MOZAMBIQUE

THE AFRICAN CAPACITY
BUILDING FOUNDATION

STUDIES IN RECONSTRUCTION AND CAPACITY BUILDING IN POST-CONFLICT COUNTRIES IN AFRICA

SOME LESSONS OF EXPERIENCE FROM MOZAMBIQUE

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SOME LESSONS OF EXPERIENCE FROM MOZAMBIQUE

AN ACBF OPERATIONS-BASED STUDY BY

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ACRONYMS

ACBF	-	African Capacity Building Foundation
BSD	-	Business and Skill Development
CFJJ	-	Centro de Formacao Juridica e Juridicaria
CORE	-	Commission of Reintegration
DANIDA	-	Danish International Assistance Agency
DPD	-	Banco Popular do Desenolvimento
FADM	-	Armed Defenses Forces of Mozambique
FRELIMO	-	Frente de Libertacao de Mozambique
GDP	-	Gross Domestic Product
GPA	-	General Peace Accord
ILO	-	International Labor Organization
IMF	-	International Monetary Fund
IOM	-	International Organization for Migration
IOM	-	International Organization for Migration
IPAJ	-	Istituto de Patrocinio e Assistencia Juridica
IRS	-	Information and Referral Scheme
MDFT	-	Multi-Donor Trust Fund
MID	-	Military Intelligence Directorate
MOZMO	-	Mozambican Mine-clearance Organization
NGO	-	Non-Government Organization
OECD	-	Organization for Economic Cooperation and Development
ONUMOZ	-	United Nations Observation Mission of Mozambique
ORF	-	Open Reintegration Fund
OSD	-	Occupational Skills Development
PF	-	Provincial Fund
PRSP	-	Pilot Provincial Reintegration Support Program
RENAMO	-	Resistencia Nacional Mocambicana
RSS	-	Reintegration Support Scheme
SIFAP	-	System for Training in Public Administration
SIP	-	Staff Information System
SUNY	-	State University of New York
UN	-	United Nations
UNAVEM11	-	United Nations Verification Mission in Angola II
UNDP	-	United Nations Developmental Program
UNICEF	-	UN Children's Fund
USAID	-	United States Agency for International Development
WFP	-	World Food Program
WTO	-	World Trade Organization
ZANLA	-	Zimbabwean African National Liberation Army

EXECUTIVE SUMMARY

1.1   Mozambique gained its independence from Portugal in 1975 after one and half decade of protracted armed struggle. At independence, the country witnessed a violent exodus of Portuguese settlers, including almost all of the technical and managerial elite. Property and productive infrastructure was sabotaged and/or abandoned, and the country was left with a largely dysfunctional economy and unskilled human resource base. The new Frelimo government inherited a markedly fragile state, with the government and economy in the hands of inexperienced ideological cadres with little formal education and training and a high rate of illiteracy. Those embittered ex-colonialists who remained behind further undermined the country's efforts to rebuild.

1.2   Despite the political and administrative disarray, Frelimo asserted its own vision of national unity, swiftly consolidated a one-party rule, adopted a centralized economic planning system, and implemented a range of other measures to limit opposition and establish control over the Frelimo army. Initially created and sponsored by the white Rhodesian Central Intelligence in the late 1970s in order to destabilize Mozambique, Renamo was later taken over by the South African Military Intelligence Directorate to counteract Mozambican support for the armed opposition against apartheid. Renamo's destabilization tactics included the targeting of the key strategic areas and civilians. They destroyed transport links, health clinics, schools, and all other infrastructure that represented social security and government provision. By the late 1980s, Mozambique had dissolved into one of Africa's greatest humanitarian disasters with the state moving toward total collapse. The gains made in the education and health sectors were almost wiped out.

1.3   The turning point came in the late 1980s as a result of significant shifts in the national, regional and international political scene. The death of President Samora Machel under mysterious circumstances, the unbundling of the apartheid regime in South Africa, the dismantling of the Soviet Union and socialism, forced both parties to the conflict to realize that a military victory was unattainable and the war was entering a stalemate. It was within this context that the first round of peace talks started in Nairobi in August 1990 and culminated in the signing of the General Peace Agreement in Rome in October 1992.

1.4   The General Peace Agreement consisted of seven protocols designed to address both the formal resolution of the Mozambican civil war and the establishment of a new political system meant to provide the basis for lasting political stability. At the center of the political settlement was the establishment of a competitive multiparty democracy along majoritarian lines, although the parliament was to be elected under a system of proportional representation. Furthermore, the Accords recognized the legitimacy of the government and its laws, administrative structures, and constitution. Additionally, the Agreement called for the dismantling of the government and Renamo's armed forces and the re-integration of some of the troops into a new, unified national army; the reform or disbandment of various government security forces and restructuring the police force; the re-integration of Renamo-held territories into a unified state administration; and the holding of the country's first multi-party elections. Most important of all, it was resolved that the United Nations participates in the monitoring and guaranteeing the implementation of the General Peace Agreement. The Security Council assigned this responsibility to the United Nations Observation Mission in Mozambique.

1.5   Despite its weak human resource and institutional base, Mozambique successfully undertook three transitions: a transition from protracted civil war to peace; from state-centered to market economy; and from party-state to formal liberal democracy. All this has happened from a dynamic interaction between a government, which created a benign environment for development, and donors who provided generous support conditional on compliance with a standard package of structural adjustment policies involving changes in macroeconomic management. These include the removal of price distortions on foreign exchange, capital, and essential commodities, improved fiscal and financial discipline, reduction of marketing boards monopolies and state controls, and civil service reform.

1.6   In general, the main capacity building gaps in post-conflict reconstruction Mozambique identified by this study broadly relate to the lack of a common framework for capacity building, institutional weaknesses, low human resource development, problems of coordination and management, lack of comprehensiveness, and challenges of knowledge generation and information management and weaknesses of ownership and donor coordination. Lessons drawn from experience underscore the centrality of coordination, comprehensiveness, institutional development approach and integration of the capacity building in broader context of needs for development. It also emphasizes the need to move away from linear conceptions of relief, rehabilitation and reconstruction, which in reality do not correspond to the complexities of conflict situations. The distinction between relief and development programming is artificial: rehabilitation should integrate the two. This helps to lessen disruptions in planning and funding during the reconstruction, and points to the need to a coherent response that starts early and which incorporates conflict prevention into development policies and programs.

1.7   The above observation, notwithstanding, the post-conflict reconstruction and capacity building experience in Mozambique was based on a close but often conflictual relationship between donors and the government and among competing and poorly coordinated donors. In the first place, asymmetrical power relationship between donors and recipients has been unmistakably apparent particularly as Mozambican government and society were dire need of every kind of external support for survival. Not surprisingly, the former have dominated policy making through their well-established theoretical framework and superior access to information, resources, and skills. Donors have supported not only post-conflict emergency relief services, but most importantly, they extended balance-of-payments, budgetary, and infrastructure spending far in excess of what would have been available from local resources alone. The Mozambican political leadership incorporated some opposition representative into the regime, compromised its own ideological assumptions, maintained economic discipline, threatened powerful economic interests, and supported the small group of key officials who have had to enforce the unpopular decisions required to sustain structural adjustment.

1.8   In the second place, Mozambican peace process was highly dependent on a successful balancing between delivery of the humanitarian relief and reconstruction process. The United Nations Operations for Mozambique (ONUMOZ) together with the United Nations Office largely coordinated the twin processes for Humanitarian Assistance Coordination (UNOHAC). The scale of the task was enormous, with about 5 million internally displaced persons (IDPs), 1.5 million refugees, and 900,000 demobilized soldiers and their dependants. UNOHAC had a strong presence in every province and played a key role in negotiating the opening of former Renamo strongholds for assistance purposes and in fostering a new spirit of cooperation between Renamo and Frelimo representatives. However, working relations amongst UN family was rated poor. Information sharing, joint decision-making and coordination were rare

and far apart. Policy squabbling among different units was not uncommon. Such experiences offered Mozambique a negative learning experience. Should ACBF decide to participate in multi-donor trust fund arrangement, serious caution should be taken in preparing and signing an explicit memorandum of understanding among participating agencies.

1.9   The study found that because of the extremely weak capacity of both the Mozambican government, Renamo, and civil society organizations could not effectively engage the donor community in a systematic political dialogue in order to assess and identify critical reconstruction needs at different stages of the conflict and evolve a strategic multi-dimensional framework. Under the pretext of the inability to find suitable institutions and credible actors to work with, overzealous donors tended to usurp the entire policy management process. Rather than simply observing the implementation of the Agreement, ONUMOZ and other donors literally ran the post-conflict reconstruction show in Mozambique. Not only did they deploy their civilian police to monitor the activities of the Mozambican police forces during the transition, they also coordinated and monitored a host of humanitarian agencies responsible for everything from resettling refugees to providing health care in quartering areas, provided technical assistance for policy formulation and implementation and monitored the electoral process. On the one hand, the study further found that the international community paid little attention or no attention to assess the quantity and quality of existing capacities, nature and structure of local institutions and various mechanisms of utilizing and strengthening them. On the other hand, the government was too weak to put in place policies and priorities to guide and harmonize the utilization of technical assistance and a training program of local counterparts. This opportunity was simply wasted in Mozambique. Rather than impose preconceived capacity building projects, ACBF might consider supporting national dialogues in partner countries about development goals. This would begin what is always going to be a prolonged and iterative process of defining goals and appropriate ways of going about meeting them. Unlike the World Bank or the IMF, ACBF might also consider it important not to overwhelm partners with dialogue. Domestic processes, especially in countries like Mozambique with weak political and administrative institutions, need space to take place. There is a good case to be made for donors to stand back and allow for that space.

1.10   Political commitment and effective national management are essential in post-conflict for capacity building initiatives: National commitment can be demonstrated by designing a well defined, systematic, effective and credible framework for making decisions about managing capacity building. While donor harmonization has a role to play in reducing the stresses from fragmentation, competition and administrative demands, it alone is not a solution. Donor harmonization will only result in marked change if their interests converge around national priorities and coordinate activities in that context. Such a national framework would also include developing systems for the regular collection, analysis and utilization of capacity data, and making the same data publicly available and meaningful to end-users.

1.11   There is urgent need to build capacity of local teaching, research and consulting institutions in post-conflict countries: The best and the brightest academicians and professionals tend to migrate when the security situations in their home countries gets out of hand. Mozambique was no exception. However, those who remain behind should be effectively and efficiently utilized as well as remunerated and policy incentives be put in place to attract those in the Diaspora. Donors should exercise great restraint in utilizing or encouraging the use of expatriate personnel. When expertise outside the implementing institution is needed, local expertise should be used whenever and as fully as possible. However, the extent to which local expertise can take over the role of providing knowledge services will depend

substantially on the strength of the local universities, research institutes and consulting sectors. This will support the development of human capital more broadly, and will strengthen the country's ability to nurture, sustain, update and regenerate capacity over time. ACBF and partner countries might consider investing a good portion of their capacity building portfolio in those sectors as well as exploiting their services before resorting foreign expertise.

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STUDIES IN RECONSTRUCTION AND CAPACITY BUILDING IN POST-CONFLICT COUNTRIES IN AFRICA
SOME LESSONS OF EXPERIENCE FROM MOZAMBIQUE, *1995-1998*

HISTORICAL AND THEORETICAL SETTING

Study Scope and Methodology

1.1   Case studies of four diverse country experiences form the core of this assessment. They are Mozambique, Rwanda, Uganda and Sierra Leone. Liberia was dropped because of logistics problems. Since researchers did not participate in the selection of the countries to be studied nor in deciding on periods to be covered for each respective country, we took liberty to extend the mandate of the terms of reference by documenting histories of each conflict and by going beyond indicated time frames in order to draw lessons of experience and best practices.

1.2   The sources of information of this retrospective study were two-fold: intensive reviews of the recent literature on the effectiveness of international intervention in capacity-building and structured interviews with officials in government, private sector, civil society and in international development agencies. The first stage of the study used secondary sources, which included a review of books, journal articles and newspapers, official and unofficial government documents as well as those from major development agencies. These reviews analyzed donor and recipient experiences from various post-conflict countries and highlighted valuable insights and knowledge gaps concerning capacity-building policies, processes, and institutions involved in the provisions of emergency relief, reconstruction and reconciliation. The second phase used primary sources, mainly in the form of structured interviews and informal conversations and discussions with senior officials in government, private sector and in the donor community in Kampala, Uganda and in Washington, DC. A selected list of the documents we reviewed and the people we interviewed can be found in the references and annexes, respectively.

1.3   Answers were sought on questions such as (i) who formulated the demand for capacity-building needs? (ii) How and to what extent were national institutions involved in designing, implementing and evaluating post-conflict capacity-building programs? (iii) What critical factors impeded the said programs to realize their full potential? (iv) To what extent were those programs sustainable? And (v) how and to what extent was the national leadership involved in articulating needs, priorities and their sequencing?

1.4   Although fully aware of the subjective nature of interviews, the need for caution in processing the information obtained, there was a strong conviction that interviews would allow a nuanced grasp of the reality of the experiences through perception, frustration, and expectation of a wide variety of actors and

stakeholders. The main objective of the study was to draw conclusions and present recommendations that would provide a guide to strategies and instruments for post-conflict capacity building initiatives by the African aims to contribute to a dialogue on the Fund's ability to respond more effectively and recommendations for clarification and refinement of the Fund's policy in this area. A selected list of documents reviewed and a list of persons interviewed are contained in the bibliography and annexes respectively. Due to the limitations imposed by time and resources, we managed to visit Kampala and Washington, DC for only three and five working days respectively.

1.5   The Report is thematically organized. It starts with a theoretical presentation that informs the explanation of the nature of conflicts and their costs in the African settings. This is followed by a short historical background of Ugandan political economy that provide the context for understanding the impact as well as limitations of external interviews in conflict mitigation, reconstruction and capacity building. Finally, lessons of experience and best practices are drawn out and discussed in lieu of the conclusion.

Study Objectives

1.6   The purpose of this study is to document how Mozambique, a country that suffered catastrophic civil war, has addressed some critical capacity building challenges in the post-conflict reconstruction period, and to suggest some lessons and/or options that might be relevant to the African Capacity Building Foundation (ACBF) in the design of capacity building programs in the post-conflict settings. Poverty and underdevelopment are due to capacity deficiencies, where individuals, groups and organizations do not have the resources and skills for their own well-being. Together with other donors, the ACBF seeks to help governments, the private sector and civil society organizations to develop and nurture their respective capacities in order to make choices and improve lives. Poverty elimination is the ultimate goal and capacity development is the means.

Conflict and African Politics

1.7   In the realm of peace and security in Africa, the 1990s witnessed dramatic and profound changes throughout the continent. With the conclusion of the Cold War, some of the major tensions between East and West over the African battleground were markedly eased. South Africa and Namibia installed democratically elected governments. Relative peace and stability was established in Mozambique after three decades of confrontation between warring parties. Several dozens of African countries held democratic elections. Unquestionably, all these were positive and significant signs of peace, stability and development. However, while many parts of the world moved toward greater stability and political and economic cooperation, Africa remained one of the cauldrons of instability. Political insecurity and violent conflict became increasingly persistent realities of the development scene in Africa. Internal strife with deep historical roots surfaced in many countries on the continent. Ironically, while the international community paid less and less attention to

African security affairs, the continent's institutional and organizational capacity to manage its pervasive conflicts was not developing at the same pace as conflict escalations. Against such a backdrop, peace and peacemaking in Africa emerge as critical issues in global politics.

1.8   Widespread societal conflicts in Africa are often played out against the backdrop of deep poverty, illiteracy, and weak systems of governance. Undermined by unfavorable terms of trade, indebtedness and administrative failures, most states in Africa have not responded adequately to the critical social needs of their citizen. In the most extreme cases, Africa's insecurity has been reflected in traumatic episodes of collapsed and fragile states.[1] Almost invariably, state collapses are products of long-term degenerative politics marked by a loss of control over the economic and political space. As would be expected, collapsed states in Africa have had harmful spillover effects on neighboring countries. The overflow of refugees, heightened ethnic tension in some cases, and the resulting diplomatic conflicts, have engaged substantial resources and efforts from relatively stable countries that share borders with collapsed states (Zartman, 1995: 1-5). In the process, what were once thought to be merely domestic conflicts, out of the purview of international organizations such as the United Nations (UN) and regional organizations such as the African Union (AU) have now been internationalized. External actors have been drawn into what was technically a civil war in order to restore peace and security. It has become increasingly apparent that Africa should develop capacities to deal with its own growing domestic security problems.

