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Degree : MA Development Studies
Department/School : Centre for Development Studies
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Contact Address
Mindie, 9701957
email: brian.levfa@usp.org

Permanent Address
Of D. O. Box 1960
Honiara,
Solomon Islands.

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Aid and Post –Conflict Development in the Solomon Islands

BRIAN LENGA
MA DEVELOPMENT STUDIES
2006

Brian Lenga
Email: blenga@yahoo.com
TOPIC:
Assessing the Effectiveness of Aid for the Development of Post-Conflict Villages in the Solomon Islands: A case study of the Community Peace and Restoration Fund (CPRF) projects in the Northwestern Region of Guadalcanal Province

A thesis presented in fulfillment of the requirements for the degree of Master of Arts in Development Studies at the University of the South Pacific.
Authenticity

I declare that this thesis is my own work, except for those sections explicitly acknowledged, and that the main content of the thesis has not been previously submitted for a degree in any other university.
ABSTRACT

Countries emerging from violent and disruptive conflicts are over burdened with complex socio-economic and political problems. The delivery of aid for the development of post-conflict societies is never easy. The causes and consequences of the violent conflicts in the Solomon Islands (1999 – 2003) present an ongoing challenge for stakeholders internally and abroad in search for solutions. This study examines the role of aid in the development of post-conflict societies. It is important to explore how aid is administered and its impact at the local level in post-conflict societies. Its focus is on the Solomon Islands, in particular on the AusAID-funded Community Peace and Restoration Fund (CPRF) projects. It examines the delivery and assessment methods used in the administration of the CPRF.

The study uses the New Institutional Economics framework and Principal/Agent theory to assess the effectiveness of CPRF aid projects. Through the NIE and Principal/Agent approaches, the study examines the structure of incentives (“institutions”) established within the projects that determine the behaviour of participants in the projects. In assessing institutional arrangements, it is important to identify whether or not the arrangements, in this case in the projects, are “incentive-compatible”. Incentive-compatible rules encourage people to fully perform the duties assigned to them and reveal all information to other stakeholders. The following frameworks are used to support the NIE: (i) Social Capital; (ii) the Community Driven Reconstruction approach; and (iii) the Conflict Analysis framework.

Methodologically, this study adopts a qualitative approach for data collection and analysis. After primary and secondary data were collected and analyzed, the following findings emerged from the income generating projects: (i) they are inconsistent with the needs of the women in the villages and with local cultural norms; (ii) institutional arrangements do not encourage people’s participation in the projects; (iii) women do not have sufficient funds to use skills; there are no credit facilities for women in the Solomon Islands; (iv) there were no clear descriptions of organizational functions and decision making arrangements; and (v) there are misconceptions about communalism and the communal nature of wealth making. Income generating projects were not effective. However, services projects were (i) consistent with needs; (ii) their design provided appropriate incentives for the participation of villagers and government departments; and (iii) perceived individual benefits motivated people to participate.

This study concludes that income-generating projects were not effective, while service projects were effective. To enhance aid effectiveness at the village level, the study argues that: (i) comprehensive needs assessment is important; (ii) that needs should be prioritised and arrangements put in place to address short and long term needs; (iii) that micro-finance and skills training be provided for women in villages; (iv) that a multi-sourced trust fund be created; (v) that the aid coordination role of key government agencies be strengthened; and (vi) that an effective service delivery arrangement between aid donors, provincial government and churches be established. Overall, it is important to be conscious of the potential for Principal/Agent problems in project design, and design rewards and sanctions to minimize these problems.
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**ACRONYMS**

AusAID – Australian Agency for International Development  
CNURP – Coalition for National Unity Reconciliation and Peace  
CPRF – Community Peace and Restoration Fund  
DAC – Development Assistant Committee  
EXIM – Export and Import  
GP – Guadalcanal Province  
ICRC – International Committee of the Red Cross  
IFM – Isatabu Freedom Movement  
MEF – Maliata Eagle Force  
MNURP – Ministry of National Unity Reconciliation and Peace  
NGO – Non Government Organization  
NIE – New Institutional Economics  
ODA – Official Development Assistance  
OECD – Organization for Economic Cooperation and Development  
PCs – Provincial Coordinators  
QIP – Quick Impact Project  
RAMSI – Regional Assistance Mission to the Solomon Islands  
ROC / Taiwan – Republic of China on Taiwan  
SIAC – Solomon Islands Alliance for Change  
SICHE – Solomon Islands College of Higher Education  
SIG – Solomon Islands Government  
SIPL – Solomon Islands Plantations Limited  
TPA – Townsville Peace Agreement  
UNCTAD – United Nations Conference on Trade and Development  
UNDP – United Nations Development Program  
UNESCO – United Nation Economic and Social Council  
US – United States of America
1:0 CHAPTER ONE

1:1 INTRODUCTION

The delivery of aid for the development of post-conflict societies is never easy. Countries emerging from violent conflicts globally and in the Asia-Pacific region are over-burdened with complex political and socio-economic problems. Addressing these problems in post-conflict societies requires more than just peace agreements, peacekeeping troops and short-term humanitarian assistance. It has been argued by NEPAD (2005) that responses to post-conflict situations continue to be security and military oriented in spite of the increasingly articulated rhetoric for comprehensive developmental solutions. Consequently, very little attention is given to recovery and reconstruction needs of the civilian population. They benefit only marginally from short-term humanitarian assistance. The causes and consequences of the Solomon Islands’ crisis present an ongoing challenge for policy makers, academics, aid agencies and stakeholders from all walks of life, both internal and abroad, in the search for solutions.

This study examines the role of aid in the development of post-conflict societies. It explores how aid is administered and its impact at the local level in post-conflict societies. Its focus is on the Solomon Islands, in particular on operation of the AusAID-funded Community Peace and Restoration Fund (CPRF). It examines the delivery and assessment methods used in the administration of the CPRF. The questions that it seeks to answer include: why did CPRF choose to deliver its aid projects in the way it did? Did aid delivered through the project approach contribute to post-conflict development in
post-conflict societies? Have aid delivery methods and arrangements taken into account issues concerning ownership, incentives, participatory planning and empowerment?

This study argues that: (i) aid projects will be effective if the institutional arrangements in the aid projects are incentive compatible; and (ii) the nature of post conflict societies and local socio-cultural issues are taken into account in the administration of aid projects in the Solomon Islands.

The study takes on a multidisciplinary and transdisciplinary approach, drawing literature from different disciplines; in particular, political science, economics, and management. This is because of the conviction that an understanding of aid, how it works, and its impact can only be drawn from these different perspectives.

Decisions about who should receive aid and how much, are often influenced by considerations of political, strategic, and national interest. Who gets what, how, and how much are politically motivated decisions? In economic terms, aid can be thought of as a scarce resource, an economic rent, and unearned income. Therefore, it is important to ascertain whether or not aid is effective in post-conflict societies.

For aid agencies, their stake in a particular conflict situation usually determines their response to internal conflicts. International experience on aid delivery in post conflict societies also point to the tendency for humanitarian NGOs to follow the logic of humanitarian relief, rehabilitation and long-term reconstruction. Different levels of aid are delivered in each phase. Even though this is not a neat transition, aid in the
humanitarian and rehabilitation phases is generally directed towards the alleviation of human suffering and establishment of civil infrastructures (health and education services). Experience in some countries that emerged from conflicts suggests that while some segments within the recipient country benefited from humanitarian assistance little is done by aid agencies and national governments to promote post conflict development.

Somalia represents an example of aid effort that failed to consider the nature of a post conflict society and other socio-cultural factors. From 1991-1993 the International Committee of the Red Cross (ICRC), United Nations Children’s Fund (UNICEF), United Nations High Commissioner for Refugee (UNHCR) and the Netherlands government supplied food aid and quick impact projects (QIP). Their aims were to attract displaced settlers and to alleviate human suffering. One of UNICEF’s key activities was the seed and tool program. Wood et al (2001) found that it lacked gender focus. The nature of the program was agricultural. Thus, it demanded availability of land. This resulted in a forced change of land ownership in Juba Valley, the key agricultural area. Many Somalis resented it. The QIPs eventually failed since they were not linked to the overall rehabilitation program. Similarly in Kosovo, following the signing of the Peace Plan on June 3, 1999 and cessation of open conflict between the Kosovo Liberation Army and the Yugoslav military, UNICEF and the UK Department for International Development (DFID) led humanitarian and relief efforts. Their strategy was to support the establishment of new civil structures in education, health and social welfare. UNICEF also provided essential life saving relief assistance to children and women (Wood, Aptorpe and Borton, 2001: 174). But while they increased the availability of schools and clinics, they provided insufficient manpower to make them work. The nature of the
post conflict situation in Somalia and Kosovo is different from Solomon Islands. But there are similarities in aid administration and intervention strategy.

As part of its continuing assistance to support peace building and restoration of livelihoods, AusAID established the Solomon Island Community Peace and Restoration Fund (CPRF) in November 2000. CPRF was set up to fund and coordinate community-based, quick impact projects oriented towards peace building and socio-economic development. Funds were spent on education, health, road works, youth activities (sports and youth rallies), community facilities, and small-scale income generating projects for women groups (CPRF, 2003). It was assumed by CPRF that funding community projects that assist communities pursue peaceful resolution to disputes and address priority concerns would directly or indirectly contribute to the overall peace process and development in the Solomon Islands.

The CPRF has used the project approach to deliver goods and services directly to the communities and villages. Fundamentally, an aid project is a set of contracts linking donors, employee, contractors, consultants and beneficiaries. Incentives for performance are embedded in project agreements. It is hypothesized by Clague (1997) that projects will be effective only if the institutional arrangements are incentive-compatible. Aid delivery and administration arrangements are incentive-compatible if they motivate people to perform fully the duties assigned to them and not conceal information from other stakeholders. Assessing whether this is the case involves analyzing whether the arrangements provide incentives for the various participants to carry out their assigned
tasks as defined in the project and reveal all information about their activities to the other participants and stakeholders.

In terms of the effectiveness of aid in post conflict societies such as Somalia, Rwanda and Kosovo, Borton and Telford (2001) found that relief activities were effective in alleviating human suffering (through delivery of food aid and establishment of social and welfare services) but failed to assist people earn income to support livelihoods.

The effectiveness of aid in facilitating peace and post-conflict development in the context of the Pacific Islands countries in general and in the Solomon Islands in particular remains to be critically assessed (Pattison and Sullivan, 2004; Chand 2000, Duncan and Chand 2000). In the case of Solomon Islands, a study conducted by Haijtink (1995) concluded that aid projects concentrated in areas around Honiara due to low administrative costs. He further argued that a large proportion of aid was spent in Australia on advisors and capital. Haijtink concluded that aid projects were unsustainable due to: (i) lack of planning capacity and efficient personnel, (ii) lack of political will and commitment and (iii) the inability of national government to pay for huge increases in recurrent costs to maintain the organizational systems created by aid projects.

In terms of the effectiveness of aid in facilitating economic growth, Rukmani Gounder (2003) concluded that while aid contributes positively to economic growth, for aid to become effective in the Solomon Islands political stability, social harmony and government institutions need to be improved (Gounder, 2003:38). In addition, Dinnen (2004) argues that for external assistance to be effective and sustainable, local
circumstances, knowledge and expertise should be recognized and given greater attention. Moreover, the recently released White Paper on Australian Aid has comprehensively discussed the following strategies to promote aid effectiveness: (i) strengthening the performance orientation of aid programs; (ii) combating corruption; (iii) enhancing Australian engagement with the region; and (iv) working with partners (Australian Government, 2005). To enhance aid effectiveness the following are some of the proposed country strategies: (i) jointly formulate performance expectations of aid efforts; (ii) provide better basis for assessing impact of aid efforts; (iii) explore how incentives can be built into aid programs (see White Paper on Australian aid, 2005 for detailed discussions).

The White Paper on Australian aid 2005 is different from past policy such as the Simons Review in at least two ways. One, while the Simons review argues that the triple mandate contained in the Jackson’s Review had eroded the impact of aid, the present focus of the Australian aid White Paper 2005 was built around multiple objectives namely accelerating economic growth, fostering functioning and effective states, investing in people and promoting regional stability and cooperation. The second difference is observed in a shift from its traditional focus on projects that were geared towards poverty alleviation and sustainable development in the region to a more hands on approach where a combination of counter-terrorism, law and order and institutional strengthening approaches are increasingly being used.

