

**Local Business, Local Peace:  
the Peacebuilding Potential of the  
Domestic Private Sector**

**Chapter four**  
**The role of local business in addressing the  
security dimensions of peacebuilding\***

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# Chapter four

## The role of local business in addressing the security dimensions of peacebuilding

Security covers a wide range of issues, including national security (protecting the state from attack), environmental security (security of the natural environment and adequate resources), and human security (people going about daily life without the threat of violence). All of these are important from the peacebuilding perspective, but especially human security – both as an endpoint and as a factor that needs to be addressed throughout the peacebuilding process. Insecurity or feelings of insecurity make armed groups reluctant to give up their weapons, and civilians wary of placing their trust in state security forces. Furthermore, without a secure environment, the rebuilding of social infrastructure and the requirements of development, including the ability to attract economic investment, will not be possible.<sup>1</sup>

The private sector is usually acutely aware of the direct link between security and business opportunity. While some local business actors may directly benefit from, and be active parties to insecurity, the majority of the domestic private sector suffers. The security environment directly affects businesses by impacting on their operations, investments and, ultimately, their profits. As much of the case-study material in Section 2 illustrates, businesses can become the targets of extortion due to their access to resources and money. Insecure environments may require the use of security guards and their provision is an additional cost to business. Damage to infrastructure and restricted access to markets pose other challenges. The unpredictability of a conflict environment becomes a further cost as businesses lose the ability to plan or rely on essential capital and social inputs.

The security aspects of peacebuilding are therefore key both to the population at large and the domestic private sector. As part of the affected society, local

businesspeople often share personal as well as professional interests in peace. There is increasing recognition that business has the potential to play a valuable role in security initiatives that take place as part of broader peacebuilding, but there has to date been no substantial research in this area.

This chapter presents an overview of the common current approaches to addressing the security dimensions of peacebuilding. Referring to specific case studies in Section 2, it outlines the activities local business has conducted with the aim of building a more stable environment and promoting a reduction in armed violence; the benefit/cost of becoming involved; as well as its common motivations. Activities include efforts by business to address ‘hard’ security issues, such as the reintegration of ex-combatants and collection of small arms and light weapons, and there is also evidence that business can be a source of early warning regarding the onset of violence and a beacon of calm due to its community contacts and local leadership status. The chapter argues that the scale of private sector involvement in the security sphere has been limited to date, partly because its potential to play a more significant role has not been adequately assessed or planned for by other leading actors.

### Establishing a secure environment

A number of key processes are launched in post-conflict settings with the aim of establishing a more secure environment and a reduction in armed violence, ranging from Disarmament, Demobilisation and Reintegration (DDR) programmes for ex-combatants to Small Arms and Light Weapons (SALW) collection, to Security Sector Reform (SSR). International experience highlights that these processes need to be designed and implemented in a coherent and holistic manner, backed by long-term commitment on the part of national and international participating actors, if they are to be successful.

A brief outline of these processes is offered below:

- **Disarmament, Demobilisation and Reintegration.** DDR programmes aim to disarm combatants (who may include men, women, boys and girls) by collecting weapons, demobilising them (disbanding armed units and breaking the command chain), and helping to reintegrate individuals and groups back into the community. As part of the reintegration component, ex-combatants are offered training and education packages with the intention that new skills will help them to make a new life for themselves. Combatants who successfully complete DDR programmes are seen as former/ex-combatants.

While DDR is a crucial aspect of peacebuilding, it can become a source of tension if pledges regarding payments, training and support are broken, or if the

pace of demobilisation and the treatment of different sides to a conflict are uneven. Ex-combatants may become disgruntled and contribute to further insecurity by agitating for a return to conflict, or by joining criminal gangs. Community resentment that ex-combatants are receiving ‘special’ treatment and being rewarded for previous atrocities can also emerge. DDR needs to be carefully managed and community support is vital.

- **Small Arms and Light Weapons collection.** SALW, including revolvers, rifles, sub-machine guns, portable anti-tank weapons and anti-aircraft guns, contribute to the deaths of hundreds of thousands of people each year and cause insecurity in many regions across the world.<sup>2</sup> The weapons are readily obtainable, cheap, and easy to use and maintain. Unlike other conventional weapons, small arms can be used by a variety of actors, including civilians, private security companies (PSCs), and criminals and youth gangs. They fuel conflict, facilitate the use of child soldiers (being light enough for them to carry) and are used to kill, injure and intimidate civilians. After a war has ended, they are often used for criminal purposes, undermining efforts to build peace, security and development. Removing weapons and addressing the causes of their proliferation are essential to promoting security and creating safer societies.

Weapons collections can be part of DDR programmes, but can also be carried out in other contexts and as ongoing processes. There are a variety of different types of weapons collections, including ‘weapons for development’ whereby communities are rewarded with development projects, depending on the number of weapons handed in. In recent years there has been a general move away from offering individual incentives, whether in cash or kind, towards the provision of communal benefits. The advantages and disadvantages of both approaches are explored later in this chapter.

- **Security Sector Reform.** The security sector in its broadest sense consists of all actors responsible for protecting the state, and the individuals and communities within it. The sector therefore plays a key role in the provision of human security but can, if not functioning properly, have hugely counter-productive impacts, distorting development and fuelling human rights abuses. The creation of a functioning and accountable security sector is a vital step towards ensuring state sovereignty and nation building, as well as the provision of human security. However, SSR projects must balance the need for an effective, professional security sector with demands that it be representative and accountable. SSR requires that respect for human rights and good governance (especially anti-corruption) be kept to the fore, as trust in and respect for the security sector are often low among civilian populations after a conflict.

- **Privatisation of security.** The increasing privatisation of security across different conflict contexts and the effects this trend has on the overall security architecture are often overlooked, with SSR processes traditionally focusing on the state-controlled police, military and intelligence services. Today, PSCs provide police-style security for banks and other buildings; and private military companies (PMCs) offer military services (although usually not in direct combat operations), such as training, equipment, logistics and strategic advice. Jobs in PSCs and PMCs are often offered to ex-combatants for whom other employment may be scarce. In some instances this may negatively impact on security, if companies are insufficiently regulated with few controls on how they operate (which is often the case), increasing the likelihood of human rights abuses and the prevalence of weaponry in the country.

The factors that jeopardise security are widespread and diverse. Furthermore, efforts to establish security often become entangled in a ‘chicken-and-egg’ dilemma: without the provision of security, the elements necessary for the provision of security, such as DDR, SALW collection and SSR, will be difficult to achieve. Implementation of these core security processes is often led by governments, in partnership with international bodies such as the UN and international NGOs. There is, however, substantial potential for the involvement of local businesses in these processes, which this chapter will explore.