Essence of Conflict and Conflict Mapping
1.9   From antiquity to contemporary times, competition and conflict are regarded as inherent phenomena in both nature and society. Latent or violent social confrontations have long been considered as the *primum mobile* for social change and transformation. Arguments abound to support this proposition that conflict and competition are inevitable and ubiquitous in all societies at all times. Similarly, in the best of circumstances, conflict and competition are bounded and circumscribed. Contending groups of people and rival nations get involved in violent conflicts either because their interest or values are challenged or because their needs are not met. The deprivation (actual or potential) of any important value induces fear, a sense of treat, and unhappiness. Whether contending groups in a particular society are defined by ethnicity, religion, ideology, gender, or class identities, they have, by definition, different needs, interest, values and access to power and resources. Understandably, such differences necessarily generate social conflict and competition. What is at issue, therefore, is how to represent, manage and resolve inherent social conflicts before they degenerate into violent expression and massive destruction. The aim

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[1]. "Fragile states" are understood to be countries facing latent or protracted conflict (including situations of war), countries emerging from conflict (with major uncertainties as to their future stability) and countries directly affected by regional conflicts. Their "fragility" can take different forms. In the extreme cases, state structures have disappeared. In other cases, the central state may appear strong (e.g. in terms of military control), but lacks legitimacy, controls only part of the national territory or fails to deliver even the most basic services (including in developmental terms). The net result is generally a situation of chronic instability, insecurity, violation of human rights, economic and social collapse, high levels of aid dependency and rising levels of absolute poverty (Rugumamu, 2001).

of conflict prevention then is not to prevent conflict as such, but to reduce the likelihood of specific conflicts becoming, or continuing to be, physically violent (Goodhand and Hulme, 1999:14).[2]

1.10   The major positive and negative changes and transformations in world history occurred as a result of resolving old intractable conflicts through violence or war. In fact, the epoch-making social revolutions of the past centuries were the only way of resolving irreconcilable conflicts of different social formations. On the ashes destruction and disintegration caused by the previous system, social revolutions provided societies with unique opportunities to devise more conducive institutional arrangements to meet the challenges of the new times. In this broader sense, therefore, conflict *per se* is not at issue. The existence of conflict does not in itself necessarily lead to the eruption of widespread hostilities. The tolerance and coping capacities of the poor, excluded and marginalized are legend and manifold. Conflict does engender large-scale violence if various structural conditions are present, such as authoritarian rule and a lack of political rights, state weakness and lack of institutional capacity to manage conflict. The risk of an outbreak of violence increases when these conditions exist concurrently or are exacerbated by other problems, such as manipulation of ethnic or other differences (in religion, culture, and language), which further fragment society and intensify conflict (Collier And Hoeffler, 1999; Colletta and Cullen, 2000).

1.11   Even the simplest interpersonal conflict has many elements. Conflicts involving multiple parties, a large number of people or complex organizations such as nation-states are enormously complicated. Every conflict has certain basic elements that permit researchers to produce a tentative road map. The mapper first gathers information about the history of the conflict and its physical and organizational settings. To be sure, a conflict does not emerge in a vacuum. Sometimes one conflict is nested within another. The second stage is to examine the parties to a conflict. These differ in the directness of their involvement, and the importance of its outcome. Primary parties are those who oppose one another, have a direct stake in the outcome of the conflict and exhibit fighting behavior. Secondary parties have an indirect stake in the outcome. They are often allies or sympathizers with the primary parties are actors such as mediators, peacekeeping and peace enforcing forces that might intervene to facilitate the management of the conflict.

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[2]. Either termed "conflict", "war", or, more fashionably, "complex political emergencies" they may be characterized by the following features:

- They occur within and across state boundaries. Although the conflict may originate or take place within a particular state, they also have regional origins, spillover effects and involve numerous external actors
- They are political in nature. The competition for power and scarce resources is the central dynamic in social conflicts
  - They have multiple and interconnected causes
  - They are prorated in duration. They may subside and escalate over time so that sporadic violence and the threat of violence become the accepted norm
  - They are embedded and are expressions of cleavages within existing social, political, economic and cultural differences
  - They involve predatory social formations. Often ethno-nationalist in nature, conflicts involve groups that can be mobilized and violently manipulated by conflict entrepreneurs and political leaders (Goodhand and Hulme, 1999:16).

1.12   It is not always possible to distinguish the cause of a conflict from its consequences. In   fact, as a conflict emerges, cause and consequences tend to blend. Hostility might be a consequence of one phase of a conflict and a cause of the text. Perceived goal and interest incompatibility is perhaps the most basic cause of social conflict. Identity defense is also common, particularly in the contemporary world where group awareness and rights have assumed high visibility. Cultural differences, and particularly language, are yet other sources of separateness and difference. They create a sense of self and self-defense, which is probably another primary motive for conflict. It is important to distinguish clearly the contending goals and interests of each party

1.13   Moreover, a conflict is constantly moving and changing. Even if parties are at a stalemate, aspects of a conflict context will be changing. Runaway responses of parties to one another are made more visible through conflict mapping. Dynamics such as unrestrained escalation and polarization carry participants away from cooperative resolution toward greater hostility. Perception changes occur within opposing sides, which reinforce runaway response: stereotyping opponents, seeing them as the negative mirror image of oneself, and imputing to them increasingly malign motives. In this way, a conflict map is able to serve as a conceptual guide to clarify the nature and dynamics of a conflict (Wehr, 1995; Rugumamu, 2001).

1.14   Once conflicts escalate into violence, the major concern of neighboring states, civil society, and the international community is to intervene in the conflict in order to facilitate the mediation process and to help transform structures that produce insecurity and structural violence into positive peace.[3] We should hasten to point out that conflicts in which the state is an effective arbiter do not present particular difficulties since they are manageable within the national framework. The problem arises when the state itself is a party to the conflict, for under those conditions, external involvement becomes necessary. It is argued in this report that a solid foundation for effective organization and enabling institutions is a necessary precondition for sustainable and enduring peace building.

For the purpose of this report, institutions are understood as sets of rules governing the actions of individuals and organizations, and encompass the interactions of all-relevant parties and negotiations among participants. Specifically, countries as well as societies need institutions that strengthen organizations and promote good governance, whether through laws and regulations, or by coordinating the actions of many players, as in international treaties. Rule-based processes increase the transparency of policies designed to create desired outcomes, and of organizations used to implement them.

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[3] . John Galtung makes a clear distinction between "positive" and "negative" peace. Positive peace. Positive peace encompasses an ideal of how society should be. It requires that not only all types of violence be minimal or non-existent, but also that the major potential causes of future conflict be removed. The notion of negative peace is defined as the end of widespread violent conflict associate with war. It may include prevalent social violence and structural violence. For details see Galtung (1995; 1998).

Institutions that are internally consistent have the lowest risk of a breakdown because such institutions are self-reinforcing. For emerging democracies, this means a wide distribution of power and no permanent exclusion of actors from the political system.

Costs of conflict

1.15   During a civil war a society diverts some of its resources from productive activities to destruction. This, according to Paul Collier et al (2003), causes double loss: the loss from what the resources were previously contributing and the loss from damage that they now inflict. The division of resources to the war effort often causes a decrease in other public expenditures such as those on infrastructure, health and education. During the war, the rebel forces tend to target physical infrastructure as part of their strategy. The main targets are the enemy's communications and support lines, such as telecommunications, airport, ports, roads and bridges. They also loot and destroy housing, schools and health facilities.

1.16   As will be noted in this and in subsequent reports, the costs of civil war are usually prohibitive. About 40 percent of Mozambican immobile capital in agriculture, communications and administration sectors was destroyed. The pre-war transport system had been one of the largest foreign exchange earners, as goods were transported from and to the neighboring states of Malawi, South Africa, Swaziland and Zimbabwe. In fact, 208 out of 222 units of rolling stock were lost or damaged between 1982 and 1989 (Bruck, 2001).

1.17   Severe conflict, especially its most virulent ethnic forms, destroys much more than buildings and power plants. It short-circuits the rules that keep human interaction constructive and predictable, targets primarily the organizations and individuals who administer those rules, and wipes out most positive forms of social capital. Civil war can have the effect of switching behavior from an equilibrium in which there is expectation for honesty to one in which there is expectation of corruption. Once the reputation for honest has been lost, the incentive for honest behavior in future is greatly weakened. In this sense, therefore, post-conflict reconstruction is first and foremost an institutional challenge. Failure to meet that challenge dooms the effectiveness of any external facilitation and intervention.

1.18   Probably a substantial cost arises from the fear that violence generates in society. It increases insecurity in two senses: micro-insecurity by which the threat of violence is directly targeted against the person and against property. Frightened people tend to flee from their homes. Civil wars also increase macro-insecurity, by which the threat is targeted at those state-level institutions, which provide the framework for economic activity such as non-arbitrary taxation, the rule of law, and the sanctity of contracts. Paul Collier et al. (2003:14-16) have noted that less than a fifth of 1980 cattle stock in Mozambique remained by 1992. Cattle were lost because of direct rebel activity, that is, rebels stole them to feed their troops and killed other many others to spread terror, and because of indirect effects of warfare, namely, a lack of adequate feed and veterinary

attention during the war. Faced with the prospects of such losses, people try to protect their assets by shifting wealth abroad. In July 1994, the fleeing Rwandan government looted about 24 million Rwandan franks and substantial amounts of foreign currency from the coffers of the Central Bank.

1.19   The more direct effects of civil war are fatalities and population displacements. Violent conflict can decimate the human resources of a country as people are killed, maimed, or displaced in large numbers. In the modern civil war the composition of victims differ radically from the wars of the early 20th century, in that the impact has shifted from military personnel to civilians. At the beginning of the 20th century about 90 percent of the victims were soldiers, but by the 1990s, nearly 90 percent of the casualties resulting from armed conflict were civilians, and mainly women and children (Carns, 1997). Forced migration broadly consists of two groups: refugees and internationally displaced persons. During the 1994 Rwandan genocide, for example, an estimated 1 million men, women and children were massacred in over a three-month period. The genocide also produced about 3 million refugees and 4 million internally displaced persons out of a total Rwandan population of about 8 million people.

1.20   Finally, civil wars are not only costly for the countries in which they are fought, but for the entire region. Neighboring countries end up accommodating large numbers of refugees and their consequences for the population of the asylum countries. Moreover, civil wars lead to increasing defense budgets in neighboring countries, spreading of diseases, drug production and trafficking, terrorism, as well as tarnishing the reputation of the region in relation to investors. In the following chapter, we put forward a conceptual and analytic framework used the study to explain conflict and post-conflict reconstruction.

POST-CONFLICT RECONSTRUCTION:
A CONCEPTUAL FRAMEWORK

A Conceptual Framework

2.1   Post-conflict reconstruction, like other disciplines, has unique concepts that require explanation. The entry point for this work is the World Bank study, *A framework for World Bank Involvement in Post-Conflict Reconstruction* (1997). The study identifies a "country conflict" as one that has recently experienced widespread violence, or where the preoccupation of the state is armed warfare, where the state has failed, or where significant part of the population is engaged in armed struggle with the state. In each situation, external agencies need to understand the varying histories and the nature of a "failure" process in order to calibrate informed intervention measures to facilitate the transition from war to sustainable peace, support the resumption of economic and social development, and determine at what point in the post-conflict process is a particular country judged to have achieved a relative state of normalcy.[4] These observations are very important precisely because conflicts are different everywhere and require tailor-made approaches. They differ, *inter alia,* in duration, intensity and scope of destruction, the relative military and political strength of the opponents, and the degree to which the middle and upper classes are affected by the hostilities. Whereas the conflicts in Uganda and Sierra Leone were products of state failure due to predatory or ineffectual governance, the Rwandan state erosion was a product of ethnic-cum-regional conflict and the Mozambican state failure was due to ideological conflict.

2.2   While post-conflict reconstruction, like post-natural disaster reconstruction, typically involves the repair and reconstruction of physical and economic infrastructure, it also entails a number of interventions aimed at rebuilding weakened institutions. The state institutions are usually so weakened that they exhibit incapacity to carry out its traditional functions. Those interventions include jump-starting the economy, reconstructing the framework for democratic governance, rebuilding and maintaining key social infrastructure, and planning for financial normalization. In contrast, unlike post-disaster construction, post-conflict reconstruction assistance often operates amid tensions and suspicions between key actors within the country, which can and does influence relations among involved international parties as well. Moreover, a civil war alters both the level and the structure of economic activity in ways, which persist beyond the war (World Bank, 1998a; Colletta and Cullen, 2000).

2.3   As cross-country studies have demonstrated, unlike post-post disaster reconstruction, post-conflict reconstruction interventions are radically different from "normal" operations. The devastation of human, social and physical capital often found at the beginning of the post-conflict period, and the particular

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[4] . The speed of the evolution toward normalcy and the benchmarks for evaluating progress remain contentious. The World Bank has tentatively proposed possible indicators to include: (i) macroeconomic stability and its likely sustainability; (ii) recovery of private sector confidence, as measured by the Investment ratio; and (iii) the effectiveness with which institutional arrangements and the political system are coping with the tensions, schisms and behaviors that lay behind the conflict to begin with. For details see World Bank (1998b: 47).

provisions of the peace agreement, require a paradigm shift diagnosing and prescribing policy interventions which should be conflict mitigating. The volatile and fast-changing circumstances of post-conflict societies demand a high degree of flexibility and speed in the design, implementation, monitoring and evaluation of projects and programs. In addition, post-conflict interventions tend to have explicit objectives like supporting the transition from war to peace, resumption of economic and social development, reconciliation and reconstruction, human and institutional capacity building, special investment fund to maintain social cohesion during the period of economic adjustment and poverty reduction and decentralization. Moreover, a post-conflict reconstruction process typically requires at least two decades of sustained effort, with the risk of war a recurrent phenomenon (Collier, 2001). Arguably, conflicts are often protracted rather than limited in duration and tend to tear the country's social fabric and destroy is physical and human capital. Recovery requires incremental planning, careful and realistic policy reforms as well as consideration of the post-war constraints and peace agreements. Raising taxes in post-conflict situations, for example, may discourage private investment, downsizing the civil service under public sector reform programs, may contradict agreements made under the peace accords; standard procurement and disbursement procedures can easily degenerate into serious stumbling blocks to recovery, reconstruction and reconciliation. In short, post-conflict operations require intensive monitoring to ensure their continued relevance, effectiveness and efficiency, and timely preparation of post-conflict completion reports to expedite lessons learned (World Bank, 1998b; Duffield, 1994).

2.4   It is against this background that most bilateral and multilateral organizations have established post-conflict research units to consolidate institutional learning on reconstruction issues, to support staff in developing and implementing reconstruction strategies, and act as the focal point for partnership with other members of the international community.

Capacity Building Defined

2.5.1   In this research effort, we define capacity - including knowledge and technology - as the ability of organizations, organizational units, individuals and societies to identify constraints and to plan and manage development effectively, efficiently and sustainably. This definition involves both the development of human resources, institutions, society and a supportive policy environment. It encompasses the process by which individuals, groups organizations and societies develop their abilities individually and collectively, to identify their problems and constraints to development, set development objectives, formulate policies and programs, perform functions required to solve the identified problems and achieve a set of development objectives. Each society has the capacities that correspond to its own functions and objectives. Non-industrial societies, for example, have relatively few formal institutions, but they do have highly developed skills and complex web of social and cultural relationships that are often difficult for outsiders to comprehend. Capacity building needs to be addressed at three levels: individual, institutional and societal. All these layers of capacity are mutually interdependent. If one or the other is pursued on its own,

development becomes skewed and inefficient (Browne, 2002:2-4).

- *Individual:* This involves enabling individuals to embark on a continuous process of learning – building on existing knowledge and skills, and extending these to new directions as fresh opportunities appear.

- *Institutional:* This too involves building on existing capacities. Rather than trying to construct new and alien institutions on the basis of foreign blueprints, governments and donors instead need to seek out existing initiatives, however nascent, and encourage these to grow.

- *Societal:* This involves capacities in the society as a whole, or transformation for development. It encompasses the facilitatory process, which lie at the heart of human development: the opening and widening of opportunities that enable people to use and expand their capacities to the fullest. Social capital and cohesion are at the core of societal capacity and apply both nationally and locally. Without such opportunities, soon people will find that they skills rapidly erode or become obsolete. And if the find no opportunities locally, trained and skilled people will join the brain drain and take their skills overseas.

2.6   In this regard, therefore, the broad concept of capacity building comprises of various processes of creating new capacities (capacity creation), effectively mobilizing and utilizing existing capacities (capacity utilization) and sustaining the created capacity over time (capacity retention). These dimensions of capacity development are

Capacity Creation

2.7   The creation of effective human and institutional capacity rests on a strong foundation that facilitates the creation of new capacities through learning opportunities as well as putting in place processes, which enhance the adaptability required for dealing with the dynamic environment. Such a foundation is created through formal training and informally through on-the-job training as well as through accumulation of norms, routines and processes, which promote capacity creation on a continuous basis.

Capacity Utilization

2.8   Efficient and effective use of existing capacities is an important aspect of capacity building. The failure of most African countries to make effective use of their human resources has been identified as one of the major factors retarding development. The cause for the underutilization and/or mis-utilization of this critical agent of progress can be traced to the extant disenabling environment. In this context, effectiveness and efficiency involve taking stock of existing

capacities, mobilizing them to achieve a set of development goals. Making best use of existing capacities will involve mobilization of all the creative and innovative capacities that can be valuable from existing human and institutional capacities.