Critics argued that foreign policy objectives, counter terrorism and security objectives could increasingly dominate the aid program (Pettitt, 2006). The impact of this shift is
that the programs are chosen on the basis of how they will meet the Australian Government's foreign policy objectives instead of how they could assist the poorest in the region get out of poverty. Therefore, the Australian Government is in danger of contradicting the recommendation of the Simons by allowing multiple objectives to drive its aid programs. Consequently, the aid program may become less effective in helping those it mandated to assist at stated in the Aid White Paper of 2005.

Previous studies provide general suggestions to improve aid effectiveness at the macro and micro level. This study focuses on specific local cases in the post conflict situation in the Solomon Islands.

1:2 Problem statement

This study hypothesizes that the development projects funded by the CPRF in Solomon Islands are not effective because the methods used by the CPRF to deliver aid do not fully take into account issues that are important at the village/community level. These include issues concerning ownership, incentives, participatory planning, and empowerment in a post conflict situation.

Over the years an effective linkage between the national government and the villages in terms of providing small-scale economic projects that could foster and sustain a vibrant rural economy has been lacking. The subsistence sector provides the main source of livelihood for 85 percent of the population (Ilala, 2002). A number of financial initiatives such as the Constituency Development Fund (CDF), now called the Rural Constituency Development Fund (RCDF), and the Provincial Development Fund (PDF) and Small
Islands Community Project (SICOPSA) were made available to villagers to help them invest in small fisheries and agricultural projects. Nanau (1995: 175) writes that inadequate monitoring and evaluation resulted in the inability of government and aid donors to detect problems, hindering successful implementation and analysis of these projects. Moreover the failure of these projects was partly due to political interference with the distribution and use of the funds, clan loyalties and tribal obligations that limit the capacity of project recipients to sustain the benefits derived from the projects. In the end the Solomon Islands government (SIG) lost millions of dollars.

In addition, Feeny (2005: 31) asserts that aid has had no impact either positive or negative on the rural sector in Melanesian countries including the Solomon Islands over the period from 1980 – 2001. This, Feeny argues, is because of the lack of rural-urban linkages, poor and expensive transportation systems, and the urban bias of large labour intensive projects, encouraging rural-urban migration. All these have made aid projects in the rural areas less economical than those based in urban areas. This situation is exacerbated by post-conflict conditions that made rural areas less economically and socially viable. Economically, destruction or poorly maintained road conditions and bridges, high transport costs, closure of previously operating industries, and rising inflation made rural areas less viable. Socially, the lack of clear separation between social relations and the nature of business as a separate entity has encouraged ‘kaon’ (getting goods without immediately paying for them), which seriously undermined opportunities for investment to grow.

1:3 General aims of the study

The general objectives of this study are to explore two key questions:
• (i) Is aid effective in promoting post conflict development in villages that are emerging from violent conflicts in the Solomon Islands?

• (ii) How could aid contribute effectively to the development of post conflict villages in the Solomon Islands?

1:3:1 Specific objectives

• To find out what types of institutional arrangements were put in place in the CPRF projects.

• To examine whether the institutional arrangements provide incentives for stakeholders to behave in such a way that will ensure the project will be effective in facilitating post-conflict development.

• To examine whether the institutional arrangements allow local human resource and financial capacity to be developed to sustain the benefits of the projects.

• To examine whether the funded activities strengthen social capital, leading to enhancing social cohesion at the village level.

• To learn about the experience of aid delivery in post-conflict villages in Solomon Islands society.

1:4 Study rationales

There are a number of reasons for this focus. First, Solomon Islands is made up of rural villages where more than 85 percent of the population lives. Therefore, projects that produce beneficial results at the village level will provide an important catalyst for
positive changes throughout Solomon Islands. The CPRF focuses directly on the villages. This is a new approach in giving assistance. It bypasses the provincial and national government and reaches the community directly. Thus, determining whether or not these projects are effective is important.

Situations in post-conflict societies are unique and complex. In the case of CPRF, it is important to know how aid functions in an unique local setting in the Solomon Islands. Post-conflict development in the Solomon Islands is concerned with managing conflicts over the use of resources such as land, mending social relations, and the reconstruction of social and physical infrastructure sufficient to improve livelihoods and jumpstart the national economy. How effectively CPRF has contributed to solving parts of these problems remains to be discussed. However, CPRF alone cannot do it all.

Second, villages have different ways of organizing activities. It is anticipated that a case study of selected villages would provide new insights concerning how villagers organize themselves to participate in projects. Institutional arrangements at the local level are generally regarded as social capital. Social capital is broadly defined as the institutions, relationships, attitudes and values that govern interactions and contribute to economic and social development (Grootaert and Bastelaer, 2002: 2). In the context of villages in the Solomon Islands, social capital could be observed through the ways in which villagers organize themselves in response social, cultural, religious, and economic events or

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1 Financing village-based aid projects is not new. Similar ideas (in kind not cash) formed the basis for SICOPSA, RCDF and PDF. During the colonial days, “subsidies” were given to farmers. While the source of funding for RCDF and PDU was based on mixture of government and aid money, SICOPSA was aid money channeled through Solomon Islands Government. CPRF was fully aid funded. Coordinators and hired contractors were also involved in the managing and overseeing of projects from start to closure.
opportunities in their settings such as the aid funded projects. Social capital is an important mechanism for mobilizing people towards collective actions and efforts. Social capital is an important variable that determines social cohesion. It is also an important ingredient for post-conflict reconstruction. It is important to examine the ways in which villager used their social capital in the post-conflict, village-based aid projects. Understanding how and why people responded to current aid projects in ways they did will provide a better idea of how to organize successful aid efforts in the future.

Third, government failed to deliver basic services and improve infrastructure in most remote parts of the country prior the crisis. Disparity in service delivery and economic opportunities gave rise to frustration and indignation. Circumstances worsened as a result of the crisis. People lived in fear, were displaced from their homes, basic services were disrupted or unavailable, and people struggled to earn incomes to meet basic needs. Therefore, it is important to see how effectively aid projects contributed towards addressing these problems.

Fourth, after the Townsville Peace Agreement (TPA) was signed and confrontations stopped, a substantial amount of aid money was given to the Solomon Islands. For instance, from 2001 - 2004 the total amount of assistance received from AusAID was A$146.6 million compared to A$76.3 million for the previous four years, 1996 – 1999. But the implementation of such aid assistance is not free from problems of appropriateness and sustainability (see Nanau, 1995). It is important to know whether such huge amounts of aid have been used well for the benefit of the recipients.
1:5 Conceptual frameworks

For clarity in the research, concepts must be clearly defined. Concepts often carry inherent biases and assumptions, which may create confusion. Sketched below is a conceptual map of the relationship between concepts and their relevance.

Development in the form of provision of basic services, construction of physical infrastructure and generation of income is usually thought of as the end result of aid. It satisfies the recipients, therefore keeping them peaceful. However, the relationship between aid, development and peace is complicated. Other variables such as dissatisfaction and disagreements over the use of aid for the purpose of development, failure of aid delivery methods to address genuine issues and expectations of recipients complicates the relationships. The use of aid for the development of post conflict societies can also create further conflicts.

Aid for post-conflict development in the Solomon Islands as in other post-conflict societies such as Bougainville, East Timor and Somalia is also riddled with issues of break down in government institutions and infrastructure; dissatisfaction with benefits of development projects (Kabutaulaka, 2001); fragility of peace in the face of poverty, inequality, demographic pressures; ethnic tensions, political instability and weak state institutions (Downer, 2002); presence of fear, uncertainty, and antagonistic relations, limited government revenue to deliver and maintain services; and socio-psychological effects stemming from the civil conflict. Post-conflict development is not only concerned with the rehabilitation of societies (a situation which might again give rise to conflicts) but is concerned with addressing the underlying issues, which caused violent conflicts.
At the same it is about addressing the consequences of violent conflicts, to promote security and encourage socio-economic development.

Therefore, aid delivered in post-conflict Solomon Islands situations must take into account the unique characteristic of this country. This study argues that in order to understand the unique nature of post conflict situations in the Solomon Islands a combination of approaches and frameworks is necessary.

**Figure 1.0 Conceptual framework**

- **Aid**
- **Conflict & Peace**
- **NIE; CDR; CAF and Social Capital**
- **Post – Conflict Development**
- **Development**

Key — conceptual relationships


NIE – New Institutional Economic Approach  
CDR – Community Driven Reconstruction approach  
CAF – Conflict Analysis Framework
1:6 Analytical frameworks

In this thesis, the following frameworks and methods are used for analysis: (i) New Institutional Economics (NIE) framework; (ii) Community Driven Reconstruction (CDR) approach; (iii) Conflict Analysis Framework (CAF); and (iv) social capital framework.

First, the New Institutional Economics approach focuses on the assessment of the determinants and consequences of different institutional structures. These include: (i) constitutional order (fundamental rules), (ii) institutional arrangements (operational rules devised within the constitutional order) and (iii) cultural endowments (the behavioral norms and mental models of society). This study concentrates on two of these structures: institutional arrangements and cultural endowments. The CPRF projects are operating in the villages. Thus the two structures and their effects on people’s behaviour regarding the projects should be investigated at the village level.

Second, the social capital\(^2\) framework provides a conceptual and analytical element to balance sociological and economic perspectives on collective actions, cooperation, social cohesion and conflict (Pantoja, 2002: 118). The success of the community projects depends on the cooperative efforts of the villagers. As such it is important to examine the structural (networks, roles, rules and precedents) and cognitive (informal institutions, relationships, attitudes, and values and beliefs) elements of social capital in the village.

---

\(^2\) Different forms of social capital include: (i) social norms and values, (ii) family and kinship connections, and (iii) wider social networks or associational life. Social norms and values include widely shared cultural beliefs and how they affect the way a society functions. Family and kinship connections cover individual households, the extended family and the clan, based on strong ties of blood and affinity (Pantoja, 2002:119).
level. Krishna and Shrader (2002: 17) argue that structural elements facilitate collective actions while the cognitive component motivates individuals.

Recipients of CPRF fit into the wider social network of social capital. Villages are composed of individuals from different families. Thus, the quality of interactions among villagers within their wider social network, and with CPRF determines the extent of their participation in the projects.

Third, I use the Community Driven Reconstruction approach developed by Cliffe et al (2003). It suggests implementation arrangements which can be adjusted to meet unique reconstruction and development needs in post-conflict situations. Aid delivery and assessment in post conflict societies is not an easy task because there is the break down of social and physical infrastructure, lack of funds, and non-functioning government administration. In the Solomon Islands, the state does not completely influence people’s livelihoods. Post conflict aid should recognize this fact. Processes of change must be locally driven and owned; empowering rather than deepening dependency. The use of the CDR approach in the Kecamatan Road Development project in the northern Sulawesi province of Indonesia had resulted in lower costs ($4,000-00 per kilometer compared to $11,000-00) when local contractors were hired. In East Timor CDR supports local governance structures in Community Empowerment projects (see Cliffe et al, 2003).

Finally, I use the conflict analysis framework (CAF) developed by the World Bank in 2002. CAF outlines a methodology for understanding the causes and course of conflicts. It uses selected variables to highlight key factors influencing conflicts. The variables are:
social and ethical relations; governance and political institutions; human rights and security; economic structures and performance; natural resources and external factors. To effectively deliver aid, the causes and course of conflicts must be established.

1:6:1 Principal/Agent problems

The potential for Principal/Agent problems in the CPRF projects will be examined. Any agreement or contract where one party acts on behalf of another can result in Principal/Agent problems. There is always the temptation for the agent not to act in the best interest of the principal, for example, by hiding information or failing to reveal all the agent’s activities (“hidden effort”). The potential for agency problems cannot be eliminated. But they can be minimized through: rewards or sanctions, monitoring and supervising, and auditing (regular or random, internal or external).

According to Robert Picciotto (1997), an aid project is a set of contracts linking principals and agents such as donors, employees, contractors, consultants and beneficiaries. Principal-agent problems may arise between different stakeholders in the CPRF projects including AusAID-CPRF, provincial coordinators, contractors, village contact person and project recipients. The relationships are complex, with some of the stakeholders being both principals and agents. The CPRF head office is a principal, as it provides project funds and expects services from all the other stakeholders. The recipient communities are also principals as they rely on other (agents), provincial coordinators, contractors and community participants to provide services. Moreover, the provincial coordinators and recipients are also principals as they expect services to be provided by
contractors, village contact persons and individuals. Hence, the potential for agency problems is pervasive.