## Business involvement in initiatives tackling insecurity

*“Thriving markets and human security go hand in hand.”*

United Nations Secretary General Kofi Annan<sup>3</sup>

The activities of local businesses are directly affected by the environment in which they operate. While some entrepreneurs profit from the lack of regulation and chaos of conflict, on the whole an insecure environment has a negative impact on business activities. It is therefore in the interests of local businesses to initiate and support initiatives that attempt to tackle insecurity.

## DDR processes

### Objectives of DDR<sup>4</sup>

- To contribute to security and stability by facilitating reintegration and providing the enabling environment for rehabilitation and recovery to begin
- To restore trust through confidence building among conflicting factions and with the general population

- To help mitigate future violent conflict
- To contribute to national reconciliation
- To free up human and financial resources, and social capital for reconstruction and development.

Failure to reintegrate ex-combatants socially and economically has immediate and long-term consequences. In the short term, disaffected ex-combatants may threaten peace processes by continuing to fight in-country; across borders in neighbouring conflicts; or by joining violent, criminal gangs. In the long term, groups agitating for benefits and support may threaten a country's economic and social development.

DDR tends to emerge as a result of political negotiations. This can cause the process to be flawed from the outset by poor planning; parties under or over-estimating the size of their forces; political pressure for implementation before the infrastructure is in place; and the under-resourcing of programme activities. Furthermore, the international community has tended to use a 'one-size-fits-all' approach. DDR is a highly complex process that needs to address many areas, including political, military, security, humanitarian and socio-economic elements, and failure to take the local context fully into account can also seriously hamper success.<sup>5</sup> According to the country report on Afghanistan in Section 2, the Afghan DDR programme was based on international experience garnered primarily in African conflicts. Fundamental differences in the pattern of combatant recruitment were not taken into account – notably the fact that Afghan fighters were not generally uprooted from their communities, but continued in their occupations as farmers or herders between fighting – which had important implications for local understanding of 'reintegration' and was a major factor behind its limited success in Afghanistan.

One key issue that arises during the planning stages of DDR is precisely who is eligible for the programme. Often it is not only the fighters, but also the groups that service them, namely cooks, porters, cleaners, sex workers and other camp followers who are just as badly in need of training and reintegration. While some programmes have tried to be inclusive, the costs naturally go up. Funds are generally prioritised in the initial 'DD' stages, leaving little over for the 'R'. Because of the benefits on offer it is tempting for other people, who had nothing to do with the fighting, to try and qualify for the programme, stretching the funding even further.

There are limited job opportunities in post-conflict environments so work is hard to find for ex-combatants even after training, especially if they are viewed with suspicion. Reintegration involves sending people back to communities where they

may have caused harm and where people are also struggling to make a living. The perception that ex-combatants have benefited from their notoriety further stokes resentment. A frequent complaint by villagers in Liberia was that returning ex-combatants would be more welcome if they were self-sufficient and could make some contribution to the community.<sup>6</sup>

Recognising the limitations of international DDR programmes, a number of initiatives have been launched to explore ways in which they can be improved. The UN has developed Integrated Standards on DDR (IDDRS)<sup>7</sup> that aim to provide a comprehensive resource for 14 UN agencies, funds, programmes and their mission staff to ensure integrated operational planning. The IDDRS came about because the UN is the main institution charged with the design and implementation of DDR programmes, although the World Bank has been lead-agency on some occasions in the Great Lakes region of Africa. In the past, different UN departments, such as the Department of Peacekeeping Operations, the Disarmament Department and UNDP have been responsible for different areas of DDR and there has been little coordination between them. In addition to the IDDRS, the UN has established a DDR working group that is creating a joint training and capacity development strategy for UN agencies.

In 2004 the Swedish government launched the year-long Stockholm Initiative on DDR (SIDDR).<sup>8</sup> It aimed to hold an inclusive discussion on the challenges and shortcomings of DDR within the broader political framework, and to come up with recommendations and guidelines on the design and implementation of DDR programmes in future. One challenge that the SIDDR report highlights was the difficulties surrounding reintegration and the need to establish parallel programmes to support host communities so that ex-combatants are more positively received.

### **Business engagement in formal DDR processes**

International actors' understanding of DDR best practice remains a 'work-in-progress' as lessons are absorbed from different contexts. Meanwhile, the experiences of conflict-afflicted societies in regard to 'what to do' with former combatants continue to threaten post-conflict security. The key challenge is to find gainful employment for ex-combatants, an area in which local business can play a useful role.

Experiments to involve local businesses in the employment and training of ex-combatants as part of formal DDR processes are explored in some of the cases described in Section 2. For example, the Afghanistan New Beginning Program, coordinated by UNDP, built incentives for local businesses into the design of the DDR programme, though with only mixed results.

### Involving the Afghan private sector in DDR

The most significant attempt to engage business in peacebuilding in Afghanistan occurred within the framework of the Afghanistan New Beginning Program (ANBP), coordinated by UNDP. The programme, an outcome of the Bonn Agreement that initiated the peace process in Afghanistan,<sup>9</sup> began implementation in late 2003 with the disarmament of the first units of the Afghan Military Forces, the sections of the militias that had been recognised by central government and incorporated into the structures of the Ministry of Defence. After disarmament, units were to be disbanded and their members reintegrated into society.

The DDR programme's reintegration phase explicitly envisaged a role for the private sector. Former militiamen were offered a chance either to start their own business, or to join a training or apprenticeship scheme run by NGOs and businesses in partnership with ANBP. ANBP's caseworkers, 'a mixture of a social worker and an employment officer' in its own words, were charged with 'assisting the ex-combatant with choosing the appropriate reintegration package by assessing his skills and aspirations'.<sup>10</sup> Ex-combatants were offered opportunities in a range of sectors, including agriculture, vocational training and job placement, small businesses and de-mining. The reintegration phase began in 2004 and was well underway by mid-2005, although only preliminary information is currently available as to what has been achieved. Figures in June 2005 showed that nationally 42 percent of demobilised fighters had opted for agriculture, 25 percent for vocational training and job placements, 22 percent for starting a business, with 11 percent making other choices.

The incentive offered to businesses for engaging in the programme was the opportunity to employ DDR trainees at no cost for 4-12 months. Ex-combatants would be treated like any other trainee and be supervised by the NGOs that had signed up as implementing partners. The NGOs received funds from ANBP for reintegration activities that were defined in a contract between ANBP and each partner. ANBP officials monitored implementation. ANBP identified other 'implementing partners' among businesses that had volunteered and satisfied certain requirements. Early surveys indicated that small to medium-sized construction firms played the biggest role in offering meaningful opportunities, followed by small shops. The only big business that volunteered was the mobile-phone operator, Roshan, but not to the apprenticeship component of the programme. Instead, it agreed to offer special conditions for ex-combatants who were willing to set up telecoms shops.