Sustaining Capacity

2.9   The capacity that is being created and utilized to realize a set of development goals will need to be retained, developed and sustained over time. Capacity building programs and projects will need to be designed in such a way that they are sustainable beyond the initial external interventions. Sustaining capacities is more likely to occur in the context of a modicum of political and economic stability supportive of conducive working conditions, ensuring low risk of violent social conflict, and providing an atmosphere of support for the capacity building efforts in society and good governance. Sources of funding are an important element of sustainability and capacity retention. In the long run, the key to sustaining capacity building programs will be the availability of local sources of funding. Sustainable capacity building will need to address the capacity to mobilize domestic resources, notably government revenues as well as savings and investments. Resource mobilization is therefore an important component of capacity building.

Capacity Building Environments

2.10   The processes of capacity building are embedded in complex environments that affect their ability to achieve intended objectives. At the most general level of analysis is the broad political economy environment. This refers to the economic, social and political milieux (local, national and international) in which individuals, organizations and society attempt to carry out their activities and the extent to which conditions in the   Environment facilitate or constrain performance. Within this dimension, a broad set   of factors affect the ability of actors to perform effectively, efficiently and sustainably. In terms of economic factors, the level and growth rates of GDP, conditions in international commodity and capital markets, the labor market situations, the level of private sector development, and the nature and extent of development assistance impinge on virtually all activities carried out by government. Politically, actors are affected by factors such leadership support, the extent to which civil society is mobilized, the degree of political stability, and the nature and development of political institutions. Social factors are also important, such as the level of human resource development; tolerance or tensions among social groups; social mobilization and needs; the development of non-government organizations (NGOs); and the degree of participation in economic and social life.

2.11   At the international level, it is important to emphasize that donors will have a long-term view of what they want to contribute to – a better health system, efficient judiciary or more skilled economists at the national treasury- in a capacity building needs matrix. At the same time, however, they remain accountable to their constituencies at home. They feel more comfortable,

therefore, if they can point to visible activities – courses in their home universities, training manuals, computer systems – which encourage a bias toward self-contained and pre-ordained packages. Moreover, donors want to retain as much control as possible and avoid accusations that hard-earned taxpayer funds were being squandered through inefficiency, incompetence or corruption. One way of achieving this kind of assurance was to sent expatriates as gatekeepers.

2.12   The second dimension of capacity is the institutional environment of the public sector that facilitates or constrains the actors' activities and affects their performance. This dimension includes laws and regulations affecting the civil service or private sector and the operation of government, such as hiring, promotion, and remuneration policies; the general operating procedures; and standards of performance. It includes the financial and budgetary support that allows organizations to carry out particular tasks as well as the policies in effect that constrain or hinder performance. The institutional context also includes laws and regulations defining responsibilities and power relationships among actors and the informal power relationships that often mean that some institutions and agencies acquire resources or influence policy more effectively than others. Of course, not every capacity building takes place through the public sector. All countries are constantly engaged in multiple processes of capacity development, in the public sector, civil society and the private sector.

2.13   The third dimension of capacity-building relates to the coordinated activity of several organizations that is required to accomplish a given task, i.e., the task network. The interactions of organizations within this network can facilitate or constrain performance. Some organizations may be more central to a given task than others; these are called "primary organizations". Secondary organizations have a less central role in accomplishing the task but are nonetheless essential to it. In addition, there are often supporting organizations that provide important services that enable a task to be performed. How these networks function and the nature of formal and informal interactions among them are important aspects of organizational performance. Within any particular task network, there may be organizations from diverse levels of government, and from the private sector and NGO sectors.

2.14   The fourth and fifth dimensions of capacity development are the organizational and human resource bases of the organization. These two levels of analysis are closely intertwined. The fourth dimension of capacity development focuses on organizational structures, processes, resources, and management styles that affect how individual talents and skills are used to accomplish particular tasks. It should be pointed out that organizations establish goals, structure work, define authority relations and provide incentives and disincentives that shape behavior of those who work within them. The fifth dimension of capacity development relates to training and recruitment of managerial, professional, and technical talent that contributes to organizational performance. Among these five sets of factors that affect capacity building initiatives there may be some that facilitate effective performance and others that constrain it. A case study research, such as this of Uganda, can illuminate how various factors influence capacity building in post-conflict societies and what interventions can promote better performance.

THE MOZAMBICAN CASE STUDY

Socio-Political Context

3.1   Mozambique is located along the southeastern coast of Africa, with an area of 799,330 square kilometers, between the parallels of 10 degrees South and 27 degrees South and meridians 31 East and 41 degrees East. It is bordered to the north by Tanzania, to the northwest by Malawi and Zambia, to the west by Zimbabwe, South Africa and Swaziland and to the south again by South Africa. To the east, the country is bordered by the Indian Ocean, with a coast of almost 3,000 kilometers.

3.2   Politically, Mozambique gained its independence from Portugal in 1975. From the 1980s onwards, the country faced a long period of economic crisis, political and military instability and a war that ended in 1992, when a peace agreement between the government and Renamo was signed in Rome. This was followed by the country's first multi-party elections in 1994. Administratively, it is divided into 10 Provinces: Cabo Delgado, Niassa, and Nampula in the north, Zambezia, Tete, Manica, and Sofala in the center of the country, Inhambane, Gaza and Maputo in the south, with considerable geographical diversity among the provinces. The capital city, Maputo, has a dominant position in terms of economic and educational conditions, and for that it has a status of a province.

3.3   According to the population census of 1997, Mozambique has an estimated population of 16.7 million inhabitants, the majority being composed of children and youth less than 15 years of age. Life expectancy at birth is 45.5 years. Mozambique's population is predominantly rural, multicultural and multi-lingual. According to the data from the National Institute of Statistics of 1999, about 6.5 percent of the population speak Portuguese, the country's official language, as its mother tongue. According to the same source, about 40 percent of the population speak Portuguese as a second language. Approximately 53 percent speak local languages.

Macroeconomic Context

3.4   At the end of the war in 1992, Mozambique was classified as the poorest country in the world. In the second half of the 1990s, however, it achieved one of the fastest rates of economic growth, and became Africa's fastest growing economy. The government maintained sound macroeconomic policies, so that fiscal deficits was about 2.5 percent of the GDP and inflation dropped from about 46 percent in 1988 to less than 7 percent in 2000. Real output growth rates averaged over 8 percent between 1994 and 2000 and over the past three years the average annual growth rate has exceeded 10 percent. Still, Mozambique remains an extremely poor country. The average per capita GDP is only $218 per year. About 70 percent of the population lives below the poverty line. The minimum wage is equivalent to only US$ 25 per month. The economy remains fragile. There is a large balance of trade deficit, with an import/export ratio of 3 to 1, and the economy is heavily reliant on external assistance. The government

budget is comparatively small. Total revenues are about 12 percent of GDP (compared to 26 for Kenya).

3.5   Mozambique is perhaps the most successful story in the southern African (apart from South Africa) region in terms of its recent political and economic transformation.   It has simultaneously and successfully undertaken three transitions: from war to peace; from state-centered to market economy; and from party-state to formal liberal democracy. Since the signing of the General Peace Accord in Rome in 1992, Mozambique has been recognized as a model of post-Cold War conflict resolution. In October of that year, the government of Mozambique signed a peace accord with the Renamo rebel group that premised the termination of its sixteen-year civil conflict upon the construction of a functioning multi-party democracy.

Moreover, the war-to-peace process of democratization was carried out in parallel with economic structural reforms leading to a liberal market system, which has recorded phenomenal economic growth rates. From 1992 to 2003, Mozambique has enjoyed its first decade free of armed conflict since independence in 1975, with two intermittent internationally recognized (though internally contentious) national elections. And it has provided the United Nations (UN) with its only real success story in Africa. This risky and manifold transition process enabled the country to make the 'A-list' of the World Bank, International Monetary Fund (IMF) and the UN in becoming a blueprint for countries in Africa on the path of post-war reconstruction despite possessing an exceptionally weak human and institutional base.

Recent Developments

3.6   In recent years, however, the political accord in Mozambique seems to be unraveling and the country appears to be at a crossroads. Like all emerging democracies in Africa, Mozambique is faced with teething problems regarding weak institutional and human resources capacity, pervasive poverty, and excessive dependence on foreign assistance. Largely because of its inherently weak institutional capacity, the state allowed external agencies to impose policies, projects and programs and, in a decentralized fashion, independently administered such projects with minimal government supervision. The result is a mosaic of hundreds of unsustainable projects and programs based on different philosophies, of differing quality, and with widely differing cost structures. Moreover, despite recent successes, Mozambique remains one of the poorest countries in the world. It GDP per capita is about US$210 for the Mozambican population of about 17 million with a national incident rate of 69 percent, that is, slightly more than two-thirds of the population lives in absolute poverty.

3.7   Moreover, Mozambique's success is overshadowed by a contested post-conflict governance system. There are increasing doubts whether or not sustainable political rapprochement between Frelimo and Renamo is emerging. In fact, Renamo continues to feel marginalized and excluded from influence and power, while Frelimo continues to strengthen and entrench its position as the ruling party. If anything, the rivalry and animosity between the two parties has increased.

3.8   Furthermore, the benefits of the phenomenal economic growth are not accruing to everyone in society. Instead, the gaps between the rich and poor (as well as city and country) are widening, fuelled by corruption, uneven levels of development among the provinces, and increasing poverty.   In addition, reconciliation is being impeded by a winner-take-all system, which is underpinned by the 1990 Constitution. Given these prevailing threats, as well as inherent weak institutional capacity to address them simultaneously, the situation in Mozambique may be more fragile than it appears to be at first glance.

3.9   Although democratic transition theorist would see these structural problems as endemic in the 'honeymoon phase', the trajectory of these problems remains critical for furthering the consolidation of democracy, especially in countries that have moved from a one party state to a multi-party democratic system. Thus, what may appear to have been a remarkable recovery from the bitter years of civil war is set at risk again by the volatility of political uncertainty and economic desperation. Now more than ever, the balance is being threatened by the failure of the government to address popular aspirations and engender political maturity.

Anatomy of Mozambican Conflict

3.10   The underlying causes of the Mozambican conflict have been the subject of controversy, and have tended, crudely, to polarize around two opposing ideological positions. The first is that the war in Mozambique was an externally sponsored project of destabilization against the Frelimo government in the context of the South African apartheid regime's "total strategy" for the region, and conservative Western concern about a communist-inspired government providing an alternative development model for other African states. In this grand view, Renamo is seen as a puppet force, set up and sustained by external support, with no real political program or intent to govern, and no domestic power base (Hanlon, 1984; 1989).

3.11   The opposing view is that the causes of the war were mainly internal, a product of Frelimo's failed socialist experiment and particularly their alienation of the rural peasantry, traditional leaders and *cuandeiros,* through the imposition of state farms and cooperatives, communal villages and a new power structure which undermined the traditional social order. Ethnicity, class and regional bias is held by some to have played a major part in the conflict, given the dominance of particular groups in the respective leaderships, with Renamo associated with the Ndau of central Mozambique and the leadership of Frelimo dominated by southern-based intellectuals (Baden, 2003).

3.12   Recent events, particularly the 1994 and 1998 elections, in which Renamo won a surprisingly high proportion of the vote, given their well-publicized record of brutality, it has become hard to sustain the argument that internal factors were not important in fueling the conflict. Most commentators now endorse the view that both internal and external factors were involved, but differ on the degree of emphasis given to each. This study adopts a position of dual external and internal

cause and effect for the armed dissent and its support whilst highlighting Frelimo's policy errors during its radical socialist policy phase, in particular, the secular zeal of the Frelimo government in disrespecting both the Catholic and Islamic communities. Renamo certainly took advantage of these misplaced policy initiatives to build upon rural peasant dissent (Chan and Venancio, 1998).

3.13   Mozambique has an interesting and complex historical background.   A combination of Arab, British and Portuguese influences, coupled with indigenous traditions underpins the political, economic and social landscape of the country. Between the sixteenth and nineteenth centuries, the Portuguese vied with Arabs and Swahili-speaking traders for control of the gold, ivory and, finally slave trades. By the late nineteenth century, the Portuguese had established a degree of control over the coastal settlements and inland areas in the Zambezi valley, where Portuguese settlers had established large plantations. Pressures from colonial rivals forced Portugal to extend more effective control over the territory, and a series of campaigns at the turn of the century eventually crushed African resistance. Portugal colonized the country, but it was a weak metropolitan power, which was unable to exploit the colony's resources effectively or to establish an efficient administration. As a result, vast areas of the country were carved up and leased as concessions to private international firms. These private firms operated as independent fiefdoms, which maintained almost complete control over large swathes of territory and became notorious for both forced labor abuses and failure to develop their territories. They maintained control over the territories until the 1930s, when their leases expired under the centralizing policies of the Portuguese dictator Antonio Salazar.

3.14   Having wrested control of the territories from the concession companies, the Colonial Administration intensified its involvement in Mozambique. From the 1950s and for two more decades there was a steady inflow of Portuguese settlers to the colony. This was stimulated by changes in colonial investment patterns. The authorities issued a series of development plans designed to extend and upgrade Mozambique's transportation and communications infrastructure, to encourage those Portuguese, who had accumulated capital from monopolies, to invest in, expand and diversity their undertakings. The generally favorable prices for tropical commodities in the post-war era fuelled this trend and the colonial economy expanded quite vigorously, encouraged by the influx of Portuguese settlers who took advantage of employment and business opportunities. By the early 1970s, more than 200,000 Portuguese nationals were resident in Mozambique. However, the authorities still maintained a tight rein over African economic and physical mobility. They stifled the evolution of an indigenous petty bourgeoisie by monopolizing skilled labor opportunities, and suppressed nationalist aspirations by barring Africans' access to bureaucratic and administration power (Waterhouse, 1996).

3.15   Under the colonial regime, no social provision was made for Africans, except for a few Catholic mission schools, and health facilities were concentrated in urban areas, while 95 percent of Africans were based in rural areas. Africans were subjected to punitive taxation and forced labor, and as late as 1961, enforced through Portuguese appointed chiefs. Despite the repressive stance taken by the Portuguese administration, anti-colonial groups were formed and in 1962 the

Frente de Libertacao de Mocambique (Frelimo) was born out of a coalition of three banned political groups. Frelimo came to champion the struggle for independence, and from 1964 a 'national liberation struggle' began to gather momentum. Operating from bases in Tanzania, Frelimo conducted a classic, anti-colonialist guerilla war, chiefly in the north of the country, politicizing a sympathetic rural population in the process.

3.16 The turning point in the liberation struggle came on April 25, 1974, with a military coup, which overthrew the Salazar regime in Portugal. This sea change in the structure of power in Portugal forced the regime to make a rapid exit from Mozambique. Frelimo, which had yet to penetrate the central and southern regions of the country, capitalized on the situation to ensure that it would emerge from the transition as the dominant political force. Even though there were individuals in Mozambique who resisted Frelimo's authority and attempted a counter- revolutionary attack, the internal chaos in Portugal compelled the newly elected administration to grant Mozambique its independence. Initially Portugal requested that elections should be held, but this was rejected and arrangements were made for the direct transfer of power to Frelimo. On the 25th June, 1975, Mozambique became an independent state under the leadership of Frelimo, with Samora Machel as the first President. This victory by the people of Mozambique seemed to mark the beginning of the road to democracy.

Capacity Deficit at Independence

3.17 Mozambique gained its independence amid a chaotic and violent exodus of Portuguese settlers, including almost all of the technical and managerial elite. Property and productive infrastructure was sabotaged and abandoned, and the country was left with a largely dysfunctional economy and an unskilled human resources base. Frelimo inherited a markedly fragile state, with government and the economy in the hands of inexperienced Frelimo cadres with little formal training and a high rate of illiteracy. Those embittered ex-colonists who remained further undermined the country's ability to rebuild. Despite this political and administrative disarray, Frelimo asserted its own vision of national unity, swiftly consolidating its one-party rule and implementing a range of other measures to limit opposition and establish control over the populace.

3.18 To achieve its ambitious program of social and economic reforms, in 1977, Frelimo transformed itself into a vanguard party and adopted Marxism-Leninism as its official doctrine, as well as central planning and a modernizing development strategy. The most important focus of the Frelimo government was to create a non-racial, classless society. The Party's socialist values became the underlying basis for governance. While some may now argue that the socialist project was weak and without merit, at the time socialism offered an alternative political system to the Western form of government, which leaders of liberation movements saw as perpetuating economic exploitation and class division. However, the vision of winning the hearts and minds of the people was not entirely altruistic. Frelimo, guided by its need to establish firm control, took punitive measures against those who had opposed them, including the Roman Catholic Church, which it accused of aligning itself with the old colonial regime.

Most of the measures adopted by Frelimo were aimed at protecting its power base.

3.19 Despite the nationalist rhetoric, Frelimo was accused of giving certain groups preferential treatment under the new administration, which sharpened tensions in some rural areas. The government nationalized land, health care and education, appropriated many buildings, and stepped in to run abandoned shops, businesses and farms. Large estates, which had been abandoned by the Portuguese, were taken over by the state. These farms absorbed the bulk of agricultural investment, while peasant production fell into sharp decline. The resentment this caused was heightened by Frelimo's largely compulsory 'villagisation programme', which compelled peasants toward communal production. But their main disadvantage was the marginalization of the traditional authorities. Ultimately, Frelimo's ambitious nationalization project evolved into a form of authoritarianism. Eventually this authoritarianism created acute economic cleavages between the ordinary citizen and the ruling elite (EIU, 1996).