In brief, a combination of the NIE framework, the social capital approach, the Community Driven Reconstruction approach, and the Conflict Analysis Framework has been used to analyse the effectiveness of the projects. The analysis examines the incentive structures in the administration of the aid projects. It recognizes the local institutional arrangements that underpin collective action and social cohesion at the local level. This aspect is important for countries like the Solomon Islands, which is made up of culturally diverse groups of people. The analytical approaches used do not need ex-post data. Therefore, it was not a problem that the CPRF projects (those surveyed) were only six to ten months old when fieldwork was conducted.

1:7 Criteria for assessing the effectiveness of the projects

The criteria used to assess effectiveness are: (i) projects must encourage cooperation; (ii) the benefits derived from the projects should be sustainable; (iii) development should take place in the villages; (iv) projects should contribute towards maintaining and progressing peace in the villages; (v) projects should create social cohesion; and (vi) projects should create effective financial and institutional linkages between stakeholders to sustain structures and benefits.

1:8 METHODOLOGY

1:8:1 Research

Research is an original, creative and systematic investigation undertaken in order to add to the account of generalisable knowledge, both theoretical and practical (Walsh, 2005: 78).
After reviewing research paradigms underlying qualitative research, this study draws from constructivism and pragmatism. These paradigms are chosen because the research problems described in 1:1 above and the analytical approach used are within their ontological, epistemological and methodological orientations. Pragmatism\(^3\) as a research philosophy does not restrict the researcher in the process of inquiry and interpretation of data. Its ontology, epistemology and methodological orientations are flexible. Researchers study issues that have important social consequences for them. This study is important for the researcher as stated in 1:4 above.

This study gathers qualitative and quantitative data. But the analysis is purely qualitative. Human behaviour cannot be completely understood using quantitative statistical methods. Grounded theory\(^4\) is useful for understanding peoples’ actions, behaviour and responses in the village-based aid projects. The role of grounded theory in this study is to generate theory from primary data. This primary data was gathered from project recipients, the CPRF head office, and provincial and national governments.

**1:8:2 Qualitative research**

Qualitative research means any kind of research that produces findings not arrived at by means of statistical procedures or other means of quantification (Strauss and Corbin,

\(^3\) For pragmatists, methods can be both quantitative and qualitative. Logic or the chain of reasoning is inductive and deductive. In epistemology, pragmatists hold both subjective and objective points of view. In terms of axiology (role of values in inquiry), pragmatists assert that values play an important role in an inquiry. Ontology (nature of reality) consists of two parts: (i) pragmatists believe that there is an external reality existing independent of our minds; and (ii) it is denied that truth can be determined once and for all. This is similar to the constructivist view that multiple social realities produced by human intellects may change as their constructors change. For pragmatists, reality is what works.

\(^4\) Grounded theory is a useful way of collecting, analyzing and interpreting data. It involves data collection, coding, revising, interpreting and memo writing so that theories about a situation studied are developed.
1990:17). During the interviews the researcher searched for in-depth descriptions of respondents’ views on aid projects. This was done by asking a wide range of socially relevant questions (Hesse-Biber and Leavy, 2004:13).

1:8:3 Sampling strategy and sample size

Five projects, in the Northwestern region of Guadalcanal province, were selected for this study namely: two income generating projects for women’s groups, one water supply and sanitation project, a clinic, and one education project.

A combination of three purposeful sampling strategies was used to determine the samples, namely; (i) deviant case sampling; (ii) maximum variation sampling; and (iii) convenient sampling (Patton, 1987:54). With purposeful sampling, the researcher selected information-rich cases for in-depth study. Focusing on this particular area allowed the researcher to understand the needs, interests, and incentives from carefully selected community projects (Patton, 1987:52).

Deviant case sampling was chosen because it allowed the researcher to focus on income generating activities. Despite the repeated failure of past community income generating projects, CPRF still decided to fund income-generating projects. Women’s groups were the only eligible recipients. Maximum variation sampling strategy aims to select a sample of different project types to study. The projects selected include goods and services provision, infrastructure, and income generating projects. It is useful to find common and unique lessons from these projects. Convenience sampling was chosen because of: (i) limited funds; (ii) projects could be easily reached by transport and were accessible in
December, the cyclone season; (the researcher had only six weeks to do field work); and (iii) the study areas represent communities or villages emerging from violent conflict in the Solomon Islands. Lessons can also be learnt from other post conflict situation as well from the Solomon Islands experience.

1:9 Approaches to data collection

Primary and secondary data were collected from the following stakeholders: (i) AusAID-CPRF (aid donor) (ii) the project recipients, (iii) the provincial coordinators, and (iv) the national government. Different sets of questionnaires were designed for each stakeholder.

1:9:1 Interviews

Interviews were conducted using semi-structured and open-ended questionnaires. First, semi-structured as well as open-ended interviews were conducted with the CPRF project manager and the AusAID aid adviser in Honiara. Before the interviews sessions were conducted, formal consent was sought. Once interviewees agreed to participate, appointments for interviews were arranged according to their schedules. Interviews were recorded on tape as well as on field notes for verification and validation.

The principal provincial coordinator's permission was sought for interviews with the three provincial coordinators. The coordinators work in collaboration with project recipients in different parts of Guadalcanal. The coordinators gave additional information about the location of the projects, and provided advice on cultural, political and logistical issues regarding accessibility to the projects. After project sites were identified, the researcher went to the communities and had informal discussions with the village chiefs, community church leaders and some women. Those involved in requesting the projects
and those organizing community participation in the projects were revealed during the discussions. They were interviewed using semi-structured questionnaires designed to elicit the institutional arrangements and their perceptions toward the role of aid in peace and post conflict development.

Interviews with the project recipients were conducted in Solomon Islands pidgin (pijin). Responses were recorded on tapes and later transcribed into English for analysis. Pijin is a common language throughout the Solomon Islands. The researcher was careful when interpreting the interviews not to misinterpret the views and sentiments expressed. Other Solomon Islanders verified the translation. The interviews allowed the researcher to enter into the other person’s perspective (Patton, 1987:109).

Interviews were also conducted with key government officials in the Ministry of National Planning and Aid Coordination. This ministry is involved in multilateral and bilateral discussions with major donor partners. Projects such as the CPRF are not part of the national governments’ program. But they contribute to the government’s role in service delivery and post conflict development.

1:9:2 Observation

Observation is an important source of evidence. The researcher saw what actually happened in the project sites. The challenges involved: (i) reliable observation; and (ii) documentation of what is important and relevant to the research problem. Provincial coordinators verified the observed behaviour. The researcher spent three weeks on observation. He observed how people responded to the projects. Observations were non-
participatory but informal discussions were useful. During the evenings when people
gathered in small groups to tell stories, crack jokes, chew beetle nut and smoke, gossip
and rumors are shared. Sometimes rumors are based on facts. Listening to stories,
making careful linkages and drawing interpretations was an important source of
information. Being part of the evening story sessions, the researcher was mindful of
cultural and ethical boundaries involving anonymity and confidentiality. Participants’
confidentiality and anonymity was preserved. This gave them freedom to share
information.

1:9:3 Archives

Relevant materials from periodicals, newspaper articles, online and internet materials
were accessed. Coverage of these formed the literature review. One of the challenges
facing any researcher doing archival research is to be able to verify the accuracy and
condition under which materials were produced. Most archival records are produced for
specific purposes and a specific audience. The researcher was mindful of these factors
when accessing archival information.

1:9:4 Documents

The researcher collected consultative reports and previous assessments conducted by
consultants and provincial coordinators on CPRF in other areas and provinces. These
documents outlined methods used in previous studies.

1:10 Data analysis

Analysis is based on the conventional qualitative method of data analysis and
interpretation. Conventional in the sense that the findings of this study are not arrived at
by means of statistical procedures. The researcher transcribed the interviews, developed
descriptive charts, tables and graphs. Interview responses were coded and then placed
into categories according to themes, patterns and concepts that emerged. Computer
software relies very little on theoretical insights and allows little space for intellectual
creativity. The process of qualitative analysis is an art of creativity and intellectual
craftsmanship (Hesse and Bibber, 2004). Descriptive statistics to supplement qualitative
data were derived from the use of the Microsoft Excel program.

1:11 Validity

Validity means the degree of confidence, trust and the appropriateness of the variables
and how they are measured, interpreted and presented. The researcher triangulated
methods and sources. In terms of methodological triangulation, a mixture of observation,
interviews, and survey were carried on different settings in the northwestern region of
Guadalcanal province in the Solomon Islands. In terms of data triangulation, different
authors were consulted with reference to the same events and accounts. This enriches the
findings and provided a means of verification. Part of the thesis was presented at an
international competition. Aid experts who attended the conference responded critically
to the methods, analytical frameworks and styles adopted in this study. Based on their
views and the researcher’s judgment of their comments, further improvements were made
to improve the validity and reliability the content. Walsh (2005) regards this as content
validity.

1:12 Limitations

Firstly, different scholars in different places and times developed the analytical
approaches. Second, despite its small sample size, the findings and suggestions of this
research are obviously relevant for the design of future aid projects. Third, the activities were funded in an immediate post conflict situation. Their intention may have been to bring people back into their communities rather than improve people’s livelihoods. But the potential for huge amounts of money (SBD$37 million) to promote service delivery and their ability to raise people’s hopes and expectations should not be overlooked. I believe that multiple realities exist and reality is context and time bound (Patton, 1987). The analytical approaches, methodology and paradigms may also affect the outcome if the conviction is that research outcomes should solve initial research problems. As stated by Walsh (2005), some researchers are inclined to bring about changes in the condition of those studies. This research has increased my understanding of realities facing aid administration in a particular post conflict situation in the Solomon Islands.

1:13 Ethical issues

Formal consent was sought from all stakeholders in Honiara before interviews were conducted. In the communities, informal consent was sought from the village elders. In conducting the interviews, carrying out observations and listening to their stories, the researcher was mindful of cultural and ethical issues such anonymity, confidentiality and the cultural protocols in the villages.

1:14 Outline of Chapters Two to Seven

Chapter two discusses development, aid, and post-conflict development. It highlights theories, models and approaches that inform the delivery of aid in post-conflict societies. It justifies the choice of analytical approaches and discusses the rationale behind the project approach to aid delivery.
Chapter three explores the causes, course and consequences of the social unrest in the Solomon Islands. To locate the Solomon Islands’ experience within broader discussions of post conflict societies, it briefly discusses the causes and courses and nature of internal conflicts in Africa, Asia and Pacific regions. Furthermore, it documents the causes, course and impacts of the Solomon Islands crisis and the characteristics of post conflict Solomon Islands societies. Finally, it discusses the challenges facing aid delivery in post conflict Solomon Islands societies.

Chapter four covers the following areas. First, it provides a brief background on Australian aid to the Solomon Islands. Second, it highlights Australian aid objectives and policies in the Pacific in general and particularly in the Solomon Islands. Thirdly, it discusses why AusAID decided to fund the CPRF.

Chapter five describes and analyses the results of the five projects that were surveyed during the field work. Chapter six analyses the findings of CPRF’s income-generation and social service projects in the Northwestern region of Guadalcanal province. It discusses whether or not aid effectively promotes post conflict development at the village level. Chapter seven is the concluding chapter. It draws out lessons learnt about aid delivery in post conflict Solomon Islands societies and suggests possible strategies for improving the effectiveness of aid at the local level in the Solomon Islands.
CHAPTER TWO

AID AND DEVELOPMENT IN POST-CONFLICT SOCIETIES

2:1:1 Introduction

This chapter examines the relationships between aid and development in general, and the role of aid in post-conflict development. Experiences around the world suggest that similar aid delivery models have been used to construct societies emerging from violent and disruptive social conflicts. There is an underlying assumption that these societies can be rebuilt by putting aid money into areas that will facilitate development. This viewpoint, in turn, emerges from the assumption that conflicts arise because of the absence of development, and in order to resolve them what one needs to do is create development.

Here, I critically discuss the use of aid as a development tool in post-conflict societies, by examining the nature of post conflict development, and the relationship between aid and post conflict development. I briefly trace the history of how development aid became a significant part of development discussions and some of the challenges that confront aid delivery. Second, I discuss how aid has often been used as a mechanism for rebuilding societies affected by conflict. Here, I make specific references to some of the models and approaches used by aid agencies to shape intervention strategies in post conflict societies. These include: the local peace capacity, reflection on peace practice, post conflict impact assessment and conflict analysis framework. These approaches developed from lessons on post conflict aid delivery in Europe, Asia and Africa. Further, I review how these approaches were used with reference to other post conflict societies. Finally, I discuss the
assessment of aid projects. The last section reviews evaluative approaches and discusses why a combination of frameworks is necessary for assessment and delivery of aid in post conflict societies and how such an approach can be carried out.