To explain the limited reach of the scheme, some ANBP sources interviewed for the research regretted that there was too little publicity about the programme. ▶



But there may also have been socio-cultural barriers derived from the conflict, leading businessmen – like many in Afghan society – to see former combatants as lazy and troublesome.

Ex-combatants who opted to start a business were offered training courses, a grant of \$700 and ongoing support from caseworkers. ANBP intended to assemble small construction teams, though few ex-combatants volunteered for this option. Under the original plan, ex-combatants opting to go into business, or consolidating an existing one, were expected to have had previous experience of running a business and ANBP caseworkers were instructed to actively discourage those without it. In practice, many who insisted on benefiting from this opportunity had only limited business experience. The majority were farmers seeking to diversify their incomes. The typical business started by ex-combatants was a small grocery shop, accounting for 70-80 percent of all businesses started. Shops selling building materials and cooking gas followed in order of importance, although there were some attempts in the telecoms sector.

Though official figures do not exist, some estimates put the business failure rate at between 60-80 percent. The factors explaining this include the small size of the initial ANBP start-up grant and recipients' limited ability to manage credit. Another relevant factor may be the overall level of poverty, which has reduced the purchasing power of Afghans. Small shops in Afghanistan operate primarily by supplying credit to selected customers who may take up to 90 days to repay. Shop owners quickly exhaust their stocks, leaving shelves empty. With little to offer, sales decline rapidly and, with them, income. The shopkeeper's family may then start using goods for its own consumption, further eroding the capital base of the business. Important electrical appliances, such as generators and refrigerators, may also be sold to meet urgent family needs.

Some vocational training was geared to lead toward the establishment of small artisanal businesses in tailoring, carpentry and weaving. In all these trades, however, the market is close to saturation, making it difficult for new entrants to earn a living. By mid-2005 ANBP was discouraging these options, while finding it difficult to identify viable alternatives.

In the Kivu region of the Democratic Republic of Congo (DRC), after *ad hoc* initiatives by entrepreneurs to address the prevalence of armed groups in their operating environment, the UN peacekeeping mission, MONUC, realised that local businesspeople could play a role in helping to defuse conflict by using their economic and political influence with the combatants.

### Business engagement in DDR processes in eastern DRC

In spite of political uncertainty and years of conflict, Goma businesspeople had reinvested profits locally and were keen to see past business activities regenerate – including plantations and tourism – as well as to create new interests in manufacturing. Both individually and in groups, entrepreneurs turned to implementing initiatives that *de facto* complemented the goals of DDR programmes in order to expand their operations.

In 2002, a Goma businessman bought one of the region's largest tea plantations. He paid a relatively low price since it was located in an insecure area and could not be exploited unless security improved. Although an influential member of the Banyarwanda ethnic group and well connected with the military, the businessman did not try to secure a strong military presence in the area. Instead, taking into account the local balance of power, he hired several hundred local workers and combatants from local armed groups, which 'eased' relations with their former comrades. Other businesspeople operating around former tourist spots adopted a similar approach.

The Butembo business community faced similar concerns over its previous activities in ranching, vegetable exports and commodity trading. Insecurity and racketeering imposed significant costs. Under the umbrella of the *Fédération des Entrepreneurs du Congo*, local businesses supported the RCD-ML governor's attempts to demobilise local armed groups by using their influence to convince RCD-ML commanders who opposed the efforts, and by providing in-kind support to demobilisation camps. Within six months, these initiatives led to the disarmament of some 1,500 combatants. However, the support did not extend to the provision of employment due to the poor state of their businesses. During the same period, the national DDR programme was stalled, making the business initiative the most promising effort to demobilise combatants at that time.

Because of these experiences, MONUC proposed to include entrepreneurs in the DDR programme being developed by international agencies as part of its 2003 Kivu strategy. Keen to avoid the short-term problems that arise from semi-successful DDR programmes (whereby demobilised combatants become frustrated with a lack of opportunities and begin agitating for resumed hostilities), MONUC proposed a different concept for reintegration that emphasised a role for business. Entrepreneurs could become 'partners' in the process by hiring former combatants, while benefiting from credits or reconstruction programmes funded by international donors. DDR could thus become linked to an economic recovery policy.

The limited successes in engaging business in addressing reintegration in the Afghan and DRC DDR programmes were undermined by a lack of planning and foresight by the international organisations coordinating security efforts. In DRC, delays in the formal DDR process meant that there was insufficient time to make major changes to it if the deadline for the transitional process was to be met, so outreach was limited and the potential of the MONUC/Kivu entrepreneurs' initiative unrealised. In Afghanistan, the reintegration element was implemented some two years after regime change, which meant that many former combatants had already found a means of making a livelihood and were not motivated to make a success of the opportunities on offer.

Businesses need to make their voices heard during the planning stages of DDR if they are to have a more substantive role. This would help to ensure that the opportunities offered to ex-combatants by international donors fit better with the private sector's needs. Awareness-raising and trust-building programmes to overcome the perception that ex-combatants make bad workers could also help.

Improved clarity on the roles and responsibilities of different contributing parties to the DDR process would also assist in achieving a more constructive contribution from business. The country report on Colombia in Section 2 describes the private sector's frustration with government for failing to give them a clear role, which is now being addressed in the current wave of demobilisation. Business collaboration in creating jobs for ex-combatants is set to increase now that Colombian businesses today believe 'successful DDR is a national priority', and perceive that their collaboration is both necessary and in their best interest.

#### A role for the private sector in the Colombian DDR process

The reintegration of former combatants is an enormous challenge in Colombia.<sup>11</sup> One reason is the sheer magnitude of the phenomenon. In the early 1990s, the government reintegrated five insurgent groups and some urban militias, adding up to only 5,000 men and women. Today the number of armed actors is significantly larger. The fact that demobilisation is taking place before a final settlement to the conflict adds a further layer of complexity. Some ex-combatants receive death threats from former comrades or adversaries; armed groups try to recruit them back into the conflict; criminal organisations try to lure them into their networks; and local communities are not welcoming. In particular, the demobilisation of paramilitary forces faces particular difficulties. Some perceive the terms of the negotiation as too soft given the groups' appalling human rights record and their connection to drug trafficking.