3.20 Nevertheless, the period up to 1980 witnessed considerable social gains. In the first six years after independence, primary school enrollment doubled, while secondary school enrollment increased six-fold. Barefoot health workers reached up to 90 percent of the population and infant mortality fell by 20 percent. The Women's organization, OMM, was instrumental in promoting some of these services, in particular, the literacy campaign targeting women. Frelimo also introduced new laws and policies opposing such practices as initiation rites, bride wealth, forced marriages and polygamy, to protect the rights of women.

3.21 Frelimo's frenetic assertion of control, its unaccountability, and its Marxist approach to running the country, which involved the identification of 'class enemies', soon produced aggrieved groups who had lost out or suffered under its rule. Where pockets of resistance emerged, they were eliminated, and the party established an unchallenged authority over the political landscape. Worse still, civil society organizations failed to take root. When organized resistance did come it was mainly driven by outside intervention.

From Civil War to a Negotiating table

3.22 The outbreak of the civil war was directly attributable to the status quo of regional politics at the time. Frelimo's victory in Mozambique had a contagion effect on other liberation movements fighting for independence within the region. It renewed hope and optimism among these movements and led them to increase their struggle against the white minority regimes in Zimbabwe and South Africa. Furthermore, the Frelimo government was sympathetic to these movements and allowed them to use Mozambique as a rear base for counter insurgency. It was out this context that Resistencia Nacional Mocambicana (Renamo) was born. Renamo, which was formed in 1977 by the Rhodesian Central Intelligence Organization, was in response to President Michael's growing support for the Zimbabwean African National Liberation Army (Zanla), and his enforcement of United Nations sanctions against the while settler regime in Rhodesia. Renamo was comprised of soldiers who had fought with the

Portuguese during the colonial war, in addition to Frelimo dissidents. Its initial objectives were to destabilize the Mozambican government and provide intelligence on Zanla guerrillas operating within its border. In pursuing these aims, Renamo enjoyed limited grassroots support and did not pose a serious threat to Frelimo. However, this changed after 1980, when Rhodesia was granted independence and Zanla took control.

3.23   Zimbabwe's transition to majority rule effectively left Renamo without a sponsor. Control of the group eventually was handed over to the South African Military Intelligence Directorate (MID).   South Africa's aim in revitalizing Renamo was to counteract Mozambique's support for the armed opposition to apartheid, and to block landlocked Zimbabwe's access to the sea through Mozambique. The intention was to increase South Africa's dominance at home in terms of violence and brutality. By 1982, Renamo was active in most parts of Mozambique, especially in the north and the center of the country, and had become a serious military threat to the government. It's grassroots support, notably among the rural poor, also increased since Frelimo's authoritarian control led to ambivalence and hostility towards the government.   This exacerbated the civil conflict and provided Renamo with the political space to exploit the situation. In the 1984, the governments of South Africa and Mozambique signed the Nkomati Non-Aggression Pact. The pact laid down the foundation for a cessation of hostilities between the parties. In exchange for South Africa halting its support for Renamo, the Frelimo government agreed to close down ANC military operations from its territory. A series of South African-mediated negotiations also took place between Frelimo and Renamo in an attempt to reach a lasting settlement to the war. However, these talks collapsed under pressure from the South African military and other opposition groups. Even though Frelimo largely adhered to the terms of the Nkomati Accord, the South African government did not; it continued to covertly support Renamo. Eventually this led to the dissolution of the Nkomati accord.

3.24   South Africa's covert support for Renamo forced the rebels to adopt new insurgency tactics. These tactics were more destructive than before and included the targeting of key strategic areas and civilians. Instilling fear and terrorizing the rural population became the hallmark of Renamo's offensive. The tactics were part of a standard terrorist strategy intended to advertise the rebels' strength, weaken the authority of the government, and to undermine the rural production system on which Mozambique depended. To this end, Renamo destroyed transport links, health clinics, schools and all other infrastructure that represented social security and government provision. By the late 1980s, Mozambique had dissolved into one of the Africa's greatest humanitarian disasters, with the state moving toward total collapse. The gains made in education and health were almost wiped out.

3.25   At the same time, the Frelimo government was faced with a demoralized army and was unable to maintain control across vast areas of territory. Enlisting the help of its regional neighbors, Tanzania and Zimbabwe, the government attempted to flesh out Renamo bases in neighboring countries in order to stop the insurgency attacks.   Though this initiative had some success, Renamo continued to receive support from the South African government, Portuguese

business interests, and evangelical Protestant groups channeling their aid through Malawi and Kenya.

3.26 The turning point came in the late 1980s as a result of significant shifts in the national, regional and international political scene. The death of President Machel under mysterious circumstances, the unbundling of the Apartheid regime, and the dismantling of the Soviet Union forced both sides to realize that a military victory was unattainable and that the war was at a stalemate. It was within this context that the first round of peace talks started in Nairobi in August, 1989.

3.27 The critical question for analysts of conflict resolution is to understand what brings antagonists to the negotiating table and keeps them there until an agreement is reached. In the case of Mozambique, the elements, which brought the government and Renamo to Rome, were principally rooted in changes in the international and regional environment, coupled with the genuine weariness and concrete lack of apparatus on the part of the Mozambican population to participate in the unending war. Both parties were dependent upon foreign sources for the continuation of the conflict, especially since the already limited resources of Mozambique had been squandered or rendered inaccessible under the pressure of repeated drought, destruction and famine. Against this background, it was the withdrawal or threatened withdrawal of sources of support – both military and financial – which served as the catalyst for the onset of negotiations. Coupled to this, was the application of incentives for participation in the peace process, initially from private business sources; followed by support from the Italian government and eventually instituted through the creation of an internationally administered trust fund.

3.28 In Mozambique, the role of Soviet and East German military assistance, in the form of both advisors and material (especially oil) – while never attaining the levels found in Angola, had proved to be crucial to maintaining the government's capacity to wage war. The public declaration of June 1989 that assistance would be curtailed completely within 24 months signaled the end of the government's pursuit of the military option (Hall and Yang, 1997: 204). This was coupled with the dwindling interest of the international donor community in continuing to respond to the decade–long emergency as well as in financing the bankrupt Mozambican economy. Underlying this change in attitude was, again, the dramatic transformation in Eastern Europe and the Soviet Union, which saw the West's interest shift to that region of the world. For a country that had become so dependent on aid, the implications of a drop in aid were serious, if not potentially disastrous.

3.29 At the regional level, Zimbabwe's commitment of troops to the defense of the Beira corridor was increasingly being questioned both by the opposing politicians and the public in general. The financial drain in the treasury estimated to be one million Zimbabwean dollars a day, was exacerbated by the spectacle of growing Zimbabwe casualties. Coupled with this was a belief in that Harare the Frelimo's ill-disciplined and poorly equipped force would not win the war.

3.30   In the case of Renamo, the implications of the transformations in the international and regional environment were critical in bringing about a change in their attitude toward negotiation. The international environment, which was once felt to hold great promise for Renamo had failed to deliver the needed support. Partly a reflection of the diminishing interest in the regional battle grounds of the Cold War, the tapering off of foreign interest was also linked to the failure to win crucial American backing for the organization. The publicity surrounding the Homione massacre in 1987 and, coming in the wake of efforts to secure Republican Party support for the organization, the publication of the US State Department's Gersony Report in 1988 cast Renamo into the netherworld of guerilla movements outside the mainstream of Cold War support. Thereafter, the focus of American efforts was toward bringing the respective parties to the negotiating table. Concurrently, at the regional level, the withdrawal of South African support for the rebel movement, a process which began in earnest after a 1988 meeting between P.W. Botha and Joachim Chissano, hastened Renamo's move to a negotiating table. This war was in keeping with the government's "new diplomacy", a strategy of disengaging from the destabilization policies of the previous decade.

3.31   Although Renamo subsequently transferred its headquarters into central Mozambique, South Africa continued its covert support, as did other backers (including Portugal and American elements). Finally, against this backdrop of substantial change in the international and regional environment, the deteriorating domestic conditions left the Mozambican parties little choice but to pursue a non-military solution to the conflict. The failure to achieve military end to the conflict and, with the withdrawal of foreign support, the unlikely prospect that one would be forthcoming in the near future tempered ideological hawks on both sides. The catastrophic economical situation faced by the government, a product both of the war and its own ill-conceived development policies, meant that the economy was undergoing a serious process of disintegration. At the same time, Mozambique joined the IMF and the World Bank and agreed that international NGOs could work inside the country, distributing relief aid (Hanlon, 1996).

3.32   Following the still-unresolved death of President Samora Machel in 1986, Joachim Chissano took over the leadership of Frelimo. With its war-torn economy in disarray, in 1987 Mozambique entered into a three-year structural adjustment agreement with the World Bank. This entailed the liberalization of its markets and privatization of state-controlled enterprises, in exchange for substantial increases in aid disbursements. By 1989, the party and government had begun to take steps toward political liberalization and had dropped its Marxist-Leninist doctrine in favor of a social democratic identity. A new constitution was introduced paving the way for multi-partyism, and including in a commitment to human rights and increased freedom of the press and of association. As earlier pointed out, by this time, the external environment had changed considerably, weakening the outside forces that had sustained the conflict in Mozambique.

Impact of the War

3.33   The war in Mozambique had, and continues to have, enormous human, social and economic impact, in terms of the death, disability, displacement and trauma suffered by the population. In addition, the war destroyed the social and economic infrastructure, including health posts, trading posts, schools, colleges, factories, roads, bridges, railways and energy facilities. Most of the economic and social gains of the late 1970s were lost. UNICEF (1989) estimated that Mozambique's GDP was only half of what it would have been without the war. This was a brutal war in remote rural areas, and it was the poorest Mozambicans who paid the highest price. With the end of the war, landmines continue to be a problem, causing ongoing casualties and disability, and preventing the use of some water points and agricultural lands.

3.34   An estimated 1 million lost their lives during the recent war and over half of the population was forced out of production. One and a half to 2 million became refugees; another 2 million were internally displaced in camps or in resettlement schemes. A further 2 million were internally displaced, but were outside the official schemes. A further 1 million or so hovered around their home areas barely scratching out a living in highly insecure conditions, often cultivating clandestinely by day and hiding by night. In addition, around 100,000 were mobilized in the armed forces, and thousands of men, women and children were recruited or forced into portering, production, or the provision of sexual or other services for soldiers (Green and Mavie, 1994).

3.35   Because health and education were the main cause of Frelimo's popularity, schools and health facilities were particular targets; students, teachers and nurses were kidnapped or killed, and in some cases hospital patients were massacred, so that people would be afraid to provide or use social services. An estimated 58 percent of the existing 5,886 primary schools in Mozambique were destroyed or forced to close during the war. Three thousand rural shops were destroyed or closed. Many livestock were lost or stolen; food stores and houses burned, looted or destroyed, and other household items such as clothing were stolen. The cumulative loss in output in the period of 1982-92 has been estimated to be between US$15 billion and US$20 billion. By 1994, over 2 million Mozambicans were still dependent on food aid and up to two-thirds of the population were estimated to be living in absolute poverty. Mozambique was the world's most indebted, most aid-dependent, and possibly, its poorest country. GDP per capita in 1994 was estimated at US$88 (EIU, 1996:51).

PEACE AGREEMENT AND RECONSTRUCTION

The General Peace Agreement

4.1   The end of the Cold War brought the end of the proxy battles, with negotiated settlements and elections in Namibia, Angola, South Africa and Mozambique, all of which were won by parties that were once branded by the United States as communist. In 1990, Mozambique approved a new constitution calling for multi-party elections. In July 1990, the government and Renamo began formal peace talks in Rome. After 12 rounds of talks, the General Peace Accords (GPA) was signed on October 4, 1992 by Joachim Chissano, the President of Mozambique and of Frelimo, and by Afonso Dhlakama, President of Renamo. The Rome peace negotiations were hosted and mediated by the Italian government and the Roman Catholic Santo Egidio community, and were observed by Mozambique's major donors, including the U.S, Great Britain, Portugal, and Germany. The agreement consisted of seven protocols designed to address both the formal resolution of Mozambique's civil war and the establishment of a new political system meant to provide the basis for lasting political stability. At the center of the political settlement was the establishment of a competitive multiparty democracy along majoritarian lines, although the parliament was to be elected under a system of proportional representation.

4.2   Furthermore, the Accords recognized the legitimacy of the government and its laws, administrative structures, and the Constitution, but it also asked the United Nations "for its participation in monitoring and guaranteeing the implementation of the General Peace Agreement".

4.3   The peace agreement called for: the dismantling of the government and Renamo's armed forces and the re-integration of some of its troops into a new, unified national army; the reform or disbandment of various government security forces and restructuring of the police force; the reintegration of Renamo-held territory into a unified state administration; and the holding of the country's first multiparty elections. These tasks were essentially meant to be completed within one year, with the peace process culminating in elections in October 1993. The deadline was later extended to October 1994.

4.4   The Agreement was to be overseen and supported by a 6,800-strong UN peacekeeping force/observer mission, with substantial participation by Mozambique's key donor countries. The plan for implementation of the GPA called for the creation of a series of peace commissions, staffed by representatives of Renamo, the government and in most cases representatives of various donor countries and the United Nations Observation Mission in Mozambique (ONUMOZ). These commissions corresponded to the tasks outlined in the peace agreement. The peace commissions were meant both to remove remaining obstacles to the creation of a new regime (through the demobilization of the rebel troops, creation of a new army, restructuring of the state security forces, and the reintegration of former soldiers into society), and to establish the foundation for a new political system.

4.5   Mozambique benefited immensely from the experience of the international community in Angola and Cambodia. Angola's failed peace process inevitably informed Mozambique's own experiment.[5] The Angolan election took place just as the Rome accords were being signed, and the return to war in Angola led the UN Security Council to approve a much larger presence in Mozambique. The international investment, in terms of both the size and the cost of intervention, was far greater in Mozambique than in Angola under UNAVEM 11 (United Nations Verification Mission in Angola 11) from 1991 to 1995. Angola's first multifunctional peacekeeping mission included only 350 military observers, supplemented by 125 police observers and 100 electoral unit personnel, with several hundred more election monitors on polling days. No peacekeeping troops were deployed. In Mozambique, provision was made for more than 300 military observers and 5,500 troops to monitor and verify the ceasefire, to demobilize and disarm troops from both the government and Renamo armies, and to provide security for the transition process. On the heels of Angola, more effort was put into ensuring that demobilization was completed and the new joint army was established prior to elections in Mozambique.

4.6   Overall, in Mozambique the UN had a mandate to participate in the most crucial peace commissions, rather than simply being tasked with observing, as in Angola under UNAVEM 11. In addition to its military component, ONUMOZ deployed civilian police to monitor the activities of the Mozambican police forces during the transition; coordinated and monitored a host of humanitarian agencies responsible for everything from resettling refugees to providing health care in the quartering areas; and provided technical assistance and monitored the electoral process. In this sense, the international actors in the Mozambican peace process employed a broad spectrum of non-coercive incentives, from purchase, to insurance, to legitimation. Even after the formal role of the international community in the process ended, Mozambican aid dependence and its position as an economic and political success story in the region has created a situation in which the international community continues to provide insurance and legitimation that help to keep the process from derailing.

Purchasing Cooperation and Compliance

4.7   Moreover, Mozambique's transition marked a number of precedents in international financial support for war termination. The use of side payments by conflict mediators was widespread. It was employed to "purchase" cooperation from both Renamo and the government (Rothchild, 1997). Dhlakama made his first formal request for financial support for Renamo's transformation into a political party in March, 1992. After the signing of Protocol 111 of the General Peace Accords, which dealt with the electoral laws and provided guarantees that the government would make provision for logistical support for Renamo in the cities, Dhlakama put up a grant request for US$10 million to US$15 million to the Italian government. When the money had not appeared by March, 1993,

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[5] . Three main lessons were learned: the UN saw the need for a strong and comprehensive role in Mozambique; the time-table for various activities in Mozambique had to be flexible; and, elections in Mozambique had to be undertaken only after the rival armies had effectively been demobilized and a new joint army had been created.

Renamo brought the question to the attention of the rest of international community by launching a boycott of all peace commissions, thereby paralyzing the implementation of the peace accord. Two months later, the UN set up a trust fund to support Renamo's transformation. In January 1994, a trust fund was also created to support the participation of all registered parties in the elections (Manning, 2002:106).

4.8   Ready cash from the international community bolstered Dhlakama's leadership position in his Renamo and later in his political party. It permitted the Renamo party to pay off military leaders and other officials it could no longer use; helped maintain loyalty and services of selected party leaders; and allowed the party to attract new leaders, and activists. Initially, financial support came as part of the peace agreement and was dispersed directly to the party leadership for discretionary use. After the first elections, party funding would be contingent upon the party's ability to win office and would be controlled to a large extent by the party's representatives in public office rather than centrally by the party hierarchy.