2:2 Aid and Development

The initial comprehensive foreign aid plan was proposed by United States Secretary of State, George C. Marshall, and was first implemented in the Marshall Plan of 1948. The aim of the Marshall Plan was to help Western European countries rebuild themselves after the devastating impacts of the Second World War. More importantly, it was designed to stimulate the US economy. This was done by stabilizing European countries and opening up their markets to US’s companies, products and services. The Marshall Plan was also designed to reduce risks and fears of post war recession. It was a product of the bonds of alliance formed during a major war and was an arrangement between countries that were committed to abide by the principles of the market economy. It was also an attempt to prevent the spread of communism to Western European countries. By then many East European governments were under communist regimes. It was designed to last over four years and was successful in rebuilding war-torn Western European countries.

With the success of the Marshall Plan, it was assumed that a similar transfer of finance, material and expertise to the Middle East, Asia, Latin America and Africa would produce comparable outcomes. It was assumed that "development" (in the form of modernization) should and could be transferred from the West to other parts of the world. There was an assumption that the "development" experiences of the West could be emulated elsewhere.
The development agenda, however, was not politically neutral. Transfer of aid from Western countries to other parts of the world (especially Less Developed Countries) was also part of the West's attempts to prevent the global spread of communism. From the 1950s until the former Soviet Union collapsed, aid was used by the United States (and other Western European countries) to counter threats of communist expansion. From 1954, for example, increasing amounts of US aid went to the Middle East and Asia, as well as to Latin America and Africa. Apart from the Cold War, provisions of aid were justified in terms of national, economic and environmental interests, as well as moral and humanitarian motives (Martinussen and Pedersen, 2003).

There is, however, a fundamental difference between the Marshall Plan and development aid, as we know it today. There are huge differences between Western European societies and those Less Developed countries that became the target of aid. Bettes (2000), for example, argues that the Second World War did not demolish the European economy; rather it was severely impeded by it. By 1947, almost all European countries (except Germany) reached prewar production capacity. Bettes (2000) further argues that the crucial problem facing Western European countries was not industrial know-how or basic plant (though much was devastated by the war). Europe needed capital. This came in unusual quantities from the American government. By the mid 1950s, Europe’s products had begun to find market outlets in the USA. Likewise, the United States products had huge market outlets in Western Europe. The point is that Less Developed societies which

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5 Since the Marshall Plan (and especially after the end of the Cold War) the goals of development aid have changed significantly. This has been primarily due to the shift in the interests of donors, and other political, economic and security factors that influence their policies and behaviour. Despite this, aid has been associated with development and post conflict reconstruction.
became recipients of aid in the 1970s and 1980s were very different in terms of their level of economic and political organization in comparison to the level reached by Western European countries that were then, aid recipients. In addition, Less Developed countries did not have the same market access as the Western European countries enjoyed in the 1950s.

2:3 Aid

Aid can be defined as a windfall, an unearned income, or economic rent that constitutes financial or technical assistance flowing from donor countries to recipient countries (Hughes, 2002 and DAC, 2000). It is predominantly a transfer of financial and technical resources from developed countries to Less Developed countries. This includes assistance both in cash and kind that is aimed at achieving certain objectives (Jarrett, 1994: 15). This, however, is a simple definition of aid because it does not acknowledge the counter flow of aid in the form of tied aid (Boyce, 2002). Tied aid is a process whereby the management and physical implementation of aid projects or programs is contracted to local companies in the donor countries. When aid is tied, it is a requirement that all materials and consultants needed to implement and evaluate a particular project are acquired from the donor country. Consequently, large amounts of aid money are spent in donor countries.

For donor countries, their political, economic, and institutional interests often determine the quality and quantity of their aid. Aid is, therefore, not always a benevolent act on the part of the rich and developed countries. Rather, it could be a vehicle for enhancing

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6 Donor countries refer to the countries that provide assistance, both in cash, in kind and in technical assistance to other countries and multilateral organizations.
political, economic, and strategic interests. For recipient countries, aid often benefits particular groups, rather than the entire country. In many Less Developed countries, aid money is spent in urban areas, leaving rural areas (where the majority of the Less Developed people live) excluded from aid benefits. The inequality of aid distribution could, in part, explain why, despite millions of dollars in aid money distributed worldwide, development has not taken place.

There are generally two types of aid. The first is financial aid. This includes subsidized credits, loans and commodity assistance (including food and capital goods). The second is technical aid. This involves the transfer of knowledge in the form of advice, training, and the engagement of experts from donor countries to recipient countries (Martinussen and Pedersen, 2003).

2:3:1 Aid delivery methods

There are three ways in which development aid is delivered throughout the world, namely: project aid, sector programmes, and budget support. In most cases, aid is delivered through projects that have specific implementation schedules. Projects often go through the same procedures: (i) the identification of potential targets; (ii) the selection of appropriate types of intervention strategies; (iii) an analysis of the data gathered in the first two stages; (iv) approval; (v) implementation; (vi) monitoring; and (vii) evaluation. Despite this, it is also not uncommon for projects to expand, acquiring a number of subordinate goals and strategies. When this happens a project evolves into program aid. Unlike project aid that has a specific goal; program aid focuses on a whole range of sectors and has numerous subsidiary goals.
In the 1990s, the following difficulties were associated with aid projects: (i) it was difficult for political and administrative institutions in recipient countries to set national priorities and allocate sufficient resources for their implementation; (ii) poorly coordinated projects caused fragmentation of national policies, plans and budgets; and (iii) the time specific, disbursement oriented and reporting requirements of projects overburdened the usually weak government institutions in Third Word countries (Martinussen and Pedersen, 2003). Consequently, in 1998 the World Bank proposed that donors should support sector investment programmes (SIPs) through other Sector-Wide Approaches (SWAps).

Consequently, the Development Assistance Committee (DAC) of the Organization for Economic Co-operation and Development (OECD) supports the idea of aid harmonization. It argues that harmonization promotes aid effectiveness. Harmonization means aligning donors' support with partner countries' national development priorities, accountability and management systems, budgets, program and planning cycles, and public expenditure systems. Harmonization also means effective coordination of donors' contribution to development and reduction in donors' operational policies, procedures and practices. This, it argues, will reduce the transaction cost of aid delivery and enhance aid effectiveness. Commitment to harmonization was shown in the 'Rome Declaration on Harmonization', endorsed by more than 40 multilateral and bilateral donors and 28 recipient countries in February 2003. It is claimed by DAC of OECD (2003) that if donors harmonize their rules and procedures, aid could be effectively utilized in support of partner countries' development efforts. It is believed that aid harmonization makes aid disbursement and delivery flexible.
2:4 The Aid effectiveness debate

The aid effectiveness literature shows that arguments over the best forms of aid and aid delivery are far from settled. The World Bank (1998), for instance, concluded that aid could be effective only when government policies are good. Therefore, reallocating aid to good-policy, high-poverty countries will lead to larger reductions in poverty. Collier and Dollar (1999) similarly suggest that if the objective of aid is to reduce poverty, reallocating aid to countries with high rates of poverty that pursue good policies would lift more people out of poverty (Collier and Dollar, 1999). Hanssen and Tarp (2000) stated that the unresolved issue in the aid effectiveness debate is not whether aid works, but how and whether we can make the different kinds of aid delivery at hand work better under varying country circumstances. Thus the unresolved issue in aid effectiveness debate is who to support. This also raises the question of what constitutes “good policy” frameworks.

The effectiveness of development assistance to Pacific Island Countries remains to be critically assessed. Aid given for humanitarian purposes is repeatedly ineffective (Duncan and Chand, 2000). Hughes (2003) argues that aid is not effective in the region. It creates a dependency mentality, and benefits a few elites through their rent seeking behaviour. In addition, research in the 1990s has confirmed three stylised facts regarding the effectiveness of aid in development: (i) recipients must own the intervention for success and sustainability; (ii) the basic institutional underpinnings such as secured and widely distributed individual property rights to land and security of contracts are important for facilitating growth; and (iii) good governance, which includes inclusive and corruption-free government, is essential (Chand, 2003).
2:5 Development

Development is a dynamic process, both in terms of how it happens and how it is defined and discussed. Because of this, development must be approached from a wide variety of perspectives and disciplines. Generally, the process and outcomes of development have been associated with words such as maturation, evolution, and growth (Sachs, 1998). These words resemble the growth of natural plants. Therefore, by using them to depict Less Developed countries such as underdeveloped or less developed, these countries are unknowingly naturalized in the same way as growth and development observed in plants. Perceiving development as plant growth ignores the diverse historical, social, cultural and economic situations in those countries. It also means that development remains a dream for countries that cannot afford to meet the expectations of development seen from the perspectives of developed Western countries.

Moreover, the term is not politically neutral. It is laden with the values of those who use it. Colonial powers, for example, often used the term to justify their colonial agendas. Inherent in that colonial agenda was the argument that colonial territories lacked certain things – both in terms of social organizations and material goods – which only colonial powers could deliver. This is partly because development was also driven and defined by powerful nations. However, perceiving development in Less Developed Countries as lacking in terms of Western standards and expectations of development ignored the contrasting historical circumstances between European and non-western European societies. In the Pacific, contact with outsiders and colonization resulted in the infiltration of external influences into the mindsets and livelihoods of the islanders. This made them aware that inequality existed. Therefore, development is continually defined on the basis
of what the Pacific Islands do not have, as opposed to how development can be beneficial, meaningful and complementary to the livelihoods of islanders.

In addition, it is important to understand the way development had been used and defined globally. As Todaro (1994) observed, what constitutes development is a question that has to be periodically reevaluated and answered afresh in the changing settings of world society. Furthermore, it is important to differentiate the view of development as the expression of human ambitions, or dreams, from things that can be realistically achieved. The United Nations Development Program (UNDP), for instance, defined development as the enlargement of people's choices and a total transformation of communities and individuals within them in ways that enable them to realize their potential. This remains a dream view of development. What we see today is the destruction of environments, rising fuel prices, increasing incidence of violent conflicts, and increasing numbers of poor people. These may have been the direct or indirect result of the business of development. Violent conflicts never enlarge people's choices, it extinguishes them.

The links between conflict and development and its impact on people's choices depends on the nature of conflicts and the way it is approached by conflicting groups. Conflicts are a fact of life and could be defined as the relationship between two or more parties who have or think they have incompatible goals (Fisher et al, 2000: 4). Therefore, if disagreements and conflicts over development processes and methods are resolved without violences and thus lead to an improved situation for most or all of those involved, this is an example of positive conflict. Whereas destructive violent conflicts is often associated with wars and consists of actions words, attitudes, structures or the use of
systems and instruments that cause physical, psychological, social or environmental
damage and prevents people from attaining their full human potential (Fisher et al, 2000: 4). Therefore, while positive conflict could motivate innovative and creative outlook to problems, destructive conflicts retard development and imposes hardship on human beings.

Seers (1997) for instance, expressed a normative definition of development by viewing development in terms of expected reductions in inequality, poverty and unemployment. Similarly, Todaro (1994) argues that “development must therefore be conceived as a multidimensional process involving major changes in social structures, popular attitudes, and national institutions, as well as the acceleration of economic growth, the reduction of inequality and the eradication of poverty.”

Moreover, philosophers, economists and political leaders have long emphasized human welfare and well-being as the purpose of development. Aristotle, for instance, said in ancient Greece: “wealth is evidently not the good we are seeking, for it is merely useful for the sake of something else” (quoted in UNDP-HDR, 1990). Professor Goulet (cited in Todaro 1994) also argues that core values such as “sustenance”, “self-esteem”, and “freedom” represent the conditions for achieving a life that is humanly worth living. These values represent essential human needs that people in nearly all societies and cultures at all times would need (Todaro, 1994).

However, as stated by Rist (2004:9):
'these definitions demonstrate various presumptions: social evolution (catching up with the industrialized countries), individualism (developing personalities of human being) [and] economism (achieving economic growth and greater access to income).' 

Furthermore, it is important to understand how definitions are either normative (what should happen) or instrumental (their purpose) and the frequent use of intensifiers (for example, more democratic and more participatory) which actually point to things presently lacking or deficient (Rist, 2004:10). The above definitions express expectations that are to some extent inconsistent with what is happening in Less Developed countries nowadays.

I agree with Rist’s discussions on development since it closely identifies with what is happening today in Less Developed countries. Rist (2004: 13) observes that:

“development consists of a set of practices [(economic, social, political, social and cultural)] sometimes appearing to conflict with one another, which is required – for the reproduction of society – general transformation and destruction of natural environment and of social relations. Its aim is to increase the production of commodities (goods and services) geared, by way of exchange to affect demand.”

