within the SPLM for the “new Sudan” vision. It is likely that the implementation would have been more balanced between North and South, had Garang lived (Brosché 2009; Mason 2006). This shows the danger of pooling too many powers on individual people during a peace process.

It is hard to assess the factors influencing the implementation of the CPA, but it is clear that some key aspects were not implemented, or implemented only with delay (Brosché 2009). The delay of the establishment of the North-South Technical Border Committee had impacts on many other issues (Salman 2013). The SPLM also expressed dissatisfaction about not having enough insight into the production and marketing of oil to know whether the share of revenues it was receiving was fair. The December 2007 agreement, in which the SPLM re-joined the government, partially rectified this (ICG 2008). There were also clashes between the Sudan Armed Forces or affiliated militias and the SPLA in November 2006, May 2008, and February 2009, although they were generally followed by a new ceasefire and joint investigations. In 2009, there was also an increase in clashes in Southern Sudan between different ethnic groups.<sup>42</sup> On the positive side, thousands of internally displaced persons could return to the South and progress was made on agreeing on the Abyei roadmap in 2008 and using the CPA framework to deal with clashes related to Abyei (Brosché 2009).

Specifically concerning natural resources, the National Assembly adopted the National Land Commission Bill in April 2009, but the National Land Commission was not yet established as of March 2010 (UNMIS 2010). The Southern Sudan Land Commission was established in 2006. The NPC was established in 2005, but due to internal wrangling over its internal regulations, procedures, and composition of the secretariat, it did not hold its first full meeting until April 5, 2007. At that meeting, the two parties agreed on the mechanism of negotiating new oil contracts. On August 6, 2008, the Joint Government of National Unity Committee for Monitoring, Calculating and Sharing of Oil Revenue provided the information that the cumulative total arrears due to the GOSS from 2005–2007 stood at US\$55.86 million, but that there were no arrears for the first half of 2008. The total amount received by the GOSS to that point exceeded US\$1 billion. A major ongoing challenge was that GNU and GOSS

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<sup>42</sup> Elite-driven ethno-political clashes re-erupted and escalated into sustained armed conflict in December 2013; the conflict was ongoing as of July 2014, despite repeated negotiation efforts.

still disagreed over boundaries in the oil-producing areas, as well as the figures of oil production (UNMIS 2009).

Other challenges related to sharing oil and oil revenues related to questions about the size of oil reserves in Sudan, where they were located, and the sequence in which they should be exploited. It is still not clear exactly where and how much oil remains in Sudan. As Achim Wennmann points out, production and pipeline construction have focused on producing oil from the Abyei oil fields, along with regions of the southern Kordofan (Wennmann 2009c). The former seem to be in decline after years of exploitation. There are estimates that more than one-half of the reserves in Abyei have been exploited. The Melut basin, by contrast, remains largely unexploited, although there is at least a good idea of how much oil exists in that basin. One possible reason for this is that the GOS was trying to extract as much oil as possible before the referendum (and possible independence of South Sudan) in 2011. However, it is not possible to confirm these allegations, due to lack of transparency of Sudan's oil sector. Nevertheless, it is important to examine how the decline in reserves has an impact on sharing oil (Wennmann 2009c).

## **Lessons**

The Sudan North-South experience shows how oil can be a reason for conflict onset, but also a motor for peace. Without a minimal state of stability, the infrastructure for oil exploitation is very difficult to fund, build, operate, and maintain. The CPA also seems to have avoided some of the mistakes of past agreements, for example, by negotiating the implementation modalities before the final signature of the agreement, and being specific on what has to be done when and by whom. The CPA also was partly able to delink the territorial aspect of oil management from the revenue aspect. The CPA is largely viewed as a key step to peace in Sudan, even if it failed to deal comprehensively with the various other conflicts in the country (not least of all because the NCP avoided any extension of the original North-South mandate), and key aspects of the agreement were not implemented.

Even with specific implementation matrices and external monitoring and enforcement, there are always unforeseen developments (such as the death of key people like Garang, and the escalation of the war in Darfur) that posed challenges to the implementation. Two key lessons can be identified from addressing oil in the Sudan CPA.

- *Sharing natural resource revenues can be more successful and easier to negotiate than sharing the actual resources.* Sharing the revenues of a natural resource and agreeing on the management of the resource do not necessarily call for agreeing on ownership (Haysom and Kane 2009). Often it is not clear how much oil there is and how the infrastructure costs and oil prices change over time. Yet negotiations on revenues also showed to the parties and the