Emergence and Relief Support

4.9   Emergency relief in Mozambique began in the mid-1980s, during the war, with programs run by international NGOs in conjunction with the government emergency relief organizations. The emphasis was on preserving life in wartime. However, due to weak government capacity, it failed to put together a comprehensive program for relief and rehabilitation of the 7 million refugees and internally displaced persons returning home. In fact, the majority of them resettled themselves, walking back to their home areas and clearing and replanting fields. Unlike demobilized ex-combatants, lack of reserves (cash, seeds, tools, training, and other assets) meant that they did not have enough to tide them over until the first harvest.

4.10   Nonetheless, there were some developmental activities during this time, particularly in the areas less affected by war, including attempts to stimulate local production, although these were rarely sustained once donor agencies withdrew. Some agencies such as the WFP, which mainly focuses on food-aid provision, attempted to find mechanisms for converting traditionally relief-oriented aid into more developmental support. In a matter of months, it found itself struggling against an appalling government, weak in its capacity to plan, coordinate, supervise and regulate the activities of external agencies. The weakness sprang, in part, from a lack of skilled and trained personnel, particularly at the middle management level, a legacy of lack of investment in the development of human resources. It is also a result of poor public sector pay, such that employees are forced to supplement their incomes by moonlighting, or for those whose skills are in demand, to move into the higher-paid private or NGO sectors. Particularly during the immediate aftermath of the war, the expansion of high-paid employment and consultancy opportunities in the UN led to a "brain drain" from the government.

4.11   The civil society organizations in Mozambique had never been given an opportunity to take root until 1990. From the Portuguese era to the Frelimo period, those non-sate actors, either by contending elites or by the masses, were consistently discouraged through stringent application of legal and political measures. The opening of Mozambique political life in the 1990s, marked the turning point for civil society. Specifically, the promulgation of the Constitution of 1990 provided a range of freedoms associated with the advent of liberal democracy. In that same year, the Ministry of Cooperation identified 12 local NGOs with sufficient resources to participate in the founding of a network of non-governmental organizations; by 1993, it had registered 87 and three years later that figure was well over 100.

Demobilization and reintegration

4.12   Debates on the relationship between disarmament and development have been long and extensive, from the 1960s on into the 1980s (Graham et al., 1986; Brozoska et al., 1995). During the Cold War era, however, they were largely theoretical and driven by "wishful thinking". They centered around the question of to what extent a disarmament process could potentially benefit development. Declines in military expenditure and demobilization were generally perceived to allow for more productive uses of financial resources, to contribute to limiting the political power of the military establishment, and to freeing manpower and skills for more productive activities. Along with a reduction in the number and size of violent conflicts, it could support and facilitate human development. Advancing human development increases social justice and might reduce tensions between people.

4.13   More recently, but increasingly, it is also been recognized that in order to use these resources, considerable investments in demilitarization will have to be made, for example, in the closure of military facilities, resettlement of ex-combatants, demining of land, and disposal of other surplus weapons. More recently, support of demobilization exercise by international financial institutions is seen as a positive measure to shift resources from the military to social expenditure purposes (Bonn International Center for Conversion, 1996; Kingma, 2000).

4.14   According to GPA, the cease-fire in October 1992 was to be followed by a program of separation of forces, assembly of all combatants in special areas, disarmament, demobilization, and the creation of a smaller unified national army. Through demobilization the Accords sought to significantly reduce the size of the regular army and paramilitary forces, as well as the number of civilian personnel employed by the armed forces. The UN institution given the responsibility over the delicate set of procedures entailed in the demobilization was the Technical Unit of Demobilization. To achieve demobilization of Mozambique, the Technical Unit stabled 48 assembly areas. Three UN military officers and one civilian officer manned each assembly area. This team organized, in conjunction with local camp commanders in charge of troops – everything from the registration of soldiers, to their disarmament and storage of

their weaponry. They also assisted in the processing of selected soldiers for the new national army, and finally, in the formal demobilization and transportation of ex-soldiers. During the period of cantonment in assembly areas, the Technical Unit used this opportunity to both entertain and inform the soldiers through a range of methods. Among the activities were educational programs such as literacy classes, recreational activities such as football matches, and general information about the nature of the peace process and specifics on demobilization, and camp radio broadcasts and lectures. Finally, when the ceremony marking the official return of the soldiers to civilian status took place, it was the job of the Technical Unit team to coordinate with the International Organization for Migration (IMO) for the transport of ex-soldiers to their preferred destination.

4.15   Women formed a small percentage of those recognized as combatants in the demobilization process, 1,380 out of 92,881 or 1.48 percent. Despite the recognition of their presence, the demobilization and reintegration exercise treated all soldiers as a homogeneous group. In reality, they were highly heterogeneous, including child soldiers, disabled soldiers, and male and female adult soldiers on both sides of the conflict. They also included men and especially women on both sides who were not actively engaged as soldiers, but who were obliged to carry supplies, produce food for soldiers, and provide sexual services, or otherwise support the conflict, often forcibly, and who were not incorporated in the demobilization program. M. Barron (1996) argues that a failure to analyze ex-combatants beyond their identity as "soldiers" and to address their gender differences, led to a failure to address the specific needs of men and women. In part, this was because female soldiers, like child soldiers, were not perceived as a security threat and thus their needs were not given priority. Related to this, the gender implications of the reintegration of male (and female) soldiers into households and communities were not considered, either in the demobilization program or in the various reintegration schemes. Above all, little attention was paid to the needs of the dependants of demobilized soldiers. They were basically cast as appendages of the (mainly male) ex-soldiers, highlighting a lack of awareness of the importance of family relations in the reintegration process and the renegotiation of roles and relationships that would be involved.

4.16   The last component of demobilization was the creation of a new national army, the Armed Defense Forces of Mozambique (FADM). At the time of the Rome Agreement it was envisaged that the new army would consist of 30,000 soldiers, equally divided between former government and former Renamo troops. After the war fatigue and the proposed lucrative incentives for demobilized soldiers, it was difficult to find enough people to join the FADM. Only about one-third of the expected force volunteered for service. By the time of the general elections in 1994, there were only 11,579 soldiers, most of them officers (Lundin et al., 2000:201).

4.17   The establishment of training centers for the new army, staffed by professional soldiers from Britain, France and Portugal, were to give the soldiers a professional military background. Those former government and Renamo soldiers selected to be part of the new national army would undergo instructions

in an array of techniques and courses found in the curriculum of Western militaries. It was through this process that the core of the new national defense force, instilled with professionalism and a commitment to the new democratic state, was to develop (General Peace Agreement, 1992:30).

4.18 In order to assist the demobilized combatants to reintegrate into civilian life, and in order to avoid security problems during re-socialization, several support efforts were planned and implemented, ranging from financial packages to special training and information on employment opportunities. Those to be demobilized received severance payment, food and assistance with transportation to places of their choice. Along with all this, their weapons were collected. Each soldier was considered demobilized as soon as he or she reached the place of settlement. The exact numbers of demobilized combatants differ slightly depending on the reporting agencies. The figures provided by the UNDP are believed to be the most accurate, since they are based on the donor's monitoring system, including the last payment made to the demobilized soldier in January-March, 1997. In total, about 92,890 soldiers were demobilized, of which 70,910 were government soldiers and 21,980 were Renamo fighters. Of the demobilized combatants, 1380 or 1.5 percent, were women. The demobilized had 215,000 dependants. Although there are no exact numbers of how many resettled in towns, it is clear that the great majority resettled in rural areas, particularly the ex-Renamo fighters (Lundin et al., 2000:182-185).

4.19 The reintegration exercise was placed in the hands of the Commission of Reintegration (CORE). The support strategy consisted of 4 programs: a reintegration support scheme (RSS), an information and referral scheme (IRS), a management framework for integrating demobilized soldiers with emphasis on business and skills development (BSD) and a provincial fund for the reintegration of demobilized soldiers. As stipulated in the GPA, CORE was supposed to approve a package for the program.

4.20 The RSS, mobilized under the auspices of the United Nations Development Program (UNDP), provided severance payments (a transitional safety net), for all demobilized soldiers. This was spread out over 24 months, 18 months of which were financed by donors. The BSD, executed by the International Organization for Migration (IOM) and Creative Associates, assisted demobilized soldiers by providing some low-level counseling and helping to resolve administrative difficulties. It was clear from the magnitude of the problem that additional efforts were needed. This related not only to increasing the financial contribution to the overall assistance strategy, but also to identifying areas where support had thus far been insufficient, especially with regard to (a) the direct involvement of local government institutions at the provincial, district, and village levels as program and project facilitators and (b) the fostering of sustainable livelihoods (real jobs) and community development through the explicit consideration of social and economic reintegration elements.

4.21 In support of ongoing reintegration initiatives, the Bank developed, during 1995, the pilot Provincial Reintegration Support Program (PRSP) in the two providences of Manica and Nampula. The components of the PRSP were: (a) a training fund, (b) an employment fund, and (c) institutional support. The overall

objective of the PRSP was to facilitate the economic and social reintegration of ex-combatants and, to a lesser extent, other vulnerable groups. After the delayed identification of the Government's primary counterpart institution, which eventually became the Institute for Training and Employment, the Ministry of Labor, the PRSP finally became operational in early 1996. The first lesson thus emerged – hold out clear government/local ownership if one wants sustainable, committed development.

Training Fund

4.22   Complementing the Government's ILO-assisted contract training scheme, the pilot training fund (US$ 500,000) concentrated on informal sector apprenticeship training, granting to mostly master craftsmen, small and micro-enterprise employers, up to six months salary-equivalent and materials in exchange for taking on an ex-combatant as an apprentice. The informal apprenticeships scheme moved the training provision closest to the point of employment, stressing learning by doing and allowing for the acquisition of technical as well as business skill acquisition (e.g. market analysis, sourcing of raw materials, cost management, etc.) and invaluable networking (social capital accumulation) for longer term employment. A voucher program was also planned to facilitate consumer choice, empowering ex-combatants to purchase the training they thought they most needed. The training fund was not limited to any single province.

Employment Fund

4.23   The pilot employment fund (US$ 1,500,000) strengthened the current micro-enterprise, and employment generation activities of the Institute for Training and Employment assisted the German Agency for Technical Cooperation (GTZ) in Manica and IOM in Nampula provinces. The pilot fund supported income-generating activities such as the establishment of micro-enterprises, labor-intensive public works, the rehabilitation of social infrastructure, and community-based (including NGO) initiatives. Veterans and veterans' groups, community groups, local government institutions, and NGOs all were eligible to formulate and submit project proposals. Given the unfamiliarity of most target groups and beneficiaries with such a funding instrument, it was considered desirable to finance small, technologically simple and labor-intensive micro-projects with significant community involvement. GTZ and IOM provided technical assistance to local the government and the respective appraisal and monitoring. In effect, a highly successful decentralized training and employment fund emerged in the two pilot provinces.

Strengthening Institutional Capacities

4.24   The Ministry of Labor was responsible for coordinating all activities regarding the reintegration of ex-combatants. At the same time, the Ministry of Social Action assumed responsibility for the reintegration of and support to other

vulnerable groups, including returning refugees and those internally displaced. The pilot PRSP supported both ministries with core staff and office equipment The Bank urged its implementation partners to deepen cooperation with local government counterpart structures, especially the provincial directorates of labor and the provincial commissions for social reinsertion, and to implement the Bank-assisted PRSP in close consultation with them.

Result on the ground

4.25   The achievements of the pilot PRSP are quite impressive. By early 1997, over 2,100 veterans had received skills training through formal sector training providers and informal sector training providers and informal sector apprenticeships. About 80 percent of those who had received training have obtained gainful employment. Over 300 employment-oriented micro-projects have been financed under the Provincial Reintegration Fund, reaching over 4,700 direct beneficiaries. The target of about 6,300 beneficiaries has thus been surpassed by almost 10 percent, with unit costs below US$ 200 (excluding administration overheads).

4.26   It is interesting to note that almost three-quarters of the trainees were trained through informal sector traditional apprenticeships (a training-cum-employment subsidy model) at about two-thirds of the unit cost with the same level of employability as formal sector training. This confirms the original program design hypothesis that moving training closest to the point of actual employment increases employability at a lower cost. Employment promoters at the district level have played a critical role in the brokering of informal sector apprenticeships. Tool kits were provided to those who entered self-employment and have often been an effective part of the overall training and employment intervention. It must also be acknowledged that the original plans for testing a *training voucher approach* had to be curtailed due to the insufficient administrative capacity at the local level to implement and monitor such a scheme. Therefore, any future expansion of the training program should place emphasis on the informal sector apprenticeship scheme, connecting those who choose to proceed to self-employment to related projects to enhance small business development skills and credit.

4.27   The pilot PRSP allows for a comparison of a more emergency-oriented approach to an employment generation with a more development-oriented approach. The rationale of the Provincial Fund (PF) implemented with assistance from IOM was the minimization of security risks through the rapid employment of as large a number of ex-combatants as possible. Short-term *occupation* rather than long-term *employment* was the objective. The Open Reintegration Fund (ORF) with the technical support of GTZ, on the other hand, focuses stricter criteria for project selection and monitoring, leading to higher unit costs. Fifteen percent of GTZ contracts are directly with the project beneficiaries, whereas IOM works more through implementing agencies, especially district administrations.   Both approaches have met their objectives, as confirmed by the achievements summarized above. Moreover, although there is insecurity in some parts of the country, there does not seem to be any systematic relationship between the

prevalence of crime and the number of demobilized solders in a locality. Both emergency and development approaches thus seem to have validity in the immediate aftermath of war. One common lesson learned during the transition from war to peace is that, given the weak state of local institutions, the use of NGOs, community-based groups, and other private sector intermediaries to assist in implementation while simultaneously building counterpart capacity is a critically important strategy.

4.28   Regarding the development and sustainability of the micro-project provincial reintegration fund approach, the GTZ has developed a comprehensive *monitoring and corrective action program* to assist entrepreneurs. Their monitoring evaluations indicate a predominance of problems in the areas of management and finance, suggesting the need to further skill enhancement in these areas. Overall, however, sustainability appears to be most closely linked to structural problems of access to markets, transport and financing (credit). These findings suggest the need to begin weaning the beneficiaries off the grant and its concomitant dependency-reinforcing (emergency-oriented) mentality, and onto more of a credit, which should promote self-reliance (development-oriented) mentality.

Capacity building by the UN system

4.29   Capacity building has been another objective of the pilot PRSP, although with lower priority, because of the emergency environment. Both the Ministry of Labor and the Ministry of Social Action have received office equipment that enabled them to perform their responsibilities more effectively. On-the-job training in program coordination and monitoring also had been undertaken. However, due to the need to rapidly reach as many beneficiaries as possible, such support at the central and provincial levels, especially under the employment fund, has only recently received more attention from the implementing agencies. In addition to moving from a grant to a micro-credit orientation, the emphasis for a planned expansion of the PRSP model will entail a strong provincial and community capacity-building dimension.

4.29   Including the Reintegration Support Scheme (RSS), to which several donors contributed. The national UNDP office was to implement the program, with the Mozambican bank, Banco Popular do Desenvolvimento (DPD) making payments to ex-combatants in the districts. In order to facilitate the peaceful reintegration of demobilized soldiers, donors assembled a package worth about US$50 million.

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The former combatants were guaranteed eighteen months' pay by donors (in addition to six months' pay provided by the government), transportation for themselves and their families to the destination of their choice within Mozambique, three month's supply of food, seed and tool packages, and access to various vocation training and micro-credit schemes. These support packages created incentives for individual soldiers to come forward for demobilization even if the parties sought to withhold some troops for contingency purposes (Manning, 2002:30). As Richard Synge notes, "the troops already registered (in the demobilization camps) loudly demanded their benefits, and those held back

from assembly became determined not to miss out. With the help from the (RSS), demobilization succeeded in flushing out most of the organized combatants in the country (Synge, 1997:160).

4.31   Through the Ministry of Labor, the government of Mozambique was to take over the project execution after the departure of UNOMOZ. The Ministry of Coordination of Social Welfare subsequently became involved. A National Commission for Social Reinsertion, attached to the Prime Minister's Office, has more recently been created to take care of all people affected by the armed conflict.

4.32   Several major programs were developed to support reintegration, either by offering new marketable skills, or through direct funding. The Occupational Skills Development (OSD) project was implemented by the International Labor Organization (ILO) and the UNDP to provide vocational and entrepreneurial training. The Provincial Fund (PF) was a decentralized mechanism to finance local initiatives (employment, training, education, and business start-up). Self-employment was the main aim of the program, because few jobs were readily available. These programs were designed to offer "a quick impact" to facilitate the social inclusion of the demobilized in their communities and to provide economic stability. The Information and Referral Service (IRS) was intended to be the link between demobilized soldiers and the programs, by directing them to employment and training opportunities and by promoting realistic expectations.

4.33   While the mandate and stated objectives of at least some of the above programs extended beyond the demobilized to their families and, to some extent, wider groups in the community, there is little evidence that any significant effort was made to extend beyond demobilized individuals as the main target groups for benefits. As Sally Baden points out, this reflected a narrow and misconceived understanding of the process of reintegration, which acts to reinforce a male breadwinner model, and is a missed opportunity for skills-development of women and wives of ex-combatants (Baden, 2003:99).

