

The Unintended Economic Consequences of Complex Peace Operations on Host Societies

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1. Introduction

Setting a country on the path to democracy, economic development and lasting peace is neither straightforward nor unproblematic. The multifaceted nature of contemporary international peace operations presents challenges not just in terms of the forces' ability to accomplish their mandate and deliver the intended results, but also in terms of avoiding unexpected side-effects that can potentially be harmful to the local population and the host environment. A rise in basic commodity prices, an increase in salary disparities and higher rates of unequal standards of living are just some examples of how the presence of a large peace operation and its accompanying expat community can have a range of unintended consequences on the host system and the local economy. Evidence also suggests that disappointment can quickly set in when the livelihoods and living conditions of local people do not improve as expected; a situation which may be further aggravated by the existence of cash-strong international aid workers who are able to live far beyond the local economic standards.

Although the linkages between peace and economic development are well documented amongst professionals and academics alike, there have been surprisingly few attempts to uncover the actual economic impacts of peace missions on host societies. In fact, limited documentation exists about the unintended economic consequences, and how these may influence local people's attitudes, trust and faith in a peace operation's ability to transform a conflict-affected country into a stable society.

The objective of this chapter is to shed some light on this neglected aspect of international peace operations. On the basis of two case studies – Afghanistan and Kosovo – and a bottom-up approach focused on the

perspectives of local people, the aim is to create a better understanding of how unintended consequences of peace operations may impact on host environments. This article is an excerpt of a chapter from the book “Unintended Consequences of Peace operation”.¹

2. From Peacekeeping to Complex Peace Operations

Peacekeeping has witnessed significant growth since the 1990’s and has evolved to become a cornerstone of the international community’s efforts to maintain global peace and security. Since 1948, 63 United Nations (UN) peacekeeping operations have been deployed, 17 of them in the past decade alone². During this period there has been an extraordinary evolution in the way how these operations have been conducted and organised. Whereas ‘traditional’ or ‘first generation’ peacekeeping missions were uni-dimensional military operations established to monitor cease fire agreements and troop withdrawals, peacekeeping missions in the post-Cold War era have been far more complex and multidimensional in character and are often captured under the broader term ‘peace operations’³.

Contrary to the traditional peacekeeping approach, contemporary peace operations not only aim to keep the peace, but also to address the root causes of a conflict and to build the foundations for social justice and sustainable peace. Peace building measures include a broad spectrum of activities ranging from immediate humanitarian assistance and the establishment of temporary civilian administration systems to long-term programs of state building, economic recovery, reconciliation and social

¹ Ammitzbøll, K. In: Aoi, C., de Coning, C., and Thakur, R. (eds.), *Unintended Consequences of Peacekeeping Operations*. United Nations University Press, Japan 2007.

² United Nations Peacekeeping Operations: *Background Note*: 30 November 2008, available at www.un.org/Depts/dpko/dpko/bnote.htm.

At present there are 16 missions. [i]

³ United Nations, *Report to the Panel on United Nations Peace Operations* (Brahimi Report), presented before the General Assembly, 21 August 2000 [iii]. UN Doc. A/55/305-S/2000/809, available at http://www.un.org/peace/reports/peace_operations/

transition. The complexity of the tasks at hand have gradually led to an increase in the civilian components of peace operations, thereby also boosting the overall operation's size and cost, as well as a pursuit of more integrated approaches to peacekeeping and post-conflict recovery involving a host of multilateral, regional and bilateral actors. Examples of such an integrated approach include the missions in Afghanistan and Kosovo, where traditional 'blue helmet' tasks are being carried out by international forces operating under NATO command, while the civilian peace building activities are led by the UN – i. e. the United Nations Assistance Mission in Afghanistan (UNAMA) and the United Nations Mission in Kosovo (UNMIK) – in close partnership with other actors, such as the European Commission (EC), the Organisation for Security and Co-operation in Europe (OSCE) and various bilateral donors and non-governmental organisations (NGOs). It should be noted, however, that no two mission mandates are ever alike as they depend entirely on the nature of the conflict and the short to long-term requirements for peace and recovery of the country in question.