This definition acknowledges the contradicting and conflicting nature of development processes and outcome. It also shows that development processes often explained in theories (modernization, two-gap model, economic growth theories) have great potential for creating conflict, polluting the environment and exploiting natural resources (see for example the ‘resource curse thesis’ by Richard Auty 1993).
Definitions of development should take into account the differences between developments expressed in rhetoric, assumptions, ambitions and reality. At the same time, development must incorporate universal values (sustenance, freedom, self esteem, security, human development). Development should be based on realistic and achievable human aspirations.

Recognizing that processes for securing development could create conflict, development in post-conflict societies should be reformed or reinvented with creativity, so that conflicts are minimized in the development process. Therefore, in post-conflict societies, development should be seen as a long-term means of achieving peace.

2:5:1 Development Theories and Approaches that shaped aid delivery

Since the 1950s Modernization theory, Dependency theory, structural adjustment program and democratization and good governance are some major theories and approaches that shaped the focus of aid programs. Modernization theory was based on a collection of ideas which reflected the dominant economic, political and technical prowess of the United States in the 1950s and 1960s. Modernization theory assumed the existence of a historical Western path of development. Aid is therefore used as catalyst to start economic growth. It was assumed that once economic growth was achieved, the benefits would trickle down to the majority and therefore poverty would be alleviated. This idea was the basis of America’s foreign aid in the 1950s (Martinussen and Pedersen, 7)

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7 Walt Rostow (1960) for instances, proposed that all societies have to go through the following five stages of transition and growth that marks their level of development: (i) “traditional societies”; (ii) “precondition for take off”; (iii) “take off”; (iv) “drive towards maturity”; and, (v) a state of “high mass consumption”.

But critiques argued that inequality persist and that modernization theorists failed to acknowledge that it was the lack of resources and not modernity that holds back many of the Less Developed countries.

The Dependency theory was the dominant development paradigm in the 1970s. It was popularized by economists like Andre Gunder Frank. As a critique of modernization theory it held that underdevelopment was not generated internally but externally by imperialism, surplus extraction, and unequal exchange. Dependency theorists argued that aid creates condition for its failure by the way it was delivered. For example, when aid is tied, it is a requirement that capital, technology and expertise from the donor country must be used to implement the projects. While this approach might produce the desired output, it undermines local involvement and opportunities for transfer of skills and knowledge to the local population for the purpose of self-reliance. This gave rise to aid dependency which has deepened the development problems more than simply lack of resources (Edgren, 2002).

From the 1980s onwards – the approach of foreign aid shifted to structural adjustment programs (SAP). The focus was on transforming national political and economic structures and institution by reducing the role of the state whilst increasing the role of the private sector as the producer and supplier of goods and services. It was seen as means of increasing the efficiency of state owned enterprises to deliver efficient and effective services to the public. By the 1990s, democratization and good governance became the explicit goals of foreign aid. It was argued by the proponents of good governance agenda that democracy and good governance were the necessary preconditions for achieving
economic growth and development (Martinussen and Pedersen, 2003: 28). Therefore in many ways the development theories and approaches shaped the way aid is conceptualized.

2:6 The Concept of Community Development

The uses of human welfare and well-being friendly terminologies such as ‘community partnership’, or ‘community development fund’ have become common in aid projects and programs. For this reason, it is important to examine the concept of community more deeply.

Gilchrist (2003) defined community development as: “building an active and sustainable community based on social justice and mutual respect”. It was about changing the power structures in local communities and at the national level so that the barriers that prevented change are removed. It was about empowering people to share, control and influence decisions which affect their livelihood. Community development as a method of aid intervention has changed radically over time. From the 1950s to the early 1970s the focus of community development was on poverty alleviation and as a means of addressing the physical and infrastructural symptoms of underdevelopment. But from 1980s onward, other approaches such as the sustainable livelihoods and empowerment approaches were used to promote community development. However, critics argued that it was only in theory that community development was a method of development for meeting the needs of grassroots people. In fact it was an instrument to promote state control in post colonial states of Less Developed countries (Arce, 2003).
Moreover, community evokes a sense of belonging, of solidarity, of shared identity, and common interests amongst groups of people who occupy a particular space in a specific point in time. It creates a sense of artificial unity that connects different individuals and motivates them to act collectively. Therefore, the term seems to capture important ideas concerning mutuality, interactions, social networking, collective identity and communalism. In that sense, community has ethical and functional dimensions (Gilchrist, 2003); ethical, since it assumes that people believe that such a grouping exists and can be mobilized in response to opportunities such as aid interventions. The term is also used with ‘participation’ to suggest inclusion.

According Sutherland et al (2005) the concept of community in three Pacific Island countries (Fiji, Samoa and Solomon Islands) meant “Us and our need” and “our community development”. People in villages perceive community in terms of their needs, aspirations, concerns and identity. Therefore, when villagers talk about community projects, their mind is filled with expectations that their needs and concerns will be met. Aid donors also found it convenient to use the term community projects or funds when delivering aid to villages. Villagers will always accept aid projects since it implies solutions to their problems. For aid agencies, the idea of community projects fits in well with the concept of communalism. There is an underlying assumption that villagers will be mobilized through communalism to work together in community projects. This will be examined later in chapter 5.
2:7 Aid and Development in Post-conflict Societies

Post-conflict does not mean that conflicts have stopped or problems have ended. Rather, it refers to a temporary hiatus that provides space for aid agencies to intervene in societies emerging from violent conflicts. These societies are in transition. This is not a linear process. It is a complex process involving many interdependent and multifaceted variables and actors. The World Bank (1997: 3) states:

"The transition from war to peace is a complex process. It is marked by the need to stabilize the economy; demilitarize the country; reintegrate dislocated population; protect the most vulnerable victims of war; ensure human rights and justice for all; restore human and social capital; manage scarce natural resources to mitigate the environmental impact of war; and rehabilitate the productive assets and basic infrastructure. All of these depend upon the presence of a willing and capable government, a supportive and active civil society, and cooperative and receptive regional and international communities".

The fact that there is no more direct confrontation and open armed violence does not mean conflict has ended or disappeared. Fisher et al (2000: 19) suggested that conflicts situations go through the following five stages: (i) pre-conflict, (ii) confrontation, (iii) crisis, (iv) outcome, and (v) post-conflict. Although there may be variations in specific conflict situations, the five conflict stages provided a basis for understanding the nature and cycle of conflict. Pre-conflict describes a period where there are incompatible goals between two or more parties which create the condition for violent conflict. In this level, there are tensions but the conflict is hidden below the surface. Then at the confrontational stage the conflict has become more visible and occasional fighting may break out between the opposing sides. Each side may engage in confrontational behaviour, finding allies and gathering resources with the aim of increasing the level and intensity of violence. Following this, the crisis stage is the peak of the conflict where violence is most intense. This is when people in all sides are being killed and normal communication
between the sides has ceased but public accusations against other each may continue. The crisis will somehow lead to an outcome. This could happen as a resulting of a defeat, call for ceasefire or a situation where a more powerful third party suppresses the violence. At this stage the level of violence decreased and there are possibilities for a settlement. During the post-conflict stage, violent confrontation ends, tension may decrease and relationships between warring parties normalize. But in an event where issues and problems arising from their incompatible goals or the causes and consequences of the conflict have not been adequately addressed, this stage could eventually lead to another pre-conflict situation.

In the context of this study, post-conflict refers to the period after October 2000. Conflict specifically refers to the all out armed violent confrontation between the Isatabu Freedom Movement (IFM) and the Malaita Eagle Force (MEF) that begun in late 1998 and ended in October 2000. From October 2000 as a result of the Townsville Peace Agreement, there was a diminishing trend in physical confrontation between the two milita groups. While armed violent confrontation between the Isatabu Freedom Movement and the Malaita Eagle had ceased it important to note tension remained and conflict has not ended in the Solomon Islands. There was occasional violence in some parts of the country. For example, violence between Harold Keke and the Royal Solomon Islands Police Force flared on few occasions. In October 2002 there was armed confrontation between the Solomon Islands Police and Harold Keke, resulting in the deaths of six Keke’s supporters and one of the police party in a failed attempt to capture Keke (Moore, 2004: 192). Keke refused to be part of the Townsville Peace conference of 2000. In April 2002 former MEF militants attacked Malaitan’s Fishing Village community in Honiara. On April 18
2006 riot broke out in Honiara following the election Snyder Rini to the Prime Ministership. These incidents show that post-conflict does not mean that conflict has ended. But the fact that direct physical and open violent confrontation between Guadalcanal and Malaita diminished, there was a bit of a lull, although people were still with guns, this provided opportunities for aid agencies to provide assistance to rebuild peoples’ livelihood since November 2000. Therefore, for the purpose of this study post-conflict specifically refers to the cessation of the all out confrontation between the IFM and MEF from 1998 to 2000.

Terms such as post-conflict and rehabilitation can be confusing. Most conflicts are protracted, with hostilities rising and subsiding. The term ‘post-conflict’ is used in this study because of its common usage in conflict discourse. Similarly, the concept of rehabilitation or restoration assumes the ability to restore society to its previous condition. It should be noted, however, that situations prevailing before conflict might have contributed to, or even caused the initial conflict (Zeeuw, 2001). It is therefore important that definitions are contextualized.

2:7:1 Post-conflict development

Post-conflict development is different from conventional ideas of development. It is not development as espoused in modernization theory, dependency theory, or neo-liberal free market approaches to development. While the aims of development still involve a desire to achieve positive, directional and progressive changes, all these have to be done in a state of economic and institutional flux. The process of securing development itself could also marginalize people and fuel disagreements that subsequently cause conflicts. The
The link between development and conflict, for instance, is evident in countries with abundant natural resources. Many resource-rich countries experience civil wars (Collier, 2000). There are many ways in which resources abundance could be a source of conflict. For example, violence in Sierra Leone has been sustained by this country’s readily accessible diamond wealth, which rebel groups have sold to international brokers to purchase arms and supplies. Likewise, in the Democratic Republic of the Congo, the conflict is now driven by open competition for minerals and other easily looted resources (Switzer, 2001).

Another pathway to conflict could stem from a rapid influx of workers – including with it competing ethnic groups. The Panguna Mine in Bougainville for example, employed 4,300 workers, largely not from Bougainville but from the Highland provinces of PNG. The benefiting of foreigners at the expense of locals has exacerbated secessionist tensions on the island. On the other hand grievances emanating from perceived economic inequalities in the distribution of wealth between wealthy elites of Bougainvillians and the different linguistic and age groups have contributed to the civil war (Regan, 1998). The exploitation of these resources for development purposes often results in civil wars.

In the Indonesian Province of West Papua for instance, resource extraction activities have played a key role in generating conflict. Poorly managed resources have led to widespread frustration at the grass roots level. This has led to attacks by the Free Papua Movement (OPM) rebels and Papuan students against the Indonesian Security Forces and Freeport owned Grasberg mine. It was claimed by OPM rebels that Freeport does not pay enough of its annual revenues to help the native inhabitants improve their socio-economic livelihoods. According to the Human Development Index for Indonesia, Papua has the
biggest number of poor people and ranked 29 out of Indonesia's 30 provinces (Timmer, 2002).

Auty (2001) described this as a "resource curse". In the name of development, exploitation of natural resources resulted in an increasing incidence of civil wars across resource-rich nations of the world. In these countries, achieving development is challenging. Therefore, the challenge for development experts and practitioners is how to create socio-economic and political conditions for development in societies that had experienced or are experiencing violent conflicts.

Additionally, post-conflict development is now seen as having the capacity for conflict resolution; for demilitarizing armed factions; for integrating the dislocated population; ensuring human rights and justice for all; restoring human and social capital; rehabilitating productive assets and basic infrastructures; addressing the root or underlying causes of violence; and empowering communities and civil society organizations to become involved in the reconstruction of physical and social infrastructure (Duffield, 2002). Rather than simply building physical infrastructure, or redistributing material resources, post-conflict development is concerned with transforming societies as a whole. Where there is animosity, it is essential that social relations are reconstructed anew. If a particular model of development induces conflicts, there is a need to invent an alternative development framework. In other words, economic and social development models that induce conflicts must be reformed.