4.34   Demobilization implied special problems for the so-called "child soldiers" or ex-child soldiers. At recruitment, 28 percent of the demobilized combatants had been younger than 18 years old. Some had been recruited at only eight years of age. This means that many of them reached adult life during combat life (UNDP, 1997:14). For a small group of child soldiers, UNICEF started a program with the then Secretariat of Social Welfare, the Mozambican Red Cross, the Save the Children Fund and the International Committee of Red Cross to care for them because they were not recognized as soldiers and could therefore not formally be demobilized. A databank was established and children were placed in special transitory centers. Posters with a photo and information on the child were displayed around the country asking for help in identifying their parents or other relatives. In less than six months, eight-hundred families had been identified. When leaving the centers, the children received a kit with clothes for themselves, *capulanas,*[6] for the women in the family, and food for two months. The Save the Children Fund followed up and monitored the development of their

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[6] . A piece of cloth married women wrap around the waist that functions as a skirt.

life inside the communities. However, many children left the army when the pressure to fight was no longer there, and very little is known about what happened to them after the war (Lundin, et al. 2000:196).

4.35   The existing capacity for skills training in Mozambique is weak and poorly linked to the labor and product market demand. Much of the training provision is poor in quality and does not provide a sufficient level of skill development to support a viable livelihood. This is the legacy of lack of education and skills development, of earlier planned economy models, and of wartime destruction. In the immediate aftermath of the conflict, training programs were hurriedly established under the pressure to demobilize over 90,000 soldiers. While they have had some success, they have also created frustration and unfulfilled expectations on the part of some trainees, particularly women. There is also the danger that, faced with competition from a flood of newly trained entrepreneurs equipped with free tool kits, existing businesses will be negatively affected. The training initiatives are beginning to recognize some of these weaknesses, to provide more support and follow-up to trainees, and to make links to credit programs and upgrade training skills and capacity.

4.36   With regard to the specific needs of women, most training provisions were in skills conventionally recognized as male. Where training has been specifically provided for women, this has been in the stereotypical activities. A depressing number of programs across a range of agencies set up sewing classes for women, in spite of the obvious limitations of this trade as a source of a livelihood.

Cost for Demobilization and Reintegration

4.37   The first bill of demobilization was for US$26 million and was paid by the government as six months' severance salary; the remainder was picked up by the international community for three months' food, a kit of production tools and seeds. These costs were incurred before soldiers were taken to the places of settlement. The total cost of the Reintegration Support Scheme (RSS) was about US$35.5 million. The Occupational Skills Development project (OSD) cost around US$14.9 million to train some 7700 demobilized soldiers, of which only 5 percent are believed to have been employed as a direct result of such training. The FP had a budget of US$11.3 million and the IRS had a budget of US$7.9 to assist soldiers to obtain information concerning job opportunities and legal matters in their new civilian status. The overall cost of demobilization and reintegration support are estimated at around US$95 million, slightly more than US$1,000 per demobilized soldier (Brito and Massanhane, 1997:6)

4.38   UNOMOZ officially acknowledged that, "demobilization was the most difficult and dangerous phase of pacification" (UN, 1995:38). The process was undertaken not only under pressure of time, but also under the pressure from soldiers. Pressure from time stemmed from the deadline set for the General Elections scheduled for October, 1994, while pressure from the ex-combatants was due to war fatigue and unnecessarily long duration in the assembly areas. The majority of the assembled combatants were forced to remain in these locations much longer than they had expected, causing dissatisfaction. The

soldiers' aspirations were not taken into consideration either by the government or by the Renamo leadership. As a result, the assembled combatants used the method they knew best: violence. As would be expected, innocent people suffered through hostage-taking, blocked roads, seizing of vehicles, being threatened at gunpoint, through destroyed shops and houses, and generally having their lives put at risk. Violent protests resulted in 317 incidents, of which 30 percent were by government troops, 21 percent by Renamo forces, and 41 percent from both sides acting in concert. Among mutineers and innocent people, 28 were killed and 84 were wounded; widespread material damage was reported (Gasper, 1995; UN, 1995).

4.39   Demobilization in Mozambique also involved a disarmament component. Under the GPA, the Cease-fire Commission was to collect weapons from both the government and Renamo soldiers. A survey in December, 1995, revealed that UNOMOZ had collected many weapons, including a large amount of unexploded ordinance (6,097727 pieces of ammunition; 3677 grenades; 351 kg of motor bombs) and 225717 mines. At the same time, 24,124 unspecified weapons and 1,263,42 pieces of ammunition and other mortar bombs were collected and destroyed (Gaspar, 1995). The exact number of outstanding weapons was unknown, but those collected under the UNOMOZ mandate were but a modest part of what was expected. Like the landmines, it was estimated that there were millions of uncontrolled small arms and light weapons in Mozambique, such as the Soviet-made AK-47s. Large numbers of weapons never were, or are no longer, under government control.

4.40   Though weapons of war, landmines constitute a threat long after armed conflict has ended. Landmines pose a special security risk in Mozambique. Mines planted by both sides to the conflict are at present killing innocent civilians in pursuit of their livelihoods. The unpredictable security threat posed by mines is a major obstacle to resumption of normal life and economic, social and political development. In addition to mines, unexploded bombs or ammunition and discarded weapons also pose environmental and physical hazards. The number of landmines in the country was estimated at half a million to four million. The critical challenge to the government of Mozambique and assistance agencies is landmine removal and prevention of civilian casualties from landmines.

4.41   The process of demining was one of the crucial actions to be undertaken immediately after the signing of the Accords, not only to reinforce peace but also to reduce the side effects of the war. The National Clearance Program was created in early 1993, but the process of demining suffered considerable delay. After the departure of the UNOMOZ, demining was taken over by the Mozambican authorities and executed by the Mozambican Mine-clearance Organization (MOZMO). The government created also a National Commission to deal with mine clearance. It functions at the national level to provide policy orientation and operational standards throughout the country. It undertakes its task with the assistance of international NGOs, which operate with Mozambican personnel. Very little attention has so far been paid to training and institution-building for anti-mine activities, to site selection, and to productivity and cost effectiveness. A strategic demining program for Mozambique might include mapping the location of mines, prioritizing the land to be cleared, training

demining personnel, and promoting awareness programs (World Bank, 1999).

4.42   No sooner had demobilization been completed than the country began to experience a dramatic rise in crime. The argument that the demobilized soldiers in Angola and Mozambique have increasingly turned to banditry and other nefarious criminal activities due to the easy availability of small weapons and ammunition has some validity. The resulting criminality is closely related to two shortcomings of the demilitarization program: the plenteous quantity of arms and the emergence of criminal gangs of military origin. In the case of the former, failure on the part of the UN peacekeeping mission to oblige demobilizing soldiers to actually conform to the requirements of turning in arms was compounded by the hiding of arms caches around the country. Pressured to keep to the timetable of the peacekeeping mission and without recourse to coercive means, the UN military observers turned a blind eye to soldiers turning in patently unusable weaponry upon arrival in the assembly areas. In the period preceding the 1994 elections, the unwillingness of the parties to the conflict to provide access to the inspection teams investigating potential arms cache meant that there unquantified supply of armaments in the country. After the elections, ONUMOZ reported that it had visited all known government arms depots, but it was not allowed by Renamo to visit 116 arms dumps (Hanlon, 1996:19).

4.43   Worse still, most of the light weapons that were collected by the UN were not destroyed and ended up filtering back into society (Alden, 2001:113). The result was that within two years of termination of the ONUMOZ mission, over 100 undeclared arms caches had been discovered and destroyed by police containing 22,000 functional weapons (Alden, 1997:54).[7] According to one estimate, the illegal trade in light arms between Mozambique and South Africa had resulted in the circulation of between 400,000 and eight million small arms in South Africa, the principal market for such products (Chachiua, 1999:14).

4.44   The link between criminal gangs and former military officers (in illegal arms sales, stolen vehicles and the burgeoning drug trade) also had its origins in the failings of the demilitarization program. Tailored to meet the needs of the top brass, the reintegration program neglected to address the concerns of middle-ranking officers. These officers found themselves with neither the prestige of position nor the income and privilege that had been accorded to military service during the civil war. Using their superior organizational skills and knowledge of military and policing methods, these ex-officers were drawn into the top ranks of the criminal underworld, where they were able to contribute to building organizations that had better resources and income than their rivals in either the army or police (Alden, 2001:114).

4.45   The rapid increase in drug smuggling in post-war Mozambique is estimated to have involved the re-export of 220 tones of hashish between 1993 and 1998; this is corroborated by specific seizures of 40 tones of hashish in Maputo in 1995 and a further 12 tons in 1997, as well as the discovery of a mandrax factory in 1995. Stolen automobiles, apparently supplied with false papers by South

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[7] . The police carried out appeals urging the population to hand over guns that they had in their possession. Without adequate incentives to induce compliance, the impact of this appeal was as modest as the appeal itself (Lundin et al. 2000:205).

African and Mozambican elements in their respective national police, have been entering Mozambique and resold, despite major joint policing operations involving Mozambique, South Africa, Zimbabwe, Malawi and Zambia. The illegal import of US$1.15 million' worth in cigarettes from South Africa between January and May, 1998, is another example of the ever widening range of criminal activity in Mozambique (Alden, 2001:114).

Reintegration and new security concerns

4.46   In most cases, the reintegration process takes a number of years and involves not only the ex-combatants themselves, but also their family units. Social reintegration is understood as the process through which the ex-combatant and his or her family feel part of and are accepted by the community. Political reintegration refers to the process through which the ex-combatant and his or her family became a full partner in the decision-making processes. And finally, economic reintegration is the process through which the ex-combatant's household builds up its livelihood, through production and other types of gainful employment.

4.47   The primary objectives of the reintegration support programs were to guarantee a minimum cash income, encourage the demobilized soldiers to stay in the district of his or her choice, and "keep them quiet and out of trouble". From that perspective, the programs were relatively successful. However, from the perspective of long-term development, they left a lot to be desired. First, the UNDP study found that about 71 percent of all demobilized soldiers were still unemployed by 1997 (UNDP/RSS, 1998). In more general terms, due to low levels of schooling and formal training in marketable skills, it was difficult for ex-combatants to integrate themselves into productive life in urban areas. To become a security guard often seemed the only solution available for the majority who decided to remain in town. Second, despite internationally supported efforts, post-war reconstruction had not reached the remote rural areas where the majority of the ex-combatants and the population live (Hanlon, 1997). Third, the integration support was pieced together rather than developed as a coherent program from the outset. There was reluctance on the part of some donors to involve local sectors and the government in "their programs". Some decided to give financial support only to programs implemented by international organizations or NGOs. There was also a rampant lack of coordination between local and international organizations or NGOs and as well as among sectors of the government (USAID, 1995:62).

CAPACITY BUILDING INITIATIVES: AN EVALUATION

Capacity-building: Public Administration

5.1   The post-conflict state administration in Mozambique was in terrible poor shape. The academic and professional background of the civil servants was minimal. The majority   performed duties for which they did not have appropriate training. One study conducted in 2001 indicated that in a universe of 110,000 civil servants, only 1 percent had certificates of higher education; and 14 percent had certificates of secondary education. Considering that most of the group of employees with higher and secondary education is composed of teachers, nurses and doctors, it is easy to conclude that only a minimum percentage of these employees held posts in the Civil Service. Developing and sustaining capacity in Mozambique is thus a daunting task (UNDP, 2001).

5.2   Worse still, until recently, higher education in public administration in Mozambique had been offered through only three institutions: Eduardo Mondlane University, Higher Institute of Science and Technology of Mozambique and the Higher Institute for Foreign Affairs. Their programs not only have had a negligible direct impact on the national public administration in terms of numbers produced but also tended to be generalist in orientation. In 1976, Eduardo University had a population of 2,400 students. These numbers dropped drastically during the civil war and only began to stabilize around 1989 after the introduction of the market economy. The first private higher education institutions were created. They included the Higher Polytechnic and University Institute, the Higher Institute of Sciences and Technology of Mozambique, the University of Mussa Bin Bique and the Catholic University of Mozambique.

5.3   Despite recent increases in enrolments and expenditure on higher education over the last decade, the gross enrolment rate in tertiary education in Mozambique remains only 1 percent – a very small investment indeed. Above all, the World Bank study indicated that many courses and programs offered in these institutions are outdated, of limited relevance and quality, and do not respond to demands of a fast-growing economy, the specific needs of individual provinces, or the emerging sectors. This weak human resource base largely explains the government's inability to lead, plan and coordinate programs and projects (World Bank, 2000).

5.4   In the five-year period from 1994 to 1999, the most significant transformation in the Mozambique administration consisted of strengthening and streamlining the central government and launching the process of decentralization. As earlier pointed out, the country was divided administratively into 10 provinces and 128 districts. The legal framework provides for a gradual transfer of functions and revenue over time, as municipalities become able to assume them. The only forms of elected local government are 33 municipalities. The municipalities enjoy a significant degree of administrative and fiscal autonomy, and their mandate includes economic and social development, basic sanitation, public services, health, education, culture, leisure, and sport, policing and urban

infrastructure, construction and housing. The UNDP through the Ministry of State Administration provided technical advice to provincial governments and strengthened their capacity for linking with districts. Despite the irregular development of the process, a dynamic was thus unleashed of making citizens responsible, as against the prevailing mentality of dependency in relation to the central government, which was seen as the provider of all public services.

5.5   At the level of the central government, the main activities consisted in the consolidation of public service and human resource management. The latter put in place the Staff Information System (SIP) and the System for Training in Public Administration (SIFAP). Other significant reforms in public administration structure have taken place sectorally as a result of the redefinition of the role of the state, and some through growing trust in the privation process or through the new model of management of public interests (e.g. regulation of the road sector, water supply etc). Our interviewees revealed that there is little understanding of the distinction between the political functions and the administrative functions of the central government. This is manifested in the difficulties that are regularly felt in the definition of duties and relationships between the political leaders and the administration.

Capacity Building: The Parliament

5.6 The current problems of the Mozambican Parliament have their roots in the principle of a single party rule that governed the country from 1975 until the first multi-party elections in October, 1994. The dominant theory of that period led to the creation of a People's Assembly that was limited to approving laws and resolutions coming from the Presidency of the republic and from the Council of Ministers. There was no true separation of powers at that time. The legislative organ had neither the reason nor impetus to develop the capacity to exercise its role as one of the organs of state sovereignty. It was left to the multi-party assembly of 1994 to face the difficulties resulting from the practice, which had taken root in the politics of the country over nearly 20 years. The activities of the Parliament have been the object of attention of the international community. The donor community sought to introduce into Parliament a modern and impartial administration and management structure, and to create the conditions for the existence of a good quality General Secretariat with adequate resources and staff to satisfactorily perform its functions of support to the MPs. Between 1994 and 1999, there were several important features in the Parliamentary system that were identified for rectifying:

- Only two short annual sessions, of forty-five working days each, were held in February and October of each year
- Distribution of Members of Parliament into seven working committees, with a maximum of 15 MPs each, for a total of 120, with 130 MPs thereby deprived of the right of sitting on any committee.
- Non-existence of any constitutional or legal frame of reference for its administration and management
- Existence of a General Secretariat with a dearth of resources and of limited technical quality, and therefore unable to satisfactorily perform the functions of support to the MPs
- A small budget, with little possibility of permitting the building of an organ of state sovereignty capable of carrying out duties.

5.7 In 1995, United States Agency for International Development (USAID) established the first cooperation project with the Parliament, initially on an experimental basis and evolving after the first two years into a two-year program managed by the State University of New York (SUNY). The main component of the project was a support to the legislative drafting through the establishment of a database of consultants to support the MPs and committees in the analysis of proposals and draft bills, and in their respective preparations. The coordination of this activity was the responsibility of a technical office created for that end and operating in conjunction with the Assembly. Another component was the establishment of monthly and daily public information bulletins and the Bureau of Public Information. The SUNY project also undertook a training program for the functionaries of the Secretariat.

5.8 As regards the MPs, priority was given to training them in the macroeconomic analysis of the General State Budget and of draft bills, and in the general practices and rules of order of Parliament. Finally, the area of constituency relations was considered, and public hearings were organized to discuss draft bills.

5.9 Through DANIDA, Denmark carried out a project for democratic consolidation through member contributions for the effective operations of the Assembly, creation of conditions for the plenary sessions to take place in a suitable environment for multiparty assembly, improvement of conditions of written and oral communication between MPs, the secretariat and the public in general, and the creation of a documentation center, archive and library that are able to provide quality services. To this effect, the rehabilitation and interior decoration of the plenary chamber was carried out, a communications system was installed, a new library and documentation center was built and equipped, and the classification, indexing and cataloguing of existing works and collections was undertaken. Moreover, in 1997, UNDP signed an international agreement for assistance to the Parliament, which brought together funds of its own with contributions from Portugal, Ireland, Holland and Norway. Under that agreement the following activities were undertaken:

- Improving the Assembly's information system
- Supporting the work of the MPs in their home districts
- Supporting visits abroad and training MPs, functionaries and the committees.