Just as peace operations have grown in size, cost and complexity, so have their overall impact on their host societies. Over the years academic studies and public debate have drawn our attention to the positive effects of peacekeeping operations by ending hostilities and paving the path for long-term economic recovery and sustainable peace. Evidence clearly shows that conflict-ridden countries that have had a UN mission tend to recover in a much more sustainable manner than countries that have not had a UN mission⁴, and that international support aimed at institution building and economic development from the outset of a peace operation can dramatically increase the chances of lasting peace and prosperity by addressing the root causes of a conflict. It has also been argued that larger peace operations by their mere presence can help boost local economies at a time when economic activity is most needed.

Besides the various challenges complex peace operations face today, avoiding unexpected side-effects that can be damaging to the local

⁴ N. Sambanis, *Short- and Long-Term Effects of United Nations Peace Operations*, The World Bank Economic Review, Vol. 22, No. 1, pp. 9-32. [ii]

population is an extra and undefined burden. Fulfilling the ambitious and difficult mandates and expectations of a peace operation requires comprehensive planning and seamless and effective coordination amongst all the different actors – internationals as well as nationals. However, lack of coordination and accountability, both with regard to performance and financial spending, duplication of efforts, high cost solutions with excessive use of international workers rather than local staff, are some of the areas where peace operations continuously experience criticism. Equally problematic are those instances where peace operations, despite well-meaning efforts, generate a host of negative consequences for the local population and the host environment. Examples of such unintended consequences include a rise in prostitution and sexual violence against women, distortions in local socio-economic power structures and patterns of corruption, and a clash of norms and values between international peacekeepers and the local population.

Another set of challenges relate to the perceptions of the local population and the manner in which their expectations are met by the presence of a large peace operation. Evidence suggests that disappointment can quickly set in when the livelihoods and living conditions of local people do not improve as expected or when the international community repeatedly fails to live up to its promises of economic assistance. This situation may be further aggravated by the presence of thousands of cash-strong international humanitarian workers who are able to live far beyond any local economic standard to the envy of the local population.

3. Unintended Consequences in the Context of Peace Operations

The ‘law of unintended consequences’ teaches us that every undertaking, however well-intentioned, is generally accompanied by a number of unforeseen effects that can potentially overshadow the principal endeavour. As explained by Aoi, de Coning and Thakur:

*Whenever there is an attempt to bring about change in a complex system, the system reacts in a variety of ways. Some of these reactions are intended, in the sense that the intervention was designed to bring about these changes. Others are unintended, in that those planning the intervention did not mean for these reactions to come about at all.*⁵

Measuring and addressing the unintended effects caused by large peace operations is a complex and difficult task. For instance, in some cases it may be hard to make a clear distinction between ineffective planning and unintended consequences. Whereas some unintended consequences, be they negative, neutral or positive in character, can be foreseen or anticipated, especially if they have occurred repeatedly in the past, others may be completely unexpected and, therefore, difficult to anticipate. In complex systems, such as the host environments in which peace operations are carried out, we must necessarily accept the notion that not all outcomes can be fully predicted, controlled or remedied.

Another challenge concerns the lack of more sophisticated planning, monitoring and evaluation systems that can help us to identify the impact, both the intended and unintended, of post-conflict development assistance. Impact assessments are often complicated by a lack of statistics and baseline data in post-conflict countries, and most organisations, including the UN, have been slow to develop standardised monitoring and evaluation frameworks that can be used for comparative analysis and responsive planning. According to Woodward⁶, there is a tremendous need for more in-depth impact assessments of peace operations, especially as they concern post-conflict economic development possibilities, on the basis of which new strategies and policies can be developed.

⁵ Chiyuki Aoi, Cedric de Coning and Ramesh Thakur: "Introduction". In: Chiyuki Aoi, Cedric de Coning and Ramesh Thakur, (eds): *Unintended Consequences of Peacekeeping Operations*, Tokyo: United Nations University Press, 2007 p.3.