When a new wave of demobilisations began in 2002, the state had insufficient human or financial resources to reintegrate so many, especially since economic

assistance and protection must also be extended to the families of former fighters. By the end of 2005, important adjustments had been made, but inter-institutional coordination has yet to improve.<sup>12</sup>

So far the government has turned to international donors and the private sector for help with funds and technical assistance. At first the response was meagre. The UN criticised the government's policy of promoting individual demobilisation on the grounds that it was not an 'instrument of peace' but a strategy by President Uribe to avoid negotiations with the FARC. The UN also had misgivings over the terms of negotiations with the paramilitary forces.<sup>13</sup> It refrained, therefore, from assisting DDR in Colombia. The World Bank was also shy. A technical objection was that Colombia did not qualify as a post-conflict nation and many of the Bank's formal DDR projects could not therefore be implemented. Only the Organization of American States, backed by Sweden, the Netherlands and the US, offered a verifying mission to accompany the first phase of paramilitary DDR, while the Netherlands and the International Organisation for Migration (IOM) helped the Ministry of Interior refine its *Programa de Reincorporación a la Vida Civil* (Programme for the Reincorporation into Civilian Life). After several debates in the US Congress and despite Democratic Party opposition to Washington's policy in Colombia, the US government began in late 2005 to support DDR.<sup>14</sup>

The private sector initially held back from helping out more vigorously. Business had apprehensions regarding the conduct of former combatants, who are seen as pre-disposed to crime, and their lack of appropriate skills. Concerns were expressed that hiring former combatants would create unease among the firm's existing employees and scare clients away. Others saw the possibility of sabotage or retaliation by the armed groups that remain active.<sup>15</sup>

An additional impediment to mobilising private sector support for DDR was poor government management and coordination. In the view of many businesses, the government had not designed a concrete plan to engage the private sector, which in turn had no clear idea what it should contribute. Could former combatants become micro-entrepreneurs? Could they be trained in a short time to compete in the labour market? How would a company contact and hire a former combatant? Would companies have any guarantees? Above all, businesses feared being left to bear the full legal and political responsibility for their reintegration.

National and local authorities have begun to refine their approach in a bid to win private sector support for reintegration activities.<sup>16</sup> One improvement was the design of specific schemes and proposals, such as the development of agribusinesses involving ex-combatants. The Office of the High Commissioner for

Peace, which manages paramilitary reintegration jointly with the Ministry of Interior, has come up with a model to set up agri-businesses in which former combatants can work and profit as part-owners.<sup>17</sup> The Ministry of Interior has also had positive results. It committed state contractors to hiring individually demobilised combatants for road-building projects. Firms receive financial incentives, such as tax reduction, and the state covers social security costs.

The Ministry of Interior helps former combatants set up their own businesses or finds them employment opportunities. In 2005, 1,164 business projects were launched whereby each individual receives \$3,480 as seed capital. So far, more than 33 private sector companies collaborate in different ways; some charge for services but others contribute *pro bono*. Two fiduciaries manage the moneys provided to former combatants; wholesalers have agreed to train former combatants and supply their mini-markets; while other businesses are directly providing jobs.

One main challenge for the Ministry has been to select 'reliable' candidates for companies willing to hire. In Antioquia, local authorities have led a rigorous training and selection programme that has partly assuaged businesses' security concerns, and the mayor of Medellín was able to secure 158 direct jobs in local firms for ex-combatants in 2005. The mayor's office relied on the IOM for assistance in planning and monitoring, training, and for psychological assistance programmes.

### Business engagement in smaller reintegration initiatives

The multi-actor and politically complex process of formal DDR programmes poses problems and raises questions of roles and responsibilities, as well as coordination across actors. These over-arching challenges impact on business engagement as much as the success of the processes themselves. Parallel, smaller-scale efforts by business to assist in the reintegration of ex-combatants are further testimony to businesses' motivation to contribute to the goals of DDR and have reaped interesting results, as indicated in the initiatives taken by entrepreneurs in Kivu prior to MONUC's engagement. Similar experiences in Colombia and Somalia recounted in Section 2 illustrate that when business interests are directly affected by the activities of armed groups, businesspeople can independently devise local solutions that promote DDR in a more flexible manner.

### From clan gunmen to hired staff in Somalia

The relationship between business and warlords in Somalia is complex and has evolved over time. Recently, there have been efforts to provide job opportunities to clan gunmen in a bid to de-escalate violence and insecurity. Thousands of young men have been diverted from the militias into the workforce. ►

Businesspeople try to sever links between marauding gunmen of their own clan and freelance militias, ostensibly to avoid the danger of becoming the targets of clan-wide, revenge killings. In Mogadishu many businesses 'rehabilitated' gunmen related to them by hiring them as drivers, security personnel or store-keepers.

Also in Somalia, a partnership between UNICEF, the Canadian International Development Agency (CIDA), a local peacebuilding NGO and a Somali telecommunications company established an agreement for a rehabilitation and reintegration programme for child soldiers. The company provided training and offered placements to graduates at the end of the programme. Widespread community support was established and a network of actors set up to negotiate with the militia warlords controlling substantial numbers of child soldiers.

#### Tripartite partnership for the rehabilitation of child soldiers in Mogadishu

Children as young as 11 control many Mogadishu checkpoints. They do not carry guns, but undertake duties such as clearing the way after vehicles have paid fees, or flashing torches to alert vehicles approaching the checkpoint at night. Girls are often engaged in cooking food and making tea. They may also engage in prostitution or act as informers.

UNICEF, CIDA, the Elman Peace Centre and the telecommunications company, Nationlink, established an agreement in August 2001 to undertake a programme on child soldiers' rehabilitation and reintegration. Nationlink provided equipment, expertise and training in a dedicated centre, agreeing to offer placements to graduates of the programme. Vocational training courses included non-formal education in numeracy and literacy, telecommunications technology, computing, driving and office administration. Children received four days per week of vocational training. The programme also included two days per week of counselling and training in conflict resolution.

The recruitment process involved community elders, warlord associates, women's groups and peace activists. As 'intermediate actors', members of the network worked to win the consent of the warlords controlling the militias from which children were to be rehabilitated. The network advocated the banning of child soldiers recruitment. Sixty child soldiers under the age of 18 (10 of whom were girls) were recruited from Mogadishu checkpoints. The project was implemented in two phases of six months each.

At the end of phase two, Nationlink hired 12 of the 30 telecommunications trainees. Several others were employed at local power stations. A number of trainees failed to win placements and, in the absence of alternatives means of livelihood, went back to the checkpoints, highlighting the importance of a placement component in any DDR programme.<sup>18</sup>

The case of the garment factory Koramsa in Guatemala is illustrative of a similar effort to address DDR-type issues, though it is actually focused on the employment of youths at risk of joining violent gangs. At the invitation of a community group which aimed to provide opportunities and support to young people, the company set up a separate production line, away from other employees, for 140 youths it had taken into training and employment as part of the initiative. The establishment of a separate production line partly addressed employees' concerns about security, but also provided space in which to give extra training to at-risk youths whose skill levels were lower and whose outputs were of lesser quality than the standard production lines. Koramsa also paid grants for school fees.