5.10 There was a general consensus from members of the Secretariat that under current conditions, the Parliament had little capacity to properly exercise oversight over the activities of the Executive. This is, in part, because the Parliament functions for only 90 days a year while the Executive functions for the entire year. Even if the sessions were extended, the institution would need proper material and financial resources to perform that key function. This is also in part due to the weak technical capacity of most members of the Parliament. Our interviews revealed that the general level of education, experience and political wit was relatively low.

Capacity building: The Judicial Sector

5.11 The period 1990 to 1997 saw a significant reorganization of the judicial sector in Mozambique. The Mozambican Constitution of 1990 conceived of the judiciary as a fully independent branch of government. After further regulatory activity in 1995 and 1997, the legal basis for an independent judiciary (and an Attorney General's Office independent of the Ministry of Justice) was fully established.

5.12 This fundamental change was part of a larger pattern of growing political pluralism in Mozambique. The constitutional independence of the judiciary dramatically reinforced the principle of separation of powers, one of the pillars of the rule of law. And of course, these changes were taking place in the larger context of ending the Mozambican civil war and building multiparty democracy.

5.13 The end of the civil war in October 1992, followed by multiparty elections in 1994, presented Mozambique with an opportunity to build its judicial sector unhindered by the exigencies of war. But the advent of peace did not and could not change the previous institutional context. As it had been before the civil war, the system of justice in Mozambique continued to be characterized by a shortage

of trained personnel; very limited material resources for so large a country; and complex and formalistic laws that were difficult to administer in a resource-constrained environment. These factors remain among the greatest impediments to the development of the Mozambican judicial sector.

5.14 During the 1990s, Mozambican institutions and international aid agencies made substantial investments in the development of the judiciary. Most prominent among the latter, by virtue of their scope and size, were programs sponsored by DANIDA, the Danish international assistance agency, and the World Bank. These programs focused mainly on training, principally but not exclusively, for members of the judiciary; building (or rehabilitating) and equipping the courts; and sponsoring legal reform work. Various national stakeholders interviewed for this study expressed a measure of satisfaction with the results of these programs. By contrast, the bilateral stakeholders we interviewed often questioned whether the performance of the justice sector in the wake of these (and similar though less expensive) programs justified the money spent.

5.15 There was widespread consensus among the persons interviewed that the judicial sector in Mozambique is in need of substantial improvement. Stakeholders generally agreed that the performance of the sector as a whole is inadequate and they acknowledged that public confidence in the sector's institutions is growing dismayingly slow. There was, however, a much lesser degree of consensus on what changes should be instituted and how to accomplish them.

5.16 This divergence of opinion is only to be expected in a sector that depends on the efforts of four separate organs of government, some of which were until recently subordinated to others, The Ministry of Justice, the Judiciary, the Attorney General's Office and the Ministry of Interior, their respective subordinate agencies, and others still, including the Bar Association and the Legal Aid Society (the *Instituto de Patrocinio e Assistencia Juridica* or, IPAJ), must function in a coordinated manner for the justice sector to function well. Notwithstanding embryonic efforts to improve coordination among them, it is widely acknowledged that coordination is poor. One major challenge therefore, is effective coordination among the institutions of this sector.

5.17 A number of stakeholders expressed concern that the lack of effective coordination among the agencies of the judicial sector is symptomatic of a more fundamental shortcoming. Some articulated this shortcoming, as a lack of political will at the highest reaches of the Mozambican Government to impel the agencies of the sector to work well together. Among those who referred to a perceived lack of political will, there was disagreement on whether or not it was driven by an underlying indifference to the performance of the judiciary.

5.18. A number of national and bilateral stakeholders suggested that better coordination among the donor agencies active in the sector was needed. Indeed, to some stakeholders, poor coordination among donors, the resulting uneven distribution of basic resources, and the unequal institutional development that followed, had seriously aggravated the differences among the sector agencies. Meeting the challenge of better donor coordination is consistent with the more holistic or sector-wide approach to judicial sector reform advocated by a significant number of national and bilateral stakeholders.

5.19 Explicit or implicit in discussion with many stakeholders was the idea that sector-wide approach to justice sector reform generated another important challenge: developing a strategic vision for the sector. That such a vision is needed is a widely shared belief. As this is being written, the Ministry of Justice, with the support of DANIDA, is deeply engaged in a management study intended to generate a new strategic vision for that Ministry. Reportedly, other judicial sector institutions are planning such exercises as well. A leading national stakeholder suggested that the sector's institutions should not hesitate to reexamine first premises, starting from the fundamental question: "Based on real circumstances, what sort of justice system should Mozambique have?" In this view, questions of institutional autonomy, allocation of powers and coordination should all be open for discussion. Of course, no exercise based in a single institution can serve the sector as a whole, and considerable effort will be needed to reconcile the institutions' respective visions if sectoral reform is to be coherent and coordinated. Some bilateral stakeholders questioned whether, without a sector-wide strategic plan, it is worth investing substantial resources in the main institutions of the sector.

5.20 One task universally acknowledged as a leading challenge is training. Even the stakeholders most skeptical about the future of the judicial sector agreed that its institutions labor under the enormous disadvantage of poorly trained staff. A few insisted that a clear strategic plan should precede any substantial investment in training, but all agreed that more training was necessary.

5.21 Another widely acknowledged challenge was that of legal reform. Opinions differed as to priorities in the area, and whether it was more critical than, say, prison reform, but all agreed that continued attention should be given to the subject.

5.22 Another big challenge that was cited was transforming the culture of the sector. Stakeholders often referred to particular aspects of the institutional culture at the various agencies of the justice sector – rudeness to the public, chronic delay, poor record keeping, absenteeism – but the common denominator of them all is deeply demoralized institutions. That must change if the sector is to regain the confidence of the public.

5.23 Finally, one of the most difficult challenges this sector faces is corruption. On the subject, one stakeholder cited a remark he heard from a businessman: "Why pay a lawyer when I can buy a judge?" Charges of corruption were leveled not only at judges. Most stakeholders we asked had a relevant anecdote to tell, in many cases from direct personal experience, illustrating corrupt practices by

lawyers, court clerks and officers of the Criminal Investigation Police (PIC), among others. The perception that corruption is the rule rather than the exception has brought the Mozambican justice system into wide disrepute. Among some bilateral stakeholders, there is doubt that it is prudent to invest more resources in the system of justice before something is done to reduce corruption.

5.24   There are at least two distinct ways to think about reform in the justice sector in Mozambique. The first is based on the holistic or sector-wide approach mentioned above. In this approach, great care is given to identifying what is needed for the system to function as a whole, and only then to what each institution needs in order to play its appointed role in the system as conceived. The second is a more atomistic, problem- or institution-specific approach.

5.25   As suggested in the preceding section, for the sector-wide approach to succeed, a number of prior conditions must obtain. Among these are a shared, sector-wide strategic vision; a coherent plan to accomplish that vision; and coordinated action, by national and bilateral stakeholders, to carry out that plan. Without any one of those three preconditions in place, the prospects for success are limited. Further, as suggested above, in the prevailing state of relations among the institutions of the judicial sector, some believe that a clear demonstration of political will from the highest political authority is needed if the institutions are to be impelled to develop and act on a shared strategic vision.

5.26   Some practical steps have already been taken to develop this shared vision. These include creating problem-solving venues such as the Provincial Commissions for the reinforcement of legality (Comissoes Provinciais para o reforco da legalidade) and the occasional meeting of heads of institutions (the so-called "reuniao das cupulas"). The management study currently underway at the Ministry of Justice is another positive step, and other justice sector institutions are reportedly preparing to undertake similar, if less time-consuming, introspective exercises.

5.27   There can be no assurance, however, that the results of the institutions' respective exercises will be reconcilable into a single shared strategic vision for the sector. And it bears noting that such a result cannot be constitutionally compelled. Bilateral stakeholders can be supportive of these exercises, mostly by financing technical assistance where it is sought. But the real work of institutional reconciliation is a political task and as such can only be performed by the Mozambican institutions themselves, subject always to the constitutional prerogatives of the legislative branch.

5.28   If a shared strategic vision, a coherent plan, and a commitment to coordinated action are forthcoming, the sector's program priorities and approaches will have been amply debated and defined. There is little point in attempting to anticipate the substantive results of such a sound process here, except to say that it should be led by the relevant Mozambican institutions. A multi-institutional commission could be set up to coordinate the process, necessarily headed by a national figure that commands the respect of all the institutions and the confidence of the Presidency. This commission would then assign partnership

roles to interested donors, who would work directly with the indicated institutions. Institutions and donors would regularly report their progress to the commission.

5.29   Various bilateral stakeholders expressed the conviction that, in the absence of a sector-wide strategic plan, it is better not to invest substantial resources in the reform of justice sector institutions in Mozambique. I disagree. Plan or no plan, there will continue to be acute need for improvements to the judicial sector (broadly understood) in Mozambique. Below are some suggested program priorities and approaches, on a problem- or institution-specific basis.

5.30   The main focus of any justice sector program, with or even without a pre-existing sector-wide strategic plan, is training. Indeed, it is usually a major part of most other programming approaches. Stakeholders frequently cited the need for law faculty graduates who choose to become judges to receive extensive practical training as such before they are dispatched to district courts. New prosecutors, notaries, court officials and prison officials all need specialized professional training, and existing staff could benefit as well. National and bilateral stakeholders should make sure that the new Center for Legal and Judicial Training (Centro de Formacao Juridica e Judiciaria or "CFJJ") has the resources it needs to carry out its mission. Indeed, if the CFJJ proves itself in terms of effective results and sound management, it is the sort of institution that ought to be considered for endowment support. In addition, and especially in connection with the informal conflict resolution system and gender-related training (discussed below), national NGOs with good networks in rural areas can be useful and cost-effective suppliers of training.

5.31   It is generally agreed that the large majority of justifiable conflicts in Mozambique are resolved outside the formal court system. This informal system of conflict resolution, almost entirely parallel to the formal one, includes such figures as the surviving community courts (tribunals comunitarios); traditional authorities; chapters of the Mozambican Women's Organization (OMM), and even dynamizing groups (*grupos dinamizadores*) in some areas. In the absence or inaccessibility (physical and/or cultural) of the formal institutions of justice, these are the conflict resolution forums of first resort. Priority should be give to helping these institutions function more effectively, and with more consistent attention to the fundamental rights of the parties, and to interact effectively with the formal justice system, for the benefit of both. In program design, however, great care should be taken – more than often is – to avoid doing more harm than good. Initiatives in this area should probably await the publication of a much-anticipated study on the informal system of conflict resolution later this year. In addition, further attention should be given to the development of commercial alternatives to dispute resolution mechanisms. These points of contact between the formal and informal justice systems should be made part of a larger process in which the institutions of the sector engage in dialogue with civil society groups with the goal of improving sector performance.

5.32   In this context as well, some consideration should be given to making legal services more readily available to the poor, whether through IPAJ or via some other means.

Democratization: The 1994 and 1999 Elections

5.33   The first election conducted between 27-29, October 1994, saw Frelimo winning the election by 44.3 percent (and obtain 129 seats) compared to Renamo's 37.8 percent.   Chissano was elected President by 53.3 percent while Dhlakama received 33.7 percent of the votes.   Even though Renamo waged a low-key election, it managed to win 112 seats out of 250 seats in the Parliament, and became the official opposition.   For all intents and purposes, the 1994 election was declared 'free and fair'.   The authentication of the results and the elections was accepted by all participants and signified a decisive step for the consolidation of peace and the commitment to democracy in Mozambique.   An interesting feature of the 1994 elections was the support that Renamo received. Renamo's showing at the polls indicated that there was a sizeable percentage of the electorate who identified with the party and believed that it represented their interests.   This was despite the Party's political and organizational weakness. Furthermore, it was contrary to the predictions of the international community and Frelimo who assumed that Renamo's history and tactics during the civil war would be enough to steer the electorate away from the Party.   Yet, the election results were a clear indication that Frelimo could not dismiss Renamo influence so easily.

5.34   But, Mozambique's almost flawless transition to democracy was marred by the local government elections of 1998.   Even though, the problems, which came to light in the elections, could be construed to be part of the structural weaknesses that accompany societies in transition, the Mozambique case represented something more substantial than just teething problems of democracy.   Shadows were cast when Renamo and nine other parties boycotted the election and accused Frelimo of irregularities during the voter registration process, including the loss of sixty of the1994 voter's rolls.   But Renamo was unable to prove these allegations, and speculation grew that this was a tactical move by the Party to disrupt the elections and improve its chances in the 1999 national elections.   The latter was based on the assumption that if the party withdrew from any political responsibility this provided it with an opportunity to be perceived as a viable alternative in the coming national election.

5.35   The withdrawal of Renamo form the elections provided Frelimo with an opportunity to advance its presence in those areas/provinces where it was unable to attain a majority, especially in the provinces that Renamo had won in the 1994 national elections. But voter turnout for the local elections was poor. With little more than 15 percent of the electorate voting, the elections sent a clear message to all political actors, especially Frelimo, that a legal framework based on a broad consensus between the two main antagonists had to be devised, and the electoral process itself must be transparent. In any event, the 1998 local elections demonstrated alarming weakness in Mozambique's democratization process.   For one thing, the decentralization of power to local governments, which was to accompany the local government elections, did not take place. Instead, control over the local areas, including the appointment of municipal presidents, disbursement of money and the pace of change and development, was still directed by the central government. This led to tensions in local areas

where the electorate raised questions about the value of their vote, thereby leading to high rates of voter apathy. Thus the local government elections indicated an almost non-existent competitive environment, a lack of alternatives to Frelimo, and an exceedingly low level of participation, notwithstanding the disillusionment of the population with the existing political system. These deficiencies were certainly a cause for concern, especially for the 1999 national elections, but more so in light of the general principles that the GPA highlighted for a healthy multi-party democracy in the country.

5.36   The outcome of the1999 elections was also shrouded in controversy. This time around Renamo contested the elections as part of a coalition, which it formed with several other smaller opposition parties that supported its boycott of the local government elections. Together they formed the electoral alliance Renamo-Uniao Electoral in June, 1999. As usual, Dhlakama felt that the electoral process was adversely biased toward the coalition, in general, and Renamo in particular. The debate centered around the issue of voter registration. The Renamo leader saw the two months which was set aside for electoral registration followed by an early election as not enough time for the majority of the electorate to register, especially in rural areas. This was because Dhlakama felt that registration in the rural areas would take longer and therefore the two-month period would be insufficient to reach those villages deep in the rural hinterland. This fear was borne out of the reality that most of these villages were the strongholds of Renamo, which, in effect, would prejudice Renamo's chances of gaining a substantial proportion of the votes. Despite the technical shortcomings of the voter registration process, the Renamo coalition contested the elections. But this time around, Renamo was confident that it would win the elections and become the ruling party. This was not to be. Although the popularity of Dhlakama as a presidential candidate increased from 1994, support for Renamo remained more or less the same.

5.37   The results of the 1999 election brought to things into focus. On the one hand, it illustrated that Frelimo was able to retain its position as the ruling party, but was unable to win a clear majority. On the other hand, it demonstrated Renamo's growing support in the provinces. The Party increased its political base from five provinces in the 1994 election to six in the 1999 elections. Even though the 1999 elections were declared free and fair, Renamo contested the results with the charge that there were irregularities, which favored Frelimo. Renamo took its case to the Supreme Court. But, instead of ruling for Renamo, the Supreme Court upheld the results. The outcome of the election remained the Achilles Heel for Renamo and together with its coalition partners, they boycotted the parliament for most of 2000. Renamo's decision was based on the assumption by Dhlakama that the party would surely win the election with a clear majority, thereby becoming the ruling party. Even if this was purely delusional on the part of Renamo, the outcome of the election again points out that the Party does have a significant support base, which Frelimo has not been able to penetrate.

5.38   The second national election in Mozambique was crucial to the development of a democratic process in the country. It was mainly a Mozambican affair. But the 1999 elections were symbolic for two reasons. First, they were litmus test to gauge whether the principles of democratic culture had taken root within the

country. And second, they demonstrated a lack of political maturity on the part of the political opponents. Instead they are moving toward a zero sum game for control at the center and within the provinces. To this end Frelimo does not want to let go of its position as the ruling party while Renamo wants to be the government in power.

5.39   Beyond symbolism, it important to note that Frelimo's unwillingness to give Renamo governorships or significant positions in any of the provinces in which it won a majority of votes in 1994 and 1999 will remain a major source of political controversy. The process of reconciliation, democratic consolidation, and state building and national healing would have benefited from the adoption of a power sharing arrangement. Many analysts have come to the conclusion that pure majoritarian democracy is ill suited for deeply divided societies with ethnic, racial or regional tensions. They argue that more specifically negotiated power-sharing arrangements seem to be a more promising way to manage such conflicts. The reason for this is the very real danger of "majority dictatorship" that can evolve from majoritarian democracy (Lijphart, 1985; Sisk, 1996). In such an institutional setting, minorities can come to fear a permanent exclusion from power, and will equate democracy "not with freedom or participation, but with structured dominance of adversarial majority groups" (Sisk, 1996:31). Power sharing, on the other hand, will ideally include all major political actors in government, and assure them influence in policy-making on sensitive issues of legitimate concern to them.[8]

5.40   As various observers have noted, former warring parties would need face-saving arrangements to nurture trust, confidence, and mutual healing. In the same vain, both the United States and the European Union criticized Frelimo for its uncompromising stance, suggesting that some of the political crisis facing the new state would have been averted had Dhlakama and his party been allowed a greater public role. Their counsel had no effect on Frelimo.