⁶ Susan B. Woodward: *Economic Priorities for Peace Implementation*, International Peace Academy Policy Paper Series on Peace Implementation, New York: International Peace Academy, 2002.

According to Anderson's⁷ 'do no harm' approach to humanitarian and development assistance, careful planning, continuous monitoring and adjustments to programmes and projects can help to identify and downplay the negative side-effects of aid. This approach is equally applicable to the context of complex peace operations. It accepts the notion that unintended consequences will result, even as we continuously improve our understanding and knowledge of the local systems in which peace operations are carried out, we may significantly improve our ability to predict and manage unexpected effects, especially those that are most harmful to the host society. As Anderson notes, such an approach can also help to support local strengths and capacities as well as a more effective use of scarce human and financial resources.

4. Methodology – In Brief

To meet the objectives of uncovering local peoples' attitudes of the unintended economic consequences of peace operations, Kosovo and Afghanistan were chosen as the primary case studies. Kosovo was the first comprehensive operation where the planning process did not try to mitigate possible adverse effects of the UN's presence in the country. By contrast, the UN mission in Afghanistan deliberately took a 'light footprint approach' in an attempt to minimise the possibility of negative side effects and to support Afghan leadership from the outset.

A criterion for selecting the case studies was the possibility of recruiting competent national research teams to undertake surveys and local research. In Kosovo, the research team was comprised of students from the university in Prishtina working under the direction of a former businessman and an academic. In Afghanistan, a local NGO specialising in surveys undertook the research. Interviews were used as the main method of data collection based on qualitative research techniques⁸. In

⁷ Mary B. Anderson, *Do No Harm: How Aid Can Support Peace – or War*, Boulder, CO: Lynne Rienner, 1999.

⁸ J. Mason, *Qualitative Researching*, London: Sage Publications, 2003. Field research: In Afghanistan by Mr. Omara Khan, Survey Team Leader, and Ms. Marianne Tyksen,

both Afghanistan and Kosovo, a comprehensive questionnaire was developed and piloted before wider circulation amongst the various groups within the local population, including business men and entrepreneurs, government and privately employed workers, international aid workers, and ordinary people on the streets.

To capture realities on the ground, the research for this study was conducted using a broad definition of peace operations to reflect the many different international actors shaping the local environment in both Kosovo and Afghanistan. Consequently, the study did not attempt to single out the role of the UN, but to focus on the broader context influenced by the UN peacekeeping missions and the affiliated UN agencies, the Bretton Woods institutions, multilateral and bilateral agencies and non-governmental institutions (NGOs) operating in these two countries. Furthermore, within the framework of this study, we chose to define that the unintended consequences of peace operations are “*those consequences that were not intended within the scope of the mandates of such operations, or within the planning ambit in the execution of their mandates*”⁹.

5. Unintended Economic Consequences in Afghanistan and Kosovo

a. General perceptions

The survey results from Kosovo indicated that the majority of Kosovars have become increasingly critical of the economic impacts brought on by the UN Mission in Kosovo (UNMIK). Local discontent was clearly

Research Advisor and in Kosovo by Mr. Burim Thaci, Survey Team Leader. The information was analysed by Mr. Akhtar Hayat.

⁹ Cedric de Coning, Chiyuki Aoi and Ramesh Thakur: *What are ‘unintended consequences’ and why should there be a study of them?* In: Aoi, De Coning, Thakur (eds): *Unintended consequences of peace operations*. UN University, Japan 2007, p. 25.

linked to the declining spotlight on Kosovo resulting in lower levels of international financial assistance flowing into the country. Most respondents found that international assistance had not trickled down to remote villages as expected and that Serbs were generally receiving better treatment from international organisations compared to the Albanian population^{iv}. A more balanced report was found in Afghanistan, although the general optimism that prevailed right after the signing of the Bonn Agreement in December 2001 was declining, yet, not to as low as in Kosovo. The Afghans highlighted the importance of the international community's role in ensuring security, singling out stability as the primary engine for economic growth. Believing that their economic situation has turned for the better since the arrival of the international community, most Afghans thought that a departure of the international community would adversely affect their businesses and job opportunities as a result of renewed instability throughout the country.

b. Salary disparities

In many instances, national salary levels become inflated by the presence of a large peace operation. In Kosovo, locals working with international organisations often earn four to five times more than their local colleagues employed by local institutions. As a result, one often comes across situations where, for instance, a cleaning lady working for the UN in Prishtina is earning three to four times more than a government minister.