In terms of other DDR models, the separation of beneficiaries from the workforce scarcely contributes to meaningful reintegration, and may fuel suspicions by fellow workers. The project suffered from the fact that some participants were exposed to threats and attacks by gang members, though it is unclear if this was a response to their participation in the initiative, or reflected levels of violence in the community more broadly.

There are common concerns across initiatives about retaliation against business representatives and scheme participants, as well as a mistrust of ex-combatants by potential employers. These need to be addressed if business is to play a substantial role in DDR programmes in future. Despite this, it is apparent that local businesses can play an important role and that the most effective area for their engagement is reintegration through job creation and trust building. While trying to make sure that their voices are heard at the 'formal' level, local business initiatives can also play a hugely important role in tackling insecurity caused by the presence of armed ex-combatants in and around a community.

### Collection of Small Arms and Light Weapons

SALW are a major cause of insecurity and kill hundreds of thousands of people each year. After conflicts, SALW may fall into the hands of criminals, be used as instruments of power, solve petty disputes or be used in acts of domestic violence. It is essential that any ongoing peace process includes a component focused on collecting the surplus SALW circulating within society.

There is no universally accepted definition of SALW, but the most widely used is the one in the United Nations *Report of the Panel of Governmental Experts on Small Arms* in 1997.<sup>19</sup>

### Definitions of SALW

Broadly speaking, small arms are weapons designed for personal use and light weapons are those designed for use by several persons serving in a crew.

- **Small arms** include revolvers, self-loading pistols, rifles and carbines, sub-machine guns, assault rifles and light machine guns.
- **Light weapons** include the above, as well as heavy machine guns, grenade launchers, portable anti-aircraft guns, portable anti-tank guns, recoilless rifles, portable launchers of anti-tank missile and rocket systems, portable launchers of anti-aircraft missile systems and mortars of calibres less than 100mm.
- **Ammunition and explosives** for SALW include cartridges (rounds) for small arms, shells and missiles for light weapons, anti-personnel and anti-tank grenades, landmines, explosives, munitions for single-action, anti-aircraft and anti-tank systems.

Given that the widespread flow of arms impacts on security, hindering an enabling climate for the private sector, it is in the interest of local businesses to engage with the issue. There are different kinds of weapons collection programmes and the private sector may identify which is most appropriate in its context.

### Types of SALW collection programmes<sup>20</sup>

- **Voluntary Weapons Collection Programmes (VWCPs)**. These fall into two main categories: those that take place in the context of DDR and post-conflict activities, and those that take place in 'peaceful' contexts as part of crime-prevention programmes. Given the tendency of post-conflict countries to return to fighting, this distinction may sometimes blur. VWCPs can be used as part of a 'carrot and stick' approach in which voluntary surrender is followed by increased policing, search and seizure operations, and stiffer penalties for illegal weapons possession. Others are the kick-off for longer-term education and outreach programmes, or part of broader rehabilitation programmes for ex-combatants in former conflict areas. ▶



- **Amnesties.** Amnesties can create a space for unlicensed or lapsed-licence owners to register firearms; and for weapons that are due to become illegal under new legislation to be collected. Amnesties are often a component of gun buy-back or exchange programmes. In such cases, the weapon is turned in during an amnesty period for one of the above reasons, but some incentive is offered for the firearm.
- **Gun buy-back programmes.** Instances in which a weapon is bought by the collecting agency for cash, or vouchers redeemable for cash. Other forms of remuneration, such as gift vouchers, farming tools, toys and computers, are technically in-kind incentives that replace cash and form part of the exchange programmes discussed below. The term ‘gun buy-back’ is often used to refer to all types of VWCPs. The basic premise is that a community, an organisation or a government decides that weapons currently in circulation should be collected. Collection points are identified; cooperation with law enforcement agencies is agreed; a set of prices for compensation is devised; a duration is set for the programme; and a publicity campaign is initiated. Organisers have found that the number of weapons surrendered is greatly influenced by the prices offered, the amount of publicity and the location of the collection site. For example, if a location site is a police station in an area where there is mistrust of law enforcement agencies, this deters participation.
- **Exchange programmes.** Exchange programmes are popular with implementing agencies due to some of the negative effects of paying cash for weapons. Rather than cash, in-kind incentives are used as ‘payment’ for a weapon. Incentives vary greatly, depending on the needs of the community in which the VWCP is operating. In Nicaragua, farm implements, clothes and vehicles were used as incentives, while in the United States concert tickets, old computers and gift vouchers are popular. Recently there has been a move away from offering individual incentives in favour of collective community-based incentives through Weapons for Development (WfD) projects.<sup>21</sup> WfD projects also have problems because groups can use them to barter for aid and the community incentive may be insufficiently lucrative to appeal to ex-combatants. However, they have to date proved a good way of bringing communities together to discuss SALW issues and security in general.

### Business supporting weapons collection

Initiatives to organise a VWCP come from many sources, including the UN, the World Bank, other international donors and the Catholic Church. In one case in Section 2, a VWCP was driven by the business community. The *Movimiento Patriótico Contra la Delincuencia* (Patriotic Movement against Crime, or MPCD) was created by a citizens’ group in El Salvador that included leaders of the business

community. The primary driver of the process was the Association of Distributors of El Salvador (ADES), which cited the impact of gun crime on their members' activities as a rationale for their actions. ADES delivery trucks were constantly under attack by men armed with weapons left over from the conflict and employees were under increasing threat while travelling between home and work.

The MPCD designed a weapons-exchange project, called Goods for Guns, in which individuals handing in weapons would be compensated for contributing to the security of El Salvador with vouchers for supermarkets, drug stores or clothing. The programme was implemented from 1996-99 during which 23 collection weekends were held. Such programmes need to be closely coordinated with government and other influential bodies, such as the Catholic Church in the case of El Salvador, but local businesses can also play a significant role in organising, designing and implementing the programme, including awareness raising through the media. Because of their influence in communities, businesses can engage both the target groups for the collection and the groups needed to support and help coordinate efforts.

The programme in El Salvador demonstrated how many different kinds of businesses have a contribution to make: the transporters and distributors who organised it; the advertisers who gave free publicity; the print-news media for reporting and editorials; and the many supermarkets, pharmacies and shoe shops that provided resources or in-kind goods. One contentious question in VWCPs is the site where weapons are handed in since both the organisers and owners of SALWs need to feel it is a secure environment. Business premises, if perceived as neutral, are a potentially good location in some places.