2:7:2 Post-conflict aid
Weiss (2004) writes that post-conflict aid is a unique form of development assistance with at least two goals: (i) addressing short-term challenges including humanitarian relief and post-crisis assistance; and (ii) repairing, or reconstructing productive assets and basic infrastructures – physical, institutional, and social. These are crucial for minimizing conflict and supporting long-term economic and social development. These outcomes, however, do not eventuate in due course as the result of huge amounts of aid. They have to be created through hard work and commitment from all stakeholders in post-conflict societies. Risks of renewed frustration and violence are high in post-conflict societies if the root causes and consequences of conflicts are not properly addressed. To understand the challenges involved in the delivery of aid for the development of post conflict societies, it is necessary to explore their nature and characteristics.

2:8 Nature and Characteristics of Post-conflict Societies

Internal conflicts usually strike at the heart of a nation’s social fabric. Conflicts are built on a foundation of many years of hatred and violence. They are characterized by violence against civilians, displacement of population, and destruction of long established patterns of economic, social and political relations (Duffield, 2002). Post-conflict societies present many uniquely challenging environments for aid to promote development. To demonstrate the complexities facing aid delivery for the development of post-conflict societies, examples will be discussed below.

One of the characteristics of post-conflict societies is that the state is weak. Conventionally, a state as a political entity can be conceptualized as organisational, functional, ethical, and internationally recognized by other states (Larmour, 1996).
Organisationally, it has an executive, legislature, a bureaucracy, court of law, police and armed forces. Functionally, it is the responsibility of a state to build and maintain infrastructure that support socio-economic development. Ethically, the state claims monopoly over the use of force. Thus it has ethical responsibilities to use its armed and police forces impartially to maintain law and order. State in International Law possesses a legal personality. A state is weak when it is incapable of performing its roles and responsibilities as stated above. Weak state capacity is a characteristic of most societies emerging from violent conflicts: Somalia, Bosnia, Rwanda, Iraq, East Timor, Afghanistan and the Solomon Islands (See Weiss 2004; Chiavo-Campo, 2003; and Cliffe, 2003). Often times, existing state agencies are incapable of performing their legitimate responsibilities. State institutions are often “hijacked” by groups that are involved in violent conflicts. The perpetrators of violence sometimes use state structures to legitimate their power in executing violence. These groups usually benefit from control of the state’s institutions and resources.

Second, violent conflicts destroy existing infrastructure such as bridges, roads, and communication and information systems. In some cases, these infrastructures were already in poor condition prior to the escalation of disruptive social conflicts. But their impact on the economy, society and the country as a whole are exacerbated by violence and vandalism. In such situations it is difficult to deliver assistance or even reach remote areas that need humanitarian aid assistance.

At the community level, violent conflict destroys much more than physical capital. It destroys the social fabric of societies. In particular, conflicts create conditions where the
norms of behaviour are totally disregarded. The presence of weapons in communities creates fear and allows those in possession of weapons to overrule the societal norms. The rules that keep human interaction constructive and predictable are ignored, or destroyed (Chiavo-Campo, 2003). Clan and tribal relations can also be severely strained under these conditions.

In the Pacific Islands region, for instance, more than ten-years of violent conflict on Bougainville, left thousands of people dead, and created tensions and divisions between different groups on the island. Prior to the negotiated peace agreements, communities were suspicious, fearful and hated each other (Kabui, 2004). As Chiavo-Campo (2003) stated, conflicts destroy the most positive forms of social capital.

Third, the socio-psychological impacts on peoples’ livelihoods are enormous. Different groups of people are psychologically affected in different ways. Immediately after conflicts there are fears of retribution, hopelessness, the presence of guns in the communities, and increased drug, alcohol and substance abuse. Some people lose their entire livelihood. Others lose members of their family or were badly treated during the conflicts. Some witnessed inhumane and brutal activities. Furthermore, many marriages are broken during conflicts, leaving children in situations of disarray, despair and hopelessness. Unchecked, socio-psychological effects may increase the risks and vulnerabilities of both civilians and former militia.

Fourth, a country’s economy usually declines following the destruction and closure of major economic activities. Some analysts (see for example, Schiavo-Campo, 2003 and
Kievelitz, 2003) argued that violent conflicts are driven by materialistic rationality where groups compete for control over strategic wealth-making primary resources such as gold, diamonds, and oil. Collier and Hoeffler (2002), for instance, developed the ‘greed and grievance’ thesis to classify various causes of civil conflicts under two broad categories: (i) greed as the pursuit of profit; and (ii) grievance, as a means of restoring justice.

Revitalizing a shattered economy is a huge challenge. Lack of cohesion in funding and planning processes are major challenges facing societies emerging from violent conflicts. In post-conflict countries in the African continent, 55% of the 366 aid-funded peace and post conflict development and reconstruction projects lacked cohesion in their planning and funding processes. They lacked linkages to national country strategies. Lack of cohesion was a major obstacle in the implementation of aid efforts in post-conflict societies across the African continent (NEPAD, 2005).

Fifth, corruption is another challenge facing post-conflict societies. Breakdown in law enforcement agencies encourages opportunists to prey on limited government finances and foreign aid. Corruption in the utilization of limited resources has impeded implementation of post-conflict policies and programs. Corruption can create renewed frustration leading to violence. The frustration and opportunistic rioting in Honiara after the election of the Solomon Islands Prime Minister on 18 April 2006 was a demonstration of frustrations and unrest against corruption. Despite this, other motivations should not be overlooked. Links between conflicts and corruption exist because violence reflects the collapse of governance and administrative systems, and corruption is a major cause of that breakdown (Bolongaita, 2004). According to the World Bank corruption index, many
post conflict countries such as Rwanda, Sierra Leone, Liberia, and Congo, which are recipients of the Bank’s assistance, did very little to control corruption. Therefore, the challenge is to eliminate corruption, promote good governance and prevent renewed frustration in post-conflict societies.

In view of all of the above, decisions about aid delivery strategy must be contextualized. Aid efforts ought to reflect the uniqueness of post-conflict societies. For example, in Sierra Leone, the core issue was disarmament and the reintegration of former rebel combatants and child soldiers. In East Timor, there was an absence of administrative capacity, an extremely weak human resource base, and poverty. In the Solomon Islands the challenge is how state and society can function without the presence of RAMSI and huge amounts of aid.

2.9 Propositions that shaped aid delivery in post-conflict societies

The ‘local capacity for peace’ was an approach that looked for entry points for humanitarian and development aid in post-conflict societies. It looks for things that connect people despite many years of violence. Some of the connectors include: shared systems and institutions (such as infrastructural or market systems); attitudes and actions (interrmarriage and child adoption); past or present common experiences (common colonial history or current reality of warfare); shared values and interest (such as shared religion or importance of children); and shared symbols and occasions (such as monuments or national holidays) (Anderson 2000). Aid agencies need to recognize and support these connectors.
In addition, the ‘do-no-harm’ approaches that were developed by Anderson (2000) aims to avoid doing more harm. If inappropriately delivered, aid could fuel war by deepening the social fault lines of conflicts and tilting the power balances in favour of those who are inclined to resolve conflict by violent means (Boyce, 2003).

Besides these, a ‘continuum model’; and a ‘gaps and linkage’ models were developed. Their aims were to link conflict prevention, humanitarian relief, reconciliation, rehabilitation, reconstruction and development (Martinussen and Pendersen, 2003). Relief and development should not be seen as a sequential process. It is essential to balance life saving and the establishment of the physical and social environment for supporting peace, reconciliation and reconstruction, demilitarization, jump-starting the economy and the promotion of good governance (Schiavo-Campo, 2003; Martinussen and Pedersen, 2003). Experience in Somalia shows that humanitarian and development needs have to be simultaneously addressed (see O’keefe, Kliest, Kirkby and Flikkema, 2001: 22)

Important issues also emerged from the Reflection on Peace Practice (RPP). Thorough knowledge in four key areas is essential for effective peace and reconstruction work: (i) what and who needs to be stopped\(^9\); (ii) what and who needs to be supported; (iii) what are the external and internal factors that provide conditions for the perpetuation of

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8 The ‘do-no-harm’ approach was developed on the basis of lessons that emerged from a comprehensive study by an American NGO, the Collaborative for Development Action (CDA on 13 conflict regions in Europe, Asia and Latin America (Bigdon and Korf, 2003).

9 Experience shows that focusing on activities that build peace and assuming that building more of these activities will prevent further violence is not necessarily true. Most conflicts are driven by the interests of people who gain politically and economically from prolonged violence (Anderson, 2000).
violence; and (iv) have the proposed activities been tried before and if so what were the results?

Using the RPP, Anderson (2000) argued that for aid to be effective in peace building and reconstruction, all people need to be involved in the reconstruction process. If leaders make peace agreements when people are not ready, or if people want peace but they cannot influence the decisions of their leaders, or the people behind the war, peace will not come.

2:10 Aid delivery methods in post-conflict situations

Formation of a trust fund is one of the approaches to aid delivery in post-conflict situations. Such funds are usually managed by an Aid Management Agency (AMA). Donors that wish to support reconstruction efforts are encouraged to put money into the trust fund. This fund is used to finance post-conflict reconstruction and development activities after needs have been identified. This approach was used in East Timor, Afghanistan, Bosnia and the West Bank (Schiavo-Campio, 2003). In the case of East Timor, after many years of violence, the United Nations Security Council mandated the intervention of a peacekeeping force. This provided an opportunity for the establishment of a transitional administration known as the United Nations Transitional Administration for East Timor (UNTAET). Following this, an assessment mission was sent to assess the situation in East Timor. The mission reported back during a meeting that was jointly organized by the ‘friends’ of East Timor. Consequently, pledged funds were put into an account known as the Trust Fund for East Timor (TFET). At this point, local administrative capacity was very weak. UNTAET was responsible for coordinating the
reconstruction funds, administration and overseeing aid management and implementation arrangements. Eventually, the East Timorese felt they were marginalized by the decisions made by UNTAET. The case of East Timor highlights one of the dangers that have to be avoided when a trust approach is used to deliver aid.

Nonetheless, this approach succeeded in terms of funding sectoral activities that relied on local NGOs and communities for quick results. But it did not support local capacity building and the funding mechanisms were fragmented. When other donors emerged, the budget and planning framework of the administration was insufficient to coordinate different funding other than the TFET.

Second, some bilateral and multilateral aid agencies usually target people at the local community level. Community driven, or empowerment approaches are used as the basis for project design and implementation. To gather information for project design Participatory Rural Appraisal (PRA) social mobilization methods are used. PRA entails participatory mapping and modeling, transect walks, matrix scoring, well-being grouping and ranking, seasonal calendars, institutional diagramming, trend and chance analysis, and analytical diagramming, all undertaken by local people (Chamber, 1994: 1253). These methods enable people to express and analyse their realities, plan their choice of action, monitor and evaluate the results (Bigdon and Korf, 2003). In order for PRA to be useful communities must to have the capacity to plan, assess, implement, monitor and suggest ways forward.
Nonetheless, experience with the use of PRA and social mobilization shows the problem of fit between the requirement of local empowerment\textsuperscript{10} and the logic of management used by donor agencies. In Trincomalee (eastern Sri Lanka), for instance, the Integrated German Development Cooperation funded Food Security Programme (IFSP) was largely dominated by the elite and vulnerable groups. Others were excluded. Stringent funding and disbursement of funds undermined any meaningful ambition for the empowerment of disadvantaged groups. Empowerment required a process-oriented method of planning and implementation (Bigdon and Korf, 2003).

Obviously some approaches are stiff while others are flexible. Methods for aid delivery and assessment depend on the choice and norms of multilateral and bilateral donors. It is important that empowering and flexible approaches are used; especially those that are capable of transforming post-conflict societies into ones that have the capacity to manage conflict and support socio-economic development.

Solomon Islands also received substantial amounts of aid from various aid agencies following the cessation of hostilities and the arrival of RAMSI. For instance, NZAid’s allocation to Sustainable Livelihood projects rose from NZ$235, 000 – 00 in 2002 – 2003 to NZ$300, 000 – 00 in 2003 – 2004, and ZN$900,000 – 00 annually for 2004 – 2006 (NZaid, 2004). Similarly, AusAID community support through CPRF rose from AU$5.6 million spent over a period of three years (2000 – 2003) to an annual allocation of approximately AU$6.4 million earmarked for 2005 – 2010 (AusAID, 2005). Aid delivered by various aid agencies into villages across the Solomon Islands carried the

\textsuperscript{10} Empowerment is reduced to integration of people into planning and implementation of projects. It has not reflected the major tenets of empowerment that are embedded in the philosophy of empowerment.
ideas of participation, empowerment and development. Recipients usually believed that aid will meet their concerns and address their needs. However, whether or not the ideas behind these concepts really work in the aid funded activities in Solomon Islands remain to be discussed in Chapter Five.