In Afghanistan, public sector reforms only began to materialise some two years after the signing of the Bonn agreement in 2001. At the time, there was no certain information about the total number of people on the government payroll. Estimates included some 300,000 civil servants and around 700,000 working within the security sector. Although maintaining such a large number of civil servants was clearly unsustainable, it was acknowledged that competitive salaries would be required as an incentive to keep qualified staff within public administration. Even so, the salary level of civil servants was set to approximately US\$ 30 per month; a wage just short of the poverty line

of two US\$ 2 per day. As anticipated, there was an automatic downsizing of the public administration, however, the exodus of civil servants primarily included skilled workers who had the possibility of gaining employment with international NGOs, UN agencies, embassies and other organisations operating in the country. Often, this change in job provided individuals with salaries from ten to fifty times more per month.

Unfortunately the brain drain damaged the state system. First the skilled men left the country for abroad and the remaining skilled employees in the government left jobs for work with international and non-governmental organisations for high salaries. Due to this situation, most of the governmental administration is managed by unskilled persons, bureaucracy and corruption are largely prevailing and badly affect the functioning of the state¹⁰

Unfortunately, it seems that (with Afghanistan as an example) there appears to be a brain drain with government employees shifting to NGOs, and from there, shifting to UN or bilateral organisations. Certainly, the salary structure of international organisations prevents the desired effect, which should be that the best and brightest from their national cadres should shift into senior government positions. There have been many efforts to alleviate this through offering people substituted positions to the government. Some localised, individual successes have been achieved from this but are unlikely to have a broad impact¹¹

In Kosovo, international and local respondents alike agreed that that the presence of the UN and other organisations has had a deep impact on the local economic environment, not least due to the high salaries levels. Although local UN staff salary levels are about 300% higher than most government salaries, international UN staff typically earns three to four times more than their local counterparts. While the spending power of the international staff does have the effect of stimulating local markets, it

¹⁰ Head of national NGO, Kabul.

¹¹ Former senior UN staff member, Afghanistan.

has also resulted in a general price rise of standard commodities. Consequently, many ordinary Kosovars are forced to have more than one job in order to support their families. This phenomenon is also widespread in Afghanistan.

Wage differences also create antagonism between the different types of contracted staff working within or in support of the public sector. These include international advisors, national staff hired by international projects, NGO workers on loan, and civil servants. In Afghanistan, it was noticeable that the patriotic and loyal civil servants, who had been there through the 'hard times' of war, had developed resentment towards national staff working for international organisations within the public sector. These were usually perceived to be capitalising on the distorted labour market, moving from one internationally paid contract to another without any genuine loyalty to the state administration.¹²

Another factor contributing to salary disparities is the presence of international private companies, including security companies. Being able to offer very lucrative remuneration packages, this industry poaches personnel from all institutions, including the UN, as well as newly trained national police and national army personnel. In Afghanistan, most locals view the work of these international companies with a great deal of skepticism, not least as they are seen to undermine ongoing efforts to build up the police and national army.