While businesses can contribute much to VWCPs, there is a need to ensure that technical professionals experienced in the handling and destruction of weapons are involved from the very outset and remain responsible for the technical aspects of implementation. It is also critical that the collected weapons and ammunition are destroyed in a safe manner to ensure that there is no chance of weapons leaking back into circulation.

### Security Sector Reform

*“Security Sector Reform is not just about disarmament or reducing the size of the army, but also about security in the wider sense – the security of every single human being within society.”<sup>22</sup>*

The term ‘security sector’ comprises a variety of actors with different roles that are relevant for understanding any reform process. These are summarised below.

### Security sector actors<sup>23</sup>

The security system includes the following actors:

- **Core security actors.** Armed forces, police, gendarmeries, paramilitary forces, presidential guards, intelligence and security services (military and civilian), coastguards, border guards, customs authorities, reserve or local security units (civil defence forces, national guards, militias)
- **Security management and oversight bodies.** The executive, national security advisory bodies, legislature and legislative select committees, Ministries of Defence, Internal Affairs and Foreign Affairs, customary and traditional authorities, financial management bodies (Finance Ministries, budget offices, financial audit and planning units) and civil society organisations (civilian review boards and public complaints commissions)
- **Justice and law enforcement institutions.** Judiciary, Justice Ministries, prisons, criminal investigation and prosecution services, human rights commissions and ombudsmen, customary and traditional justice systems
- **Non-statutory security forces.** Liberation armies, guerrilla armies, private bodyguards, private security companies, political party militias.

An accountable, effective security sector contributes to a safer environment and ensures the conditions for stable development by enabling governments to ensure the security of citizens, the safety of investments and the strengthening of state institutions. In countries emerging from conflict, SSR is vital in mitigating the risk of a return to war. Businesses have an interest in operating within a secure, local environment for professional and personal reasons. It is in their interest to support SSR when appropriate.

### What does SSR involve?<sup>24</sup>

SSR initiatives address four broad areas:

- **Political dimension.** Democratic, civilian oversight of security sector forces. The central task of reform in this area is good governance, including the capacity of civil society (media, NGOs, researchers and the public) to facilitate debate on security priorities as well as ensure civilian oversight of security forces.
- **Economic dimension.** Allocation of resources. The rational allocation of human, financial and material resources to the security sector is a ▶

precondition for its efficient operations. An excessive security apparatus deprives other sectors of scarce resources and arguably creates an inefficient security sector. At the same time, an underfunded security sector cannot ensure the security of the population. Reforms include identifying the needs and key objectives; determining what is affordable; prioritising resource allocation; and ensuring efficient use of resources.

- **Social dimension.** Guaranteeing the security of citizens. The prime task of the security sector is to guarantee the internal and external safety of the population. Security is not the same as the security of the state that is provided by the armed forces. It includes the security of the population from attacks of all types on their life, health or property.
- **Institutional dimension.** The structure of the security sector and the separation of various institutions. The different security forces can only be accountable if their institutional tasks are clearly defined. Institutional overlap between domestic public security and external defence increases the danger of intervention by the military in domestic affairs. The concept of security should not become an excuse for militarised police forces or the armed forces to take a major internal role.

### Potential for local business involvement in SSR

While many of the dimensions of SSR require buy-in at the highest level, including the Office of the President and a number of ministries, there is a need to foster local ownership and awareness of the process. To improve relations between the police and citizens after the former have been retrained, for example, local awareness must be raised so that people understand what to expect and what exactly their rights are. Because local businesses often have the contacts and ability to bring people together, this is one aspect of SSR in which they could become involved.

Businesses can play a direct role in supporting SSR when it is recognised that complex situations and underfunding will impact on the ability of the formal security sector to operate effectively. In South Africa, the Business Against Crime (BAC) initiative was set up in 1996 at the request of then president Nelson Mandela. BAC's aim was to support the government by complementing its limited resources with the entrepreneurial, managerial and technology skills of the South African private sector. "Business, being the economic engine of society, is both directly and indirectly impacted by crime. Directly, regarding the theft of property and money, and indirectly through reduced business confidence, loss of investment, emigration and the steady erosion of the foundation upon which the economy is built."<sup>25</sup> BAC provides technical and policy support, which includes management training for police and the refurbishment of strategic police stations, as well as running an education project to

raise awareness in disadvantaged communities. This type of engagement shows the positive impact local businesses can have when working with official systems.

This can also occur at a more localised level, as demonstrated in the example below from Uganda.

#### Driving crime figures down

To overcome some of the difficulties in establishing security and public adherence to the law, the Ugandan authorities are collaborating with the private sector to develop an innovative policing initiative for taxis in Kampala.

The Uganda Taxi Operators and Drivers Association (UTODA) was set up in 1986 as a forum for owners and drivers to express their views to the local authorities. Representing around 30,000 drivers in Kampala alone, UTODA articulates its views through an elected committee and has considerable political influence since taxis are a principal means of transport. Relations with police, however, are frequently problematic and there are complaints that many officers extort payments from drivers at roadblocks. These difficulties have largely been overcome as a result of a joint collaboration in which Kampala local council contracts UTODA to operate as the primary policing authority for taxis.

UTODA has taken on responsibility for additional areas of traffic policing. UTODA's Traffic Wardens Department enforces road regulations, directs traffic during congested periods and provides assistance at children's crossings. Its Law Enforcement Department, whose personnel are trained by police and local councils, ensures adherence to the law in the taxi parks, and its officers have the power to arrest thieves and other criminals. Although the police have lost influence, they are benefiting from the additional resources and inside knowledge, and the community has welcomed the initiative.

*This case study is from Baker, B. (2004) 'Post-conflict Policing: Lessons from Uganda 18 Years On' Journal of Humanitarian Assistance. Available at [jba.ac/articles/a138/btm](http://jba.ac/articles/a138/btm)*

#### Local business and private security provision

One key area of engagement in SSR for local businesses is around non-state security actors, in particular private bodyguards, PSCs, vigilantes and militias. In times of insecurity, when the state security sector does not provide adequate protection for citizens, local businesses often resort to their own solutions.

The provision of security in and around markets is a major issue and where state security is inadequate, local businesses usually make their own provisions. In several Nigerian market towns, as reported in Section 2, traders' associations are 'perceived as a major locus of economic support for vigilante/ethnic militia groups, with some of the most well-known groups originating from initiatives and payments from traders'.