2:11 Evaluation

The objective of evaluation is “to judge the extent to which the aims of aid have been achieved and to learn lessons for effective aid administration in the future” (Cracknell, 1983: 21). DAC’s expert forum in 1983, cited in Martinussen and Pedersen (2003: 218), defined evaluation as “a systematic study as objective as possible of ongoing and completed projects and programs, including their design, implementation and results, in order to discern their effectiveness, long term impact and sustainability”.

Kracknell identified three types of evaluation that major donors use: (i) aid effectiveness as the extent to which a project’s objectives had been achieved; (ii) aid efficiency, whether the objectives were achieved at a reasonable cost in relation to benefits; and (iii) aid impact evaluation, the impact of projects in terms of their beneficiaries and broader socio-economic and political implications.

Assessing aid effectiveness in post conflict situations is quite different from assessment in non-violent situations, or situations where societies have no experience of violent conflicts. Its scope spans far beyond the conventional input versus output measures that are normally observed in development aid projects or programs. Conventional knowledge of evaluation where inputs are measured against output is inadequate. It does not provide
a holistic view of the impacts of the projects in post-conflict situations. Post-conflict situations are dynamic and complex. Therefore, assessment needs to be based on real time and preferably carried out on the ground. Hence, the design and assessment of aid delivery strategies ought to be based on creativity and sound judgments with carefully chosen approaches.

2:12 Innovative aid delivery methods for the development of post conflict societies

The next section justifies the combined use of the New Institutional Economic (NIE) framework, the Social Capital approach, the Community-Driven Reconstruction approach and the Conflict Analysis Framework as suitable frameworks for the assessment of aid in post-conflict societies. These approaches have a reputation for being useful, especially in post conflict situations involving the use of post-conflict aid (see Colletta and Cullen, 2000; Krishna and Shrader, 2002).

1:13 New Institutional Economics approach

Research in the 1990s revealed the need to re-examine the role of institutions in social and economic development. Stern (2002) for instance, argues that institutions need to be examined more closely since they determine how resources are allocated and whether or not local needs are met.

Douglas North (1990: 3) stressed the significant role of institutions in economic and social development when he defined institutions as humanly devised constraints that shape interactions. In a similar way, Ostrom (1990: 51) defines institutions as “a set of working rules that determine who is eligible to make decisions in some arena, what
actions are allowed or constrained, what procedures must be followed, what aggregation of rules will be used, what information will be provided and what payoffs will be assigned to individuals.” Research using the NIE approach focused on assessing the determinants and consequences of different institutional structures. These include: (i) constitutional order (fundamental rules); (ii) institutional arrangements (operational rules devised within constitutional order); and (iii) cultural endowments - the behavioral norms and mental models of society (Clague, 1997: 368). This study focuses on: institutional arrangements and cultural empowerment. People’s attitudes and behaviour towards these structures can be investigated at the village level.

Institutions represent the incentives that determine how individuals respond to the demands for collective efforts in their economic, political and social spheres. The term “institution” used in this context is different from its common usage that is indistinguishable from organizations. “Institutions refer to formal and informal rules and enforcement mechanisms that influence the behaviour of individuals and organizations in societies”. They include constitutions, laws and regulations, contracts, trusts, informal rules and social norms (North, 1990: 3). In contrast, “Organizations are collective social actors usually characterized by hierarchical patterns and internal authority that pursue common interests. Organizations that operate in public spheres consisted of government bureaucracies, legislatures, political parties, unions, interest groups, and non-governmental organizations” (Duncan and Pollard, 2002: 5).

Institutions can be formal or informal. Formal institutions are humanly devised rules such as constitutions, electoral systems or administrative systems. The functions of rules are to
facilitate political, economic and social exchanges. Informal constraints refer to norms of behaviour that evolved as a result of regularized patterns of interaction such as accounting standards or codes or conduct, taboos, customs, and norms in local cultural settings. North (1997: 4) argued that while informal constraints could not be defined as formal rules, they solved innumerable exchange problems not completely covered by formal rules. Consequently, they possessed steadfast survival ability.

The NIE framework is chosen for a number of reasons. First, it is used to examine whether or not arrangements between different stakeholders in post-conflict aid projects are “incentive-compatible”. Rules are incentive compatible when they encourage organizations and individuals to develop norms that constrain their opportunistic and deviant attitudes (Clague: 1997: 3). In other words, incentive-compatible rules allow people to fully perform their assigned duties and be transparent.

Second, NIE can be used to identify and correct flaws within the existing rules and institutional arrangements. This aspect is important for the Solomon Islands. Its cultural diversity and geographical disparity makes it difficult to assume that a single arrangement – or way of doing things – will work effectively in all situations. Incorporating informal institutions is an important aspect of aid intervention in post-conflict societies (Anderson (2000).

2:14 Social capital framework

The social capital approach provides a conceptual and analytical framework to balance the sociological and economic perspectives on collective actions, cooperation, social
cohesion and violent conflicts (Pantoja, 2002: 118). Social capital is broadly defined as the institutions, relationships, attitudes and values that govern interactions that contribute to economic and social development (Grootaert and Bastelaer, 2002: 2). For instance, they can be used to explain the social and political behaviour of individuals and groups in the context of post-conflict societies.

As a framework for assessment and delivery of aid for post-conflict reconstruction, the social capital approach is useful in a number ways. First, it can be used before an aid intervention to identify different forms of social capital. Thus aid can support the right kind of collective efforts. Social capital consists of two main elements: structural and cognitive. Structural elements are objective and observable social structures such as networks, associations, and the rules and procedures they symbolize in societies. Cognitive elements are more subjective and include intangible elements such as generally acceptable attitudes, norms, values, reciprocity and trust (Uphoff, 2000 and Grootaert and Basterlaert, 2002: 2). While structural elements facilitate collective actions, it is the cognitive elements that motivate individuals into collective actions.

Second, social capital can be observed at different levels of a society’s social fabric. The recipients of the CPRF projects fit into the micro-level networking that consist of extended families and households. At village level it can be investigated by observing types of horizontal ties or networking between immediate and extended family members and households, and the norms and values that form the basis of these networks.
Third, the social capital approach is used to establish an in-depth understanding of violent conflicts. The connection between violent conflict and social cohesion can be examined in the village and between communities. Before a project or program is designed, it is necessary to determine the types of activities that will encourage the vertical and horizontal linkages of social capital. It is important that community social capital is strengthened. It is the key for strengthening the overall social cohesion, which is an important prerequisite for post conflict reconstruction and development. Weak social cohesion increases the risks of social disorganization, fragmentation and exclusion.

2:15 Community – Driven Reconstruction approach

The Community-Driven Reconstruction (CDR) approach was developed by Cliffe et al (2003). It can be used as an assessment and aid delivery framework. It was proven to be useful in other post-conflict societies such as Rwanda, Indonesia and East Timor for community-based reconstruction activities (Cliffe, et al, 2003). It is an approach which supports communities to identify their needs through the use of PRA. The CDR approach asserts that local communities possess core skills, incentives and unity to implement projects, provided that they are given incentive-compatible packages, resource and

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11 John Galtung (1996), cited in Colletta and Cullen (2000), described violence as consisting of three basic social and economic phenomena: (i) exclusion, (ii) inequality, and (iii) indignity. Social cohesion refers to two broader interwoven characteristics of a society, namely: (i) the absence of latent conflict, whether in the form of wealth or income inequality, racial or ethnic tensions, disparities in political participation, or other forms of division; and (ii) the presence of strong social bonds, measured by the levels of trust, and norms of reciprocity and abundance of associations that bridge social separation, and the presence of institutions for managing conflicts (Colletta and Cullen 2000).
management support systems. CDR empowers communities to identify needs, decide on projects to address them, manage resources and contractors, and monitor and evaluate projects. Unlike other approaches that only empower communities, CDR aligns empowerment, planning and funding processes.

As an assessment tool for community reconstruction, CDR acknowledges that it has to rebuild from the destruction of war. It takes into account the nature and characteristics of post-conflict societies in the design and implementation of projects (Cliffe et al, 2003). The approach is useful for conducting baseline surveys and needs assessments.

As a delivery approach, the CDR proposes to deliver projects in ways that encourages decentralization and participation. This approach is mindful of the risks involved in creating parallel but unsustainable structures\(^\text{12}\) for service delivery and post conflict development. To address this, CDR supports state and civil society's capacity to assume the role that aid agencies and multilateral donors play in immediate post-conflict periods.

Used as a tool for assessing projects, CDR allows an examination of whether or not institutional arrangements are designed through a networking approach. Thus, communities are linked to sources of funding and technical expertise both locally and internationally.

\*2:16 Conflict Analysis Framework (CAF)\* 

\(^{12}\) When aid agencies are directly involved in service delivery without any clear arrangements about how the local government will assume that role in the future, there is risk of unsustainability (Byrd, 2001). Instead, local capacity for accountability and efficient delivery of services should be an ongoing part of aid intervention.
Developed by the World Bank in 2002, CAF use selected variables to highlight key factors that induced violent conflicts. The variables are organized into six areas namely: social and ethnic relations; governance and political institutions; human rights and security; economic structures and performance; natural resource; and external factors. It can be used as a tool for linking Participatory Rural Appraisal and policy making. Moreover, in project design and assessment, CAF can complement the CDR approach as well as the NIE and social capital approaches for collecting baseline data, designing projects, and assessing project outcomes. CAF was recently used by Wan et al (2005) in Somalia. It proved useful for identifying the causes of civil war in Somalia. It will be useful also for other post conflict societies.

This study therefore uses a combination of approaches and frameworks, namely, NIE, social capital, CDR, and CAF, to formulate a new but flexible framework designed specifically for this study known as the New Social Community Driven Analysis and Reconstruction Framework (NSCDAR). This framework could be used for designing, delivering and assessing aid in post-conflict situations. It captures the characteristics of post-conflict societies in project design, implementation and assessment.

However, this framework needs a minimum level of security, institutions and capacities. It needs support from central government for decentralization. It requires the participation and support of the general populace. It needs a sense of community identity and space where community leaders can be elected. But these limitations should not be seen as obstacles for using this framework. It is important that donors assist the local people to identify and articulate their needs, and support what is genuinely needed in a particular post conflict-situation.
2:17 Conclusion

Post-conflict development is a complex and challenging endeavor. Similarly, the delivery of aid for post-conflict development is complex and challenging. With the increasing frequency of intrastate violent conflicts, there is an ongoing quest for aid delivery and assessment methods that reflect the unique nature of post-conflict situations. There is consensus in the post-conflict literature to suggest that post-conflict societies are in transition. Risks and uncertainties have become major elements of post-conflict development. Aid in support of post-conflict development demands flexible and receptive approaches. Since post-conflict societies are so unstable, the frameworks for assessment and delivery of aid have to be flexible and tailored according to specific contexts. It is also challenging to assess the effectiveness of aid for the development of post-conflict societies. Evaluative approaches have to go beyond the conventional input-output approach. All in all, genuine commitment by all parties is central to successful outcomes in societies that emerge from violent and disruptive social conflicts.
3:0 CHAPTER THREE

3:1 CONFLICT AND POST – CONFLICT SOLOMON ISLANDS

3:1:1 Introduction

The causes and consequences of violent conflicts continue to impede the ability of aid agencies and the Solomon Islands government to promote stability, security and socio-economic progress in the Solomon Islands (EPG Report, 2005). This chapter will first discuss the general overview of the causes and course of conflicts in Africa and the Asia-Pacific regions. Second, it describes the causes, courses and impacts of the violent conflict that badly damaged the Solomon Islands from late 1998 to 2003. As stated in chapter 2 conflict refers to the all out war between the IFM and MEF from late 1998 to 2000. The period from 1998 to 2003 is used to show the period from conflict to post conflict which for the purpose of this study provided the setting for further discussions of primary survey which was conducted in late 2003 in chapters 4 and 5. Third, it documents the characteristics of post-conflict Solomon Islands societies. Finally, it highlights aid assistance from major donors such as ROC/Taiwan and New Zealand and the challenges facing aid delivery for the development of post-conflict Solomon Islands societies.