Corruption is a widespread phenomenon in many developing countries; however, in those countries heavily affected by conflict, corruption seems to spread even more rapidly due to the significant wage differences, lack of well functioning payroll systems and rising inflation. In Kosovo and Afghanistan, most respondents believed that government

¹² DANIDA, 'Humanitarian and Reconstruction Assistance to Afghanistan. A Joint Evaluation from Denmark, Ireland, The Netherlands, Sweden and The United Kingdom', Danish International Development Assistant (DANIDA), Royal Ministry of Foreign Affairs, Copenhagen, Denmark, 2005, available at <http://www.um.dk/da/menu/Udviklingspolitik/MaalOgResultatstyring/Evaluering/Evalueringssrapporter/2005/2005.05+Humanitarian+and+Reconstruction+Assistance+to+Afghanistan.htm>

employees were taking bribes, sometimes out of pure necessity, on account of their inadequate remuneration. It should be noted, however, that in Afghanistan corruption is also fuelled by other factors, including the penetration of the drug economy and the continuation of politicised government appointments at the expense of merit-based recruitment processes. Needless to say that corruption coupled with ineffective bureaucracies only adds to the level of frustration felt by the local population, particularly when development results are lacking.

c. The ‘dual public sector syndrome’

To overcome the shortage of capacity and infrastructure within the government administration, trust funds are often established as a means of channeling international financial assistance towards post-conflict reconstruction programmes. Bypassing government management structures, an international agency, such as the UN Development Programme or the World Bank, is usually made accountable for spending these funds. While such mechanisms are commonly seen as necessary in order to ensure speedy and effective implementation of projects and programmes, they tend to build on widespread mistrust in government capacities as well as an assumption of trickle down given the limited ability to fund sub-national administration directly.

The case studies show that the establishment of such mechanisms can unintentionally lead to the creation of two public sectors. In Afghanistan, these consist of the new national Afghan government administration on the one hand and the international assistance community, comprising various UN agencies, international financial and development institutions, and NGOs, on the other. Both aim to support reconstruction and recovery of Afghanistan with the difference being that the party that by definition should be in charge is not given adequate resources in terms of facilities, equipment, and skilled staff to take full ownership of the process. By contrast, the international organisations are fully equipped with well furnished premises, highly paid international experts, fleets of vehicles and other important resources. Another direct implication of this situation is that the government lacks the capacity to

manage the use of the country's natural resources, i.e. land and mines, which thus leads to the threat of depletion of state resources.¹³

In Kosovo, where UNMIK is mandated to essentially govern the country, the dual public sector syndrome is even more visible. Despite various capacity building initiatives, the presence of UNMIK leaves little room for the public administration to assert their authority and to effectively build its management portfolio. Not surprisingly, this lack of authority and control also creates low morale amongst local employees.

A lack of government ownership combined with low salary levels within the public sector means that newly trained civil servants are hard to retain. This raises the question as to whether it is economically efficient and effective to invest in capacity building and training of civil servants. In situations where civil service reform is slow and partial, like in Afghanistan, international advisors often choose not to invest in their national colleagues as the local staff may become redundant or move on to better paid positions. More often than not, the priority of international technical advisors is to get 'the job done', leaving little room for learning and transfer of knowledge and skills to their local counterparts. In addition, there is usually a relatively high turnover rate of international advisors resulting in overlapping or partially implemented training programs. One way to address this problem is to ensure that proper needs assessments are carried out from the outset and that comprehensive capacity-building programs are developed through consultation, reflecting mutually agreed goals and performance measures between the international donor and the host government.

d. Economic opportunities or disillusion

The survey results from Afghanistan reveal that the vast majority of the population views the international community's support to the country as laying the foundations for a healthier economy. In general, most

¹³ Ghani, A., Lockhart C. and Carnahan, M.: *Closing the Sovereignty Gap: an Approach to State-building*. Working Paper 253, p. 10. Overseas Development Institute, United Kingdom.

respondents were of the opinion that the country's economy has improved significantly since 2001. At the time of the survey, the economic growth rate was about 4.5% per year, in comparison to only 2-3% during the Taliban era.