Similarly, the Somalia report describes how each sector of Bakaara, the largest market in the region, has its own security staff paid for by stores in the area. While guards are allocated to specific areas, they also work as a network. "We know each other very well," said one security officer. "Some of us are only limited to the protection of one or two stores, but you cannot be independent from each other. We help each other." In a context of state collapse or weak governance, such informal systems of security provision are inevitable and can play a positive role in stabilising the situation, not least through the provision of reliable jobs to former or potential combatants. However, there are limits to the security coverage that such *ad hoc* approaches can provide to all citizens. Indeed, when run parallel to formal structures, as in Nigeria, private security contributes to the further weakening of state institutions. In this sense, reliance on private security and vigilante groups, and the lack of a strong and accountable security sector are mutually reinforcing.

Local businesses can play a role in supporting SSR by paying careful attention to their use of PSCs. When there is no alternative to hiring PSCs, businesses should ensure that their employees operate responsibly<sup>26</sup> and consider the additional interventions that could be made to support the emergence of a reliable state security sector in the long term. At a local level, the relationship that has evolved between the local police and the grain and livestock associations in Sokoto market in Nigeria represents a positive step in this regard. The associations have been asked by police to be the people's representative and have the authority to go directly to the commanding officer should trouble erupt.

### Negotiating security

Businesses' efforts to ensure the security of their operations frequently lead to direct negotiation with armed groups. This may result in the payment of bribes or extortion (direct revenue) in return for pledges of security. The impact of extortion payments on the wider peace and security context are likely to be dubious; though negotiation can at times strengthen dialogue channels between conflicting parties.

Nepali businesses refrained from engaging in direct negotiation with the Maoist rebels in this way out of fear of both the armed group and possible retaliation by the army – though payment of extortion is common. When the Maoists began to shut down businesses in August 2004, however, the private sector decided it had to act. The

Federation of Nepalese Chambers of Commerce and Industries enlisted the help of three human rights activists to mediate between themselves and the Maoists, a process that was endorsed by the government. The negotiations were successful and, after the release of two of the trade union leaders, the Maoists withdrew their closure order. This shows how sensitive action by businesses can both help their own security and have a beneficial effect on the wider context – though such interactions need to be viewed in the wider frame of business relationships with armed groups.

In Datu Paglas in Mindanao, Philippines, the former mayor and chairman of the largest, local investor in nearby plantations used his prestige and personal contacts with the Moro Islamic Liberation Front (MILF) to persuade rebels to grant the district the status of a ‘no-go’ zone for insurgent activities. This ensured a stable environment for the company’s operations and the wider community, many of whose members were former rebels employed on the plantations. Investors stress that they have never paid ‘donations’ to the MILF.

In a conflict context, businesspeople tend to nurture whatever relationships are necessary for their security and the security of their assets. In some cases this may have a positive effect on broader community security, but it is likely that, unless business actors fully think through the impact of the compromises they feel forced to make, they can also exacerbate negative dynamics.

### Early warning and community security

Because businesspeople are physically close to communities in which they operate as well as through their workforces, they are often able to identify early signs of potential violence and provide warning. This was apparent in the Nigeria case. In Sri Lanka, nearly half of respondents (49.3 percent) in a survey of members of the business community knew of tensions in their area that could lead to violent conflict in future. “This suggests that there may be potential for business perceptions at a local level to serve as indicators for increased threats of violent conflict,” comment the country report authors in Section 2.

The South Caucasus regional report describes how the village of Khetagurovo on the *de facto* border between Georgia and South Ossetia was divided in two after the 1991-92 war. Villagers on either side agreed to monitor the movements of paramilitary forces and to prevent their own fighters from attacking their former co-villagers. The motive behind the agreement was the determination of villagers to protect their livelihoods and businesses, and was based on trust.

Localised knowledge can also be used to diffuse aggravated security situations. In the DRC, businesses’ standing in the community was such that their calls for calm

during a violent protest were more effective in stabilising the situation than any effort of the international community.

In 2004, tensions in Bukavu erupted in clashes between the Congolese Tutsi and other communities. MONUC, which was perceived as biased in favour of the Tutsi and the 'Rwandans', was also targeted. The demonstrations turned into riots. Without any request from MONUC, business leaders resorted to using their influence and personal connections in a bid to calm the situation, broadcasting conciliatory messages on local radio. Since, wrongly or rightly, they were perceived as hostile to the 'Rwandans' and Tutsi, their messages may have had more impact than similar ones broadcast by MONUC.

In Northern Ireland, the business community publicly called for an end to violence on several occasions, both by appealing to employees and making public media statements. This included one episode when business mediated a stand-off between the organisers of Orange Order marches and residents of the Catholic area through which the marchers were supposed to pass.

## Conclusions

There are many security dimensions to peacebuilding that are of direct relevance to the domestic private sector. With regard to DDR, weapons collection, SSR, early warning and community security, as well as crime prevention, local business actors can make useful contributions in terms of providing financial, in-kind or other assistance; by fostering 'the right kind' or relationships with security sector bodies and individuals; and by constructively using their influence.

## Lessons for businesspeople and others

### Providing resources

Some of the crucial elements of security-related initiatives are often under-resourced. One important role the business community can play is to provide resources strategically, by linking up with relevant actors at the right time. The BAC's in-kind and management support to local police stations in South Africa, and the business community's support to the weapons collection programme in El Salvador show that this does not have to be financial assistance, but can include skills, know-how and other contributions that the private sector has at its disposal.

### Understanding value-added

Those who work on security initiatives will receive more favourable responses from business if they engage early in order to understand its needs, capacities and



perspectives, leading to well-thought-out plans and ways of involving the private sector. Working with business requires analysis of business actors and their relationships to conflict, as well as a good understanding of what they can bring to security initiatives.

### **Involvement in DDR programmes**

The examples discussed above demonstrate that business can play an important role in supporting reintegration by providing training and job opportunities for ex-combatants. Being candid about the risks, such as ex-combatants' low skills levels, businesses' lack of confidence in their abilities and the security implications for all participants in DDR processes, is essential and helps both the implementing agency and the business community draw up joint plans to address these facts or perceptions. This implies that other actors, particularly international organisations and NGOs, must have the capacity to accompany the DDR process beyond the point when a job has been found for an ex-combatant, for instance by providing inputs that a business cannot cover, such as psycho-social support where necessary.

### **Work with technical experts**

Many elements of security-related interventions are highly technical, such as the disposal of SALWs. Where businesses have the motivation to mobilise or participate in such initiatives, they need to link up with those who have expertise in working on the technical aspects.

### **Community outreach and mobilisation**

Many of the security initiatives mentioned in this chapter depend for their success on buy-in from local communities. Reintegrating ex-combatants, for instance, will only work if communities are willing to welcome them. Weapons can only be collected if community members feel they can give them up with confidence – or receive sufficient incentives to do so. The business community can do much to provide outreach and mobilisation to local communities, for example by sensitising their workforces to working alongside ex-combatants, making them feel safe and partnering with civil society actors, such as religious organisations, human rights groups, and so on.