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[8] . Different kinds of society require different types of institutional design. Practitioners distinguish between two fundamental approaches to power sharing in a democracy: (i) the group building approach or consociationalism views groups or political parties as basic building blocks for a common society, and therefore works to secure the cooperation of their respective leaders by guaranteeing minority rights, federalism and devolution of power to territories that they control, minority vetoes on sensitive issues, and proportionality in all spheres of public life. (ii) the integrative approach, as the name suggests, seeks to promote social integration across group boundaries in order to overcome tensions by encouraging (a) the formation of coalitions across ethnic or regional lines before standing for elections, (b) non-ethnic federalism, (c) inducements for intra-ethnic cooperation, and (d) policies designed to encourage alternative social alignments.

Economic growth and Poverty in Mozambique

5.41   Mozambique's economic realities continue to play a dominant role in the political landscape of the country. Critics often argue that growth in Mozambique's economic recovery started from a low base, and that advances are yet to be felt by the poor. The transition from a socialist planned market economy to liberalism and capitalism has had a mixed impact on the country's economic recovery. At one level, the transition has rejuvenated and boosted the economy toward becoming a popular destination for foreign direct investment and infrastructural developmental projects. This has generated high economic growth rates and enabled the country to qualify for debt relief. On the other hand, these sound economic fundamentals have not translated into substantial increases in the standard of living in the rural areas. Politically speaking, the latter has generated the potential for political volatility to emerge within the country. It is mainly in those provinces known to be Renamo that the people are still waiting for signs of improvement in their lives. The social and economic disparities between the provinces remains another source of conflict between Frelimo and Renamo, since this provides fertile ground for social discontent, thereby creating an ideal opportunity for political mobilization by the opposition, namely Renamo.

5.42   Mozambique is the fourth most populous country in the SADC, but one of the least developed. As pointed out earlier, the civil war had a debilitating effect on the overall development of the country, leading to high rates of poverty, which remains one of the most compelling challenges for the government. According to the Ministry of Planning and Finance, "the incidence of absolute poverty is 69.4 percent, indicating that more than two-thirds of the Mozambican population are living below the poverty line. In rural areas, it is estimated to be as high as 71.2 percent. This is alarming, especially since 80 percent of the population is concentrated in these areas. The figure for urban areas stands at about 62 percent. Even in the capital, Maputo, which is considered to be the country's commercial and economic hub, there are visible signs of poor living conditions in the shantytowns on the outskirts of the city. It is estimated that 47.8 percent of people resident in the city live below the poverty datum line.

5.43   This issue of poverty appears to be more complex than the above figures reveal. According to the United Nations Development Program Report (UNDP, 2000), Mozambique displays the vast disparity between "... Maputo city and the rest of the country leaps immediately to view." Overall the Report reveals that despite the dramatic economic progress in recent years, Mozambique remains an extremely poor country with low levels of human development, which are reflected in weak social indicators such as life expectancy, education, GDP per capita and literacy. While none of this is new, for the first time in the report, the Human Development Index (ID) and other data have been broken down by province for the first time, allowing for a detailed comparison of the geographical distribution of wealth and human development in the country. Regional contribution of GDP indicates a clear, but unsurprising concentration of economic activity (and wealth) in Maputo city, which accounts for 34 percent of GDP, followed by Nampula province with 13 percent and Zambezi and Sofala with 11 percent each. Maputo city's HDI score places it firmly in the category of a medium human development country. For a

country like Mozambique, which is considered to be the second poorest country in the world, such disparities do not auger favorably for the future of social and economic stability. They also demonstrate asymmetrical development between Maputo City and the rest of the country, which could become a source of renewed political tensions. The importance of this divide in political terms could be felt in the medium to long term. One important implication in this regard has been the constant referral by commentators that should this uneven divide not be addressed in the short-term then the economic success recorded thus far could push back the political gains already attained by the Frelimo government. It could grow into vast discrepancies between the economically marginalized and the urban population, which could become a source of renewed tensions between the center and the provinces. One possible way for this to be prevented is for the Frelimo government to fast track its devolution of power to local governments and channel more aid for the rehabilitation of the infrastructure in those provinces where the gains of the economic policy are still to be felt. Despite these grim realities the economic pragmatism of the Frelimo leadership has seen the following successes:

- Economic growth rose from an average of 6.7 percent to 10 percent between 1996 and 1998
- Inflation was reduced from 50 percent in 1995 to less than one percent in 1998, and stabilized at a target level of less than 5.5 percent since then
- A successful campaign of encouraging FDI by establishing legal and institutional frameworks.
- The establishment of 13 new financial institutions registered under Mozambique legislation and the opening of the Mozambique Stock Exchange in Maputo.
- In 1999, 234 new projects were approved which have a value of US$767.392.587 and which created 20,863 new jobs.

Yet in spite of these economic successes, economic liberalization has brought with it contradictory effects. On the one hand, African values like social solidarity were replaced by more individualistic and selfish principles. On the other hand, the structural adjustment program (The Economic and Social Rehabilitation Program, known as PRES and adopted in 1987) sustained the 'economy of affection".

5.44   As a result the traditional redistribution system, characterized by an informal, kin-based structure, led in a liberal environment to an economy reflecting the neo-patrimonial structures of the state. This has definitely contributed to, if not underpinned, the endemic spread of poverty and the social and economic disparities between the provinces. To this end, economic development involving high levels of education and promoting a reduction of social disparities expands the possibility of supporting the development of a democratic system, while stabilizing a middle class certainly has not been realized in Mozambique. Instead, a widening gap between the rich and poor exists, with illiteracy levels high as 60.4 percent of the adult population, underlined by a shortage of skilled labor and financial resources and coupled with the loss of 116,000 jobs since the introduction of privatization and liberalization of the economy. Therefore, if the current economic recovery is considered to be a good indication that the country

is on track toward peace and stability, then these remarkable growth figures belie the desperate social conditions that many of the country's 16 million or so people live under. In fact, it appears that only a small elite base is benefiting from these economic fundamentals.

5.45   Thus, the state of poverty experienced by the majority of the population remains one of the main threats to political stability in Mozambique. This has dire political implications for the fragile peace accord in Mozambique, which will no doubt lead to renewed sources for political instability. One possible scenario is that demagogue politicians will mobilize political support through ethnic and regional discourse, a course of action that Renamo has already resigned itself to in order to demand that a power-sharing agreement be reached.

CAPACITY BUILDING LESSONS AND RECOMMENDATIONS

This study has examined the root causes of Mozambique's 17-year old conflict and highlighted its impact on the economy and society. It has also reviewed various interventions intended for post-conflict reconstruction and capacity-building. In this last chapter, and in lieu of the conclusion, the study synthesizes key study findings and presents them as lessons from experience and best practices to be learned from post-conflict reconstruction Mozambique.

Conflict Prevention and Reconstruction Support Unit:

6.1   Events during the past decade challenged the thinking of the international community and questioned whether development efforts have really achieved an enduring legacy of inclusion, economic growth and human well-being. It has become increasingly evident that the ability to prevent conflict has less to do with donor resources than with a lack of understanding and appropriate tools to address violent conflict mitigation and prevention. The rehabilitation and reconstruction of war-torn societies has become a sub-specialty in international development studies with unique concepts within the broader Economics discipline. The special needs of societies emerging from conflict have shortened the development planning cycle in such a way as to demand flexibility of programs and resources as well as greater responsiveness to the emergencies heretofore handled only through humanitarian assistance. The need to nurture such an understanding and develop new tools has led to the emergence of specialized units within bilateral and multilateral donor agencies to rigorous address the unique issues of development in post-conflict societies. ACBF may wish to consider establishing such a unit that would backstop its interventions with well-informed background studies of countries and/or regions. An adequately staffed support unit would be one of the preconditions for successful intervention in post-conflict situations.

Understanding the root causes of conflict

6.2   Studies resulting from the ACBF post-conflict support unit will provide informed diagnoses of the conflict and will propose appropriate intervention, sequencing of interventions and possible costs of such actions. The major responsibilities of the conflict unit would be to undertake conflict mapping of the respective conflict countries by gathering information and establishing data banks about the history of the conflict, organizational setting, parties to the conflict, their goals and interests, and distinguish causes from consequences, and costs of the conflict. Understanding history and the root causes of the conflict informs the nature and character of post-conflict interventions in reconstruction, capacity-building as well as conflict resolution and stability. Such a sophisticated and nuanced understanding would facilitate informed interventions that are likely to serve as sustainable conflict mitigation measures that promote society healing.

Folly of conventional wisdom

6.3   The devastation of human, social and physical capital often found at the beginning of post-conflict period, and the particular provisions of a peace agreement, often require that some conventional wisdom of development practice be set aside for some time. In these specific situations, recovery and capacity building requires incremental planning, careful and realistic policy reforms, flexibility and responsiveness, more staff time than "normal operations", and high levels of coordination among actors at different policy and operational levels. Complex and cumbersome procurement and disbursement procedures leading to untimely delivery of goods and funds should be avoided. In this regard, the international community needs to focus not only upon objectives of policy reform and increased service delivery, but also on relaxing the long-term constraints, which would otherwise delay the attainment of broader post-conflict reconstruction and peace restoration. Like the European Commission (EC), the ACBF may consider setting up a Rapid Reaction Facility, a special fund that addresses emergency capacity-building emergencies in post-conflict situations.

Paradigm shift in post-conflict reconstruction and capacity building policies and strategies

6.4   Uncoordinated and donor-driven gap filling capacity-building projects and programs have had a negligible impact on Africa for well over three decades of international development cooperation. Capacity building should be understood as a means to an end in the development process. It is part of the development process. The specific development objectives of a post-conflict reconstruction process must be carefully defined, institutional and human resource needs must be mapped out, and a capacity-building strategy identified. One of the key guidelines, which ACBF should always insist upon in its interventions, is for countries to design long-term, multi-sector capacity-building programs, indicating explicit, concrete and realistic outcome objectives as well as clear and reasonable time horizons. The guidelines should also establish in concrete terms, the scope of the programs, performance evaluation criteria, approximate costs, and government contributions over time in order to ensure sustainability. At the same time, ACBF may consider pleading to the Bretton Woods institutions to consider adopting peace-friendly economic reform programs in Africa, including far-reaching debt relief measures, enhanced quality of foreign aid, and deliberate capacity-building initiatives. In the same vein, the World Trade Organization (WTO) should be approached to adopt the "special and differential treatment" of African countries emerging from conflict. Above all, OECD countries should be encouraged to provide substantive investment guarantees to corporations based in their respective countries that may wish to invest in post-conflict countries in Africa.

One of the basic prerequisites for post-conflict reconstruction and capacity building is to establish and maintain public order and security

6.5   In post-conflict reconstruction, sustained peace is essential to sustainable development. Broad-based development, important in its own right, also contributes to sustainable peace. The centrality of the peace objective implies an important collorary: that ACBF must appreciate the political framework of capacity-building interventions. The political framework has two related but distinguishable components: the domestic politics of the post-conflict country; and the explicit or tacit framework adopted by the international community. The secret behind Mozambique's success in its recent political and economic transformation has been the maintenance of peace and order since the General Peace Accords of 1992. The economy maintained sound macroeconomic policies, fiscal deficits hovered around 2.5 percent, and inflation dropped from 46 percent in 1988 to less than 7 percent in 2000. The real output growth rates averaged over 8 percent between 1994 and 2000. Politically, Mozambique has held two internationally recognized multiparty elections and devolved some government functions to provinces and districts.

Coordinated, holistic and integrated emergency relief delivery and reconstruction

6.6   The Mozambican experience has shown the need for improving coordination, harmonization and adopting a programmatic approach to reconstruction and capacity building. This study has shown that in a war-weakened Mozambique, strategic partnerships and coordination of key national and international actors had an impressive impact on relief delivery and reconstruction. Under the leadership of the United Nations Observation Mission in Mozambique (UNUMOZ), donors were adequately coordinated in order to achieve maximum effectiveness. UNUMOZ allowed integrated planning, synergic coordination and project implementation and evaluation. The IMF focused on economic reforms, the UN concentrated on conflict resolution and reconstruction, the World Bank and bilateral donors- whose operations span both agendas – tended to integrate reform and conflict issues. There was a clear understanding of the operational capacities of different donors, detailed information about resources each donor had available to address specific post-conflict needs, coordination in defining priorities, sequencing of resource disbursements, combining scarce resources, and an accurate sense of timing required for a donor to disburse resources or provide operational support in the wake of a conflict.

The need for ACBF to participate in multi-donor trust funds (MDTF) to undertake post-conflict institution development and capacity building

6.7   ACBF has a critical role to play in the early stages of post-conflict reconstruction. It can be strategic in aid coordination in the area of human resource and institutional development. In this vein, ACBF might consider participating in future peace negotiations in order to provide capacity-building advice, post-conflict capacity-building planning and coordination, co-financing of operations, joint undertaking of human resource and institutional capacity

audits in order to identify inadequacies and obstacles to capacity building (use, retention and continuous upgrading of capacities), and together with respective beneficiaries (government, academia, private and civil society), define their respective capacity needs, priorities and sequencing. At the same time, ACBF might also consider participating and coordinating multi-donor trust funds (MDFT) for capacity-building activities in post-conflict situations. It is unlikely that, in the near future, ACBF will independently initiate major capacity building operations in countries with major complex emergencies in the near future. A MDFT would require an agreed- program of capacity-building activities; ownership by government and major potential donors; a workable interface with local aid management agencies; and the fullest possible transparency and openings of the citizens' voice. In this regards, close cooperation and strategic networking with the European Commission, UNDP, and the World Bank would be crucial in avoiding duplication and ensure that all efforts made are both compatible and mutually reinforcing.

Building and strengthening capacities of national institutions:

6.8   Severe conflict, especially its most virulent forms, destroys much more than buildings and power plants. It short-circuits the rules that keep human interaction constructive and predictable, targets primarily the organizational structures and individuals who administer those rules, and wipes out most positive forms of social capital. Post-conflict reconstruction is first and foremost an institutional challenge. Creating structures is only the first major step in the right direction. Those structures have to be credible and actively used for policy management. Hence, one of the negative lessons to be learned from Mozambique is the lack of linkages between capacity- building interventions and the rebuilding of sustainable local institutions, human resource development and social empowerment. It is recommended that Mozambique should immediately participate in regionally-sponsored capacity-building programs (e.g. AERC graduate training and research in economics) in order to enhance its policy management capacities and to share knowledge and experiences. Above all, in order to retain the capacity created and in order to motivate those in the Diaspora, the government of Mozambique should put in place a competitive salary and benefits structure.

Community Participation

6.9   There is little doubt that community participation is critical in every capacity-building initiative. Participation is a process by which individuals, organizations and communities assume responsibility for their own welfare and that of the community, and develop the capacity to contribute to their own and their community's development. Active involvement of people tends to raise their self-esteem, mobilizes their social energies and helps them to shape their social and economic destiny. The Mozambican study has demonstrated that whereas there was effective coordination and harmonization among the donor community, there was negligible participation in major decision-making by the key national stakeholders. This study recommends that ACBF institutionalize

community participation in needs-identification and program design, implementation and evaluation. Community participation is likely to promote not only program ownership, but most importantly, it enhances its chances for sustainability once donors have stopped their support.

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APPENDIX 1:

LIST OF INTERVIEWEES IN MAPUTO, MOZAMBIQUE:

i.   Dr. Suleman Jose, Director of Planning and Budget, Ministry of Finance and Planning

ii.   Mr. Philip Machon Director Marketing, Link NGO Forum

iii.   Mr. Joan Munkeby, Minister Counselor, NORAD

iv.   Ms. Marylene Spezzat, UNDP Resident Representative

v.   Mr. Antonio Pale, Director General, Audit Corporation

vi.   Mr. C. Couto, Director Research Department, Ministry of Finance and Planning

vii.   Ms F. Britto, Minister for Higher Education, Science and Technology

viii.   Ms. Albetina McDonald, Minister Counselor, Ministry of Foreign Affairs

ix.   Ms. Violet Kakyoma, Program Officer (Governance) UNDP

x.   Ms. Henny Matos, Assistant Resident Representative (Governance) UNDP

xi.   Dr. Emmanuel Rwamushaija UNFPA Health Advisor

APPENDIX 2:

LIST OF INTERVIEWEES IN WASHINGTON, DC (JUNE 20-25, 2003).

i. Yongumer Zhou, Sierra Leone desk.

ii. Chukwima Obidegwu, Rwanda desk

iii. Robert Floyd, Capacity Building desk

iv. Henry Garnette, Mozambique desk

v. Dennis Morin, Rwanda desk

vi. Patrick Mamboleo, Uganda desk

vii. Samuel Wangwe, Senior Fellow

viii. John Rutayuga, Private Sector Development

ix. Ian Bannon, Conflict Prevention Unit