Peace operations require services, goods and facilities to operate. Such demands coupled with the needs of cash-strong international workers have the potential of fuelling the local economy. In Kosovo, the general perception was that the presence of UN and other international organisations had created an increased demand for goods and services to the benefit of the local economy. It has stimulated business growth and entrepreneurship amongst locals, not least in the areas of real estate, restaurant businesses, retail, entertainment, prostitution, and transportation. Even so, the closure of inefficient industries and mines by UNMIK was regarded as a setback for the local economy. Many were also critical of the procurement procedures of international organisations, given that larger purchases tended to be made outside Kosovo. Various service providers also feared the eventual departure of the international community, including their most affluent clients.

In Afghanistan, local opinions supported the notion that the international presence has benefited most sectors, including the transport and construction sectors, as well as the hotel and restaurant industry, food and retail stores. As in Kosovo, there was, however, criticism of major purchases of goods being done overseas. Some even regarded these choices as a deliberate ploy by the international community to keep the local economy weak. In both Kosovo and Afghanistan, the survey also found broad resentment of the rising levels of prostitution – a profession that is highly condemned in conservative and religious societies – brought on with the arrival of the international community.

The NGO community tends to boom in the wake of peace operations. Before the armed intervention in Afghanistan in October 2001, there were about 250 national NGOs. Today there are more than 1,000. Whereas some work tirelessly to provide high-quality humanitarian and development assistance, others are simply commercial organisations operating under the cover of being not-for-profit NGOs. This situation

has created demands for greater transparency and more information about how NGO funding is prioritised and spent. To date, the government has neglected to adopt proper regulations that would ensure that genuine NGOs are not mixed with commercial organisations and that their obligations are clarified.

Job creation is usually one of the most pressing problems in post-conflict situations. Contrary to the civilian elements of peace operations, which usually entails massive recruitment of qualified local staff, the military elements of operations, such as the ‘blue helmets’ in Kosovo and ISAF in Afghanistan, provide only limited job opportunities for the local population. In addition, most equipment and goods are procured internationally to ensure that required standards are met. According to the survey in Afghanistan, only a limited number of local entrepreneurs were directly benefiting from business conducted with ISAF. To address this problem, and to improve general relations with the local population, ISAF recently launched a shift in policy that entails the use of local labour for construction, catering and cleaning tasks as well as more local procurement. As explained by an officer: “Procuring locally can save a lot of money. For example it costs US\$ 300,000 to fly in 120,000 litres of fuel to Afghanistan and we are looking into how we can purchase fuel locally instead”.¹⁴

e. Inflation, skewed markets and social disturbance

While the international community can help to stimulate local business opportunities, its presence is usually also accompanied with a significant rise in market prices. In Kosovo, it was generally known that the international presence had led to an increase in the price of goods and services, leaving many locals struggling to make ends meet. In Afghanistan, respondents had experienced a price increase of approximately 50% since the arrival of the peace mission. For instance, in 2004, one kilogram of meat (mutton) cost 180 Afghanis (US\$ 3.9/kg) as compared to only 80 Afghanis (US\$ 1.7/kg) in late 2002.

¹⁴ Interview with ISAF in Kabul, 11 August 2005.

A sudden influx of organisations and internationals creates a great demand for appropriate housing to accommodate offices and staff. In many instances demand will far exceed supply resulting in a steep rise in rental costs. In Kabul, for instance, the monthly rent of a three-room apartment in the central part of town had gone from approximately US\$ 80-100 per month in early 2002 to about US\$ 250-300 per month by end of 2004. Since most salaries have not risen proportionally during this period, many locals have been forced to evict their homes and find cheaper forms of accommodation on the outskirts of town. This situation has created much resentment amongst the local inhabitants who feel that they are unfairly treated in favour of the cash-strong expatriates.

Similar to the situation in Afghanistan, Kosovars have also felt rising levels of inflation, including an increase in rental costs. Many people have had to abandon living in Prishtina as they can no longer afford city prices. While a few benefit from the availability of luxury goods on the local market, most can only stand by and watch the 'spending sprees' of international workers and wealthy Kosovars.