### **Showing commitment to and working with official structures**

A principal challenge in post-conflict situations is the weakness of official structures, especially those related to security. While it is inevitable that local businesses, when they have the resources, will provide for their own security by hiring PSCs, a publicised commitment to public institutions, accompanied by initiatives that aim to strengthen them, sends an important signal that may influence the way others behave. Policy dialogue with public institutions and other partners may be one way of influencing security issues.

### **Extending understanding of security**

Conflict situations contract the way people think about their daily lives: the time-horizon for planning activities such as investments shortens. Equally, security concerns tend to narrow to the most immediate surroundings, for example a company's premises. Businesses can think of ways of broadening out this concern to influence the wider security environment.

### **Awareness of potential security risks**

Businesspeople through their daily operations, links with customers, business-partners and staff have the opportunity to pick up signs of rising tensions or security risks that can help in conflict avoidance, if communicated to the relevant authorities. International agencies and NGOs working on strengthening early warning and early response capacities should think more clearly about how to involve local businesses in their efforts.

## Endnotes

- 1 In the words of a recent GTZ publication: "Without reliable protection against violence and crime, human and social development is impossible." GTZ (2004) *Security - A Key to Sustainable Development* (Eschborn, Germany: GTZ).
- 2 According to the think-tank Small Arms Survey, it is estimated that on an annual basis SALW are responsible for approximately 300,000 deaths during armed conflicts in developing countries, while millions more suffer from non-fatal injuries and crippling disabilities. Small Arms Survey (2002) *Small Arms Survey* (Oxford, UK: Oxford University Press).
- 3 Address to the World Economic Forum, Davos, 31 January 1998 (press release SG/SM/6448).
- 4 From UNDP (2006) *Disarmament, Demobilisation and Reintegration of Ex-combatants*. Available at [www.undp.org/bcpr/practice\\_notes/ddr\\_practice\\_note.pdf](http://www.undp.org/bcpr/practice_notes/ddr_practice_note.pdf)
- 5 Ibid.
- 6 From author's interviews in Liberia, December 2005.
- 7 UNDP Intergrated Disarmament, Demobilisation and Reintegration Standards forthcoming 2006.
- 8 For further information see [www.sweden.gov.se/sb/d/4890](http://www.sweden.gov.se/sb/d/4890)
- 9 See Rubin, B. R. (2003) 'Identifying Options and Entry Points for Disarmament, Demobilization and Reintegration in Afghanistan' (New York, US: Centre on International Cooperation).
- 10 See UNDP (2003) *Partnership for Peace: Afghanistan's New Beginning Programme (ANBP)* (New York, US: UNDP).
- 11 See Guáqueta, A. (2005) *Desmovilización y reinserción en El Salvador: Lecciones para Colombia* (Bogotá, Colombia: Fundación Ideas para la Paz).
- 12 The Ministry of Interior's *Programa de Reincorporación a la Vida Civil* manages the reintegration of individually demobilised combatants. During the two-year process, beneficiaries receive psychological assistance, vocational training and about \$2,800 to start up small businesses. Collective demobilisation is managed by the same office jointly with the Office of the High Commissioner for Peace in the Office of the Presidency (OACP), which led the negotiations with the paramilitaries. Their reintegration has followed a somewhat different path, partly because the paramilitaries have substantial resources of their own, and the capacity to design, fund and implement agri-business projects in their former zones of influence.
- 13 Interview with official from Ministry of Interior's DDR programme, Bogotá, 2005; *El Tiempo*, 14 July 2005; *El Tiempo*, 17 May 2003.
- 14 Public Law 109-102, enacted on 14 November 2005, earmarked up to \$20 million for individual and collective DDR.
- 15 In 2005, the Colombian NGO Fundación Ideas para la Paz (FIP) interviewed different business associations in Colombia's main cities to gauge the private sector's willingness to support DDR projects and conduct a preliminary assessment of what type of incentives would be needed to mobilise greater interest. See Del Pilar Velaco, M. P. (2005) *Recomendaciones de política pública y sector privado en la reinserción de desmovilizados colectivos e individuales* (Bogotá, Colombia: FIP).
- 16 In January 2006, the government finally designated a three-person, high-level team to coordinate contacts with businesses willing to help.
- 17 Each demobilised combatant is given \$900 as seed capital. Several can then join together and partner with a private sector investor previously identified by the OACP through local consultations in the communities where former fighters intend to re-settle. By January 2006, 14 such projects employing 800 demobilised fighters had been established. Some claim, however, that such projects are actually funded by paramilitary and drug traffickers, an emerging 'entrepreneurial class' that has begun to invest in legal activities.
- 18 Elman Peace Centre (EPC) (2003) *Assessment of the Child Soldiers Rehabilitation and Reintegration Programme* (Mogadishu, Somalia: EPC).

- 19 United Nations (1997) *Report of the Panel of Governmental Experts on Small Arms A/52/298* 27 August (New York, US: UN).
- 20 Adapted from Meek, S. (1998) 'Buy or Barter: The History and Prospects of Voluntary Weapons Collection Programmes' *Monograph No. 22* (Pretoria, South Africa: Institute of Security Studies). Available at [www.iss.co.za/Pubs/Monographs/No22/Contents.html](http://www.iss.co.za/Pubs/Monographs/No22/Contents.html)
- 21 For example, in Liberia the UNDP has initiated a WfD project in an attempt to try and collect many of the weapons that were not handed in during the DDR programme. Communities will benefit from development projects, the value of which will be determined by the number of weapons handed in. See [www.lr.undp.org/sa.htm](http://www.lr.undp.org/sa.htm)
- 22 See [www.undp.org/bcpr/jssr/4\\_resources/documents/Berghof%20Handbook\\_2004\\_SSR.pdf](http://www.undp.org/bcpr/jssr/4_resources/documents/Berghof%20Handbook_2004_SSR.pdf)
- 23 OECD (2005) 'Security System Reform and Governance' *DAC Guidelines and Reference Series* (Paris, France: OECD 2005).
- 24 Adapted from [www.undp.org/bcpr/jssr/4\\_resources/documents/Berghof%20Handbook\\_2004\\_SSR.pdf](http://www.undp.org/bcpr/jssr/4_resources/documents/Berghof%20Handbook_2004_SSR.pdf) pg 14
- 25 See [www.bac.co.za/](http://www.bac.co.za/)
- 26 Foreign firms investing in the extractive industry have begun to address this area through developing and implementing an industry code, the Voluntary Principles on Security and Human Rights, that stipulates best practice in security arrangements in unstable contexts. See [www.voluntaryprinciples.org](http://www.voluntaryprinciples.org)

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