The gender balance of the local labour market is another factor which may be influenced by the presence of international organisations. In Afghanistan, most organisations now have female employees comprising up to 30% of the total number of staff. In a society where women are expected to stay at home and tend to domestic chores, this development has fuelled social tensions, and to some extent, resentment against the international employers. The emergence of female breadwinners has led to changes within local power structures, such as those existing within families and tribes. Social tensions have in some cases also been caused by the abuse of female translators by international peacekeepers. Needless to say, such acts can also significantly damage the image of the international community and their efforts in creating peaceful and prosperous conditions for the local population.

6. Concluding Discussion and Preliminary Recommendations

Major peace operations never leave a ‘light footprint’. Despite well-articulated mandates designed to bring about stability, prosperity and democratic change in conflict-affected countries, peace missions will always impact host societies in more ways than was intended. Whereas some unintended consequences may impact positively, for instance through the creation of jobs and local business opportunities, others clearly have the opposite effect and may actually be counter-productive to the overall efforts of international community’s intervention. As demonstrated by the case studies of Afghanistan and Kosovo, the operations and presence of large peace missions can increase not only the vulnerability of host populations due to wage inflation and distorted market prices, but also undermine efforts of creating a functioning, representative and sovereign state. Contributing towards the latter is the pulling of the most skilled civil servants to better paid jobs within international organisations as well as the so-called ‘dual public sector syndrome’, i.e. the establishment of internationally governed aid management structures outside the government framework. Distortions on the labour market and weak government institutions may also fuel a rapid spread of corruption, which further damages public faith in government authorities and their ability to initiate economic development, rule of law and long-term peace.

The drain of talented locals from public institutions as a result of artificially high salary levels within international organisations is a critical issue which deserves urgent attention. Genuine attempts to support state building and sustainable management require that international organisations, including the UN, revisit their wage systems and adapt them to the local labour market. To be truly effective, such acts should also be coupled with more attention towards capacity building and skills training from the outset as well as the avoidance of parallel aid management structures which can undermine the authority and legitimacy of the state.

At an operational level, peace missions have an enormous scope for boosting local economies. For example, by procuring more goods and services locally, mission spending can be injected directly into the local economy through increased business incomes and job creation. In addition, greater emphasis on staff training from the outset can also lay the foundations for a skilled local labour force with long-term economic knock-off effects.

In conclusion, peace operations should from the outset attempt to factor in the economic impact of their presence in a host country. Many unintended consequences could be foreseen, controlled or remedied if operational planning was better adapted towards the new role of peace operations in peace building and long-term development. At the policy level, one way to address this would be to incorporate concern for economic development in the explicit mandates of peace missions. Such a move would underscore the importance of supporting local economic development from the outset alongside the more traditional mission objectives. Another way of addressing the problem would be to carry out regular impact assessments as well as in-depth consultations with key local stakeholders to establish the economic impacts of a peace operation. Improved levels of information would automatically increase the chances of getting plans and decisions sensitised towards local needs and realities on the ground, while at the same time operational effectiveness would be increased. Stakeholder consultations, including with government, private sector and civil society representatives, could also enhance trust and collaboration between the concerned parties as well as local support for a peace operation's overall objectives.

Endnotes

[i] Seventeen is the number of peace missions and peacekeeping operations given. (Seventeen UN missions was the correct number at the time of writing. This number, however, may have changed since then. The number given in Chapter 5 is fifteen, and this is the most recent figure.)

[ii] During this research a new and related research project on economic impact of peacekeeping and more specifically on ‘how much money leaks into the local economy and what this does to inflation, the labour market, and economic growth’ was launched by the Best Practices Unit of the DPKO and the organisation Peace Dividend Trust. The interim report, based on findings from Timor Leste, was published in May 2005. Its useful recommendations will feed into the planning of DPKO peace operations.

[iii] The report is named after H. E. Lakhdar Brahimi who was a former Minister of Foreign Affairs of Algeria and most recently worked as Special Representative of the Secretary General (SRSG) in Haiti.

[iv] The surveyors were Kosovar Albanians and they felt, in general, that they were favoured less as compared to the Serbian population.

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