3:2 Brief historical overview of internal conflicts

Violent conflict is a global and ancient phenomenon. Over the past 50 years the African continent and the Asia-Pacific region have suffered from a variety of brutal internal conflicts. In Africa, for example, there were wars of independence in Namibia and Angola and the secessionist conflicts, such as in Senegal (Casamance since the mid-1980s) and the Democratic Republic of Congo (Katanga in 1960 and 1977–78). In some
cases the rebellions succeeded in overthrowing the governments, as in Uganda, Chad, and Ethiopia. Some of the violent conflicts in the African continent continue to escalate in spite of the efforts by the Organization of African Unity and international aid agencies to resolve them (Michailof, Kostner and Devictor, 2002: 2). Africa is one of the best endowed regions of the world, but it is still the least developed of the inhabited continents. Thus example Africa is used to show the complex nature of conflicts and the challenges of aid delivery in the African continent. It is envisaged that valuable lessons on aid delivery lessons could also be learnt from the experience of aid agencies in the African continent.

In the Asia-Pacific region, incidences of civil unrest include the long-running Bougainville crisis in Papua New Guinea (1988 to 1997), the civil unrest and coup in Solomon Islands (1998 to 2000), the coup in Fiji (2000), and the ongoing separatist movements in West Papua and Aceh in Indonesia. The causes of these conflicts are complex and country specific. Thus, specific examination of the causes is required.

3:2:1 Causes of internal war

Causes of war are complex and country specific. Generally, civil wars are caused by complex mixtures of a country’s historical, socio-cultural, political and economic circumstances (see Anderson, 2000; Colletta, 1999; Collier, 2000).

Michailof, Kostner and Devictor (2002) documented a concise summary of the causes of civil wars in Africa. Long-term causes include: history, demographic changes, poverty, illiteracy and unemployment, and competition for natural resources. Some of these
factors could be partly explained within the frameworks of the 'greed-grievance' and resource curse theses (see Collier 2000; Auty, 2001; Stevens, 2003), and the 'youth bulge' hypothesis (Urdal, 2004). Short term causes include: exclusionary and discriminatory policies, mismanagement of economic rents, erosion of state legitimacy and capacity, sub regional instability, and easy access to small arms (Michailof et al, 2002; NEPAD, 2005).

During the cold war period, the East-West rivalry also influenced wars of independence, secessionist conflicts, rebellions and interstate disputes in Africa. The competition for spheres of influence often resulted in foreign interventions. Superpowers supported client states through financial, political, and military assistance, and sometimes with mercenary forces. For instance, there was the contest for control over the Horn of Africa by superpowers (Michailof et al, 2002). Despite the disengagement of non-African powers, the cold-war left ruthless legacies of human atrocities and suffering. Added to present tensions and sources of conflicts, deep internal divisions resulted in renewed and ongoing violence in Angola, Sudan, Burundi and the Democratic Republic of Congo (Michailof et al, 2002). Therefore, colonialism also played a part in inducing conflicts.

The Asia-Pacific region, particularly in the Melanesian sub-region, also experienced incidences of civil unrest. In Bougainville, for instance, the civil war was caused by long-term and short-term issues. These included cleavages and inequalities between linguistic groups and age groups and gender inequality; clash of capitalist and local modes of production, conflicts over land ownership; intergenerational conflicts and grievances stemming from perceived injustices in distribution of resources; and political
participation that coincided with identity differences (see Regan, 1998; Wesley-Smith and Ogan, 2001). In Fiji the coups (1987, 2000) (which also sparked violence and encouraged opportunistic behaviour) were the result of deep-seated regional and ethnic differences. Some had their roots in the colonial period with legacies still lingering in the contemporary political, economic and socio-cultural life of Fijians and Indo-Fijians. Some examples are: the intra-ethnic tensions, differences in religion, regional differences between the Fijian confederacies, and the economic inequalities that sparked grievances and ethnic power politics, (see Ratuva, 2004; Robertson, 2005).

3:3 The Solomon Islands conflict - Background

The Solomon Islands conflict (1998 – 2003) was a consequence of deep-seated issues embedded within the economic, political and socio-cultural structures of Solomon Islands as a nation state. Some had their roots before and during the British protectorate period while others emerged during the post-independence period (Kabutaulaka, 2004; Moore, 2004).

First, Solomon Islands inherited a difficult history from the British protectorate at independence in 1978. Infrastructure, health, education and the administrative and institutional infrastructure were not adequate to the political and socio-economic needs in the post independence era. Despite being a British protectorate since 1893, it was only in 1971 that the British began to train limited numbers of local officials for senior public service posts. Officials were given crash courses in Public Administration at USP and other institutions to prepare them for independence. Local officers immediately assumed responsibilities that were previously performed by older and experienced expatriate
officers who had more than forty years of administrative experience in the Solomon Islands and elsewhere (Devesi, 1992). By 1978, it was estimated that 168 Solomon Islanders were undergoing post-secondary school education overseas. But Bennett (2002) suggested that only a handful were university graduate by then. Moreover, their areas of expertise could not be identified (Habu, 1992). With a pitiful number of competent local public servants and even fewer politicians of talent and integrity, the capacity for effective governance was lacking. But education alone does not lead to good governance. In the 1990s some of the public servants and politicians who were allegedly involved in corrupt activities had some form of education. Sometimes an educated few can manipulate the administrative systems for personal enrichment at the expense of the illiterate masses.

The level of infrastructure was also inadequate. By 1978, most of the infrastructure was concentrated in Western and Guadalcanal provinces, the location of oil palm, forest and coconut plantations. Being a nation of islands, shipping services play a crucial part in facilitating service delivery and economic development. In 1978 the government was operating 38 ships. However, there were not enough wharves to allow ships to call in all ports of call nationwide. By 1988 only 26 ships were operating. The road systems in the four administrative districts, namely, Western, Central, Malaita and Eastern were not completely tar-sealed but extended east and west of the centre. Poor infrastructure partly hindered effective delivery of services and discouraged rural development.

In 1978, there were 321 primary schools that enrolled 26,749 pupils. Around 1,010 teachers taught in the primary schools. The 14 provincial and secondary schools had 168
teachers and 2,984 pupils. The government only owned one while the churches controlled the rest. Many of the teachers were untrained (Habu, 1992). Churches were major providers of education in the Solomon Islands. Lack of funds hindered the British protectorate from effectively delivering services, including education and health (Searle, 1970).

The British protectorate did not leave a diversified economy in the Solomon Islands. It only advanced the plantation economy, which relied on the export of primary products such as cocoa, palm oil and round logs. Problems with the export of primary products take the form of fluctuations in prices and allegations of corruption. It was alleged that in some cases Asian multinational companies lured senior government officials into the granting of license and tax concessions (Bennett, 2002). There is also the risk of revenue reduction as a result of depleting natural resources and declining world market prices.

In addition, the idea of citizenship is still developing. Allegiance to kinship, tribes and clans is still strong in the Solomon Islands. The Solomon Islands is a colonial creation of 1893. There was no culture or long history of unity and national cohesion. The political system was seen as foreign and highly centralized. People’s dissatisfaction with the centralization power resulted in protests such as the Western Break Away Movement that wanted to separate from the Solomon Islands at the eve of independence in 1978 (Bennett, 2002).

Second, after 1978 the immediate post-independence government was faced with many challenging issues. Transportation and communication needed to be improved at the same
time as the export economy had to be strengthened. By 1980, logging, fishing, copra and palm oil were the economic base of the post-independence Solomon Islands government. Exploitation of natural resources was undertaken by foreigners, in particular Asian, multinational companies. Post-independence governments continued to run the country on an economy that relied on the exploitation of natural resources.

In 1980, the government created provincial governments but it did not allow people in the provinces to determine strategies for development. At the same time people did not benefit from natural resource development, which took place only in some of the provinces. As stated by Bennett (2002), provincial government added another tier of paid officials, yet there was insignificant improvement in the overall economy, there was inefficiency in provincial administration, and service delivery had not improved much. Provincial governments continued to depend on the national government for annual grants. Coupled with allegations of corruption and misuse of provincial finances, the level of service delivery and infrastructure that would have facilitated socio-economic development in the rural areas where about 85% of people live, has been missing since the 1980s (Nanau, 1995).

Since more than 80 percent of the population lived in rural areas, the Kenilorea government introduced the Provincial Development Unit (PDU) that administered the Provincial Development Fund (PDF) in 1980. In 1989 it was the called Small Island Communities Project Schemes (SICOPSA) grant. According to Nanau (1995) about 80% of the income generating projects failed. Therefore, these funds did not help rural people to earn income to meet their needs.
Furthermore, the concentration of large-scale resource development projects such as Solomon Islands Plantation Limited (SIPL), cocoa plantation and expansion of Honiara meant that north Guadalcanal and Honiara were the centre of economic opportunities. The limited economic activities and opportunities in highly populated provinces such as Malaita have given rise to inter-island migration. According to Chapman (1992), from 1978 the major stream of migration was from Malaita to north Guadalcanal and Russel Islands. Men seeking work on palm-oil estates, logging operations and coconut plantations dominated these flows. Thus from 1970 to 1981 employment opportunities between provinces did not correlate with the distribution of the population. The provinces of Isabel, Makira-Ulawa, Temotu and Malaita, which accounted for 49 percent of the country's population, had only 15% of formal sector employment (Kabutaulaka, 2002).

Concentration of services, infrastructure development, business activities, market outlets and leisure centres in Honiara and north Guadalcanal meant that the rest of country was deprived of economic opportunities. This discrimination fueled frustration of those who were deprived and those whose livelihoods were affected by the negative consequences of large-scale resources development, the expansion of Honiara, and growth of squatter settlements.

3:3:1 Understanding the civil conflict in the Solomon Islands

Causes of the violent conflict from late 1998 to 2000 relate to the following factors and underlying issues. First, land was a source of conflict. The concern by many Guadalcanal people is both with the size of land area that people occupy and what they do with the land they occupy. For instance, it became a concern when people from other provinces settled, worked and enjoyed the privilege of the Guadalcanal plains but looted or
destroyed indigenous villages over petty disagreements. It was a concern when people built squatter settlements outside of Honiara on customary land and then murdered Guadalcanal people (Kabutaulaka, 1999). Uncontrolled land development and expanding squatter settlements are continuing causes for concern. This does not mean that all squatter occupants are potential criminals. Many people are there not because they want to take land rights away from land owners, but because Honiara provides the only opportunity for them to earn income. Others settle in squatter settlements because their employers do not provide them with housing or because housing inside the town boundaries is too expensive.

The land issues became further complicated when a few indigenous Guadalcanal big men were selling pieces of land to people from other provinces without consulting the rest of their tribe. Land was sold to businessmen or working class people from other provinces. Many young people and women of Guadalcanal saw this as an act of selling their birthright. Thus, tensions over land were not only with settlers but also within landowning groups themselves. Many people on Guadalcanal had resented the way in which land was acquired by the British protectorate for the location of Honiara. Post-colonial governments argued that the land was acquired long ago and that they were not responsible for such action. The above issues resulted in frustrations leading to the demand for transfer of perpetual estate title, review of the Land and Title Act, and rent for the capital, as stated in the Bona Fide Demand of the Indigenous People of Guadalcanal (see Moore, 2004; Frankel, 2004; Kabutaulaka, 2002).
Second, related to land is the issue of natural resource development and unequal distribution of development benefits. For example, Solomon Islands Plantation Limited was established in 1971 after 1,478 hectares of land were acquired from landowners (Kabutaulaka, 2002). But they owned only a 2 percent share in the company as compared to the 68 percent owned by the British-registered Commonwealth Development Corporation (CDC) and the 30 percent owned by the Solomon Islands government. Apart from the share dividend, landowners received an annual land rental of SBDS$100 per hectare and SBDS$500 per hectare as premium. Persistent efforts by landowning groups to increase their benefits were rejected by the government and the CDC. More land was acquired over the years instead. In 1997, the Ulufa’alu government decided to sell 20 percent of its 30 percent to CDC. But the Guadalcanal provincial government demanded this 20 percent should be given to the province. The national government’s response was negative (Kabutaulaka, 1999).

Besides this, there has been no institutional framework within which to involve landowners in the design and implementation of development projects and investment on their land. It follows that there have been no attempts by the national government since the 1980s to ensure landowners’ rights to resources are translated into tangible benefits to contribute to their social and economic wellbeing (Aqorau, 2004). The frustrations and grievances over natural resource development were not confined to Guadalcanal. In the Russell islands, Central province, acquisition of land by Levers Pacific Limited in the 1800s, also contributed towards disputes when Marving Brothers Timber Limited began logging Pavuvu. Economic inequity over natural resource development is one of the major sources of grievance.
Third, the unequal distribution of development benefits is related to the system of governance. One of the demands contained in the petition presented by the people of Guadalcanal to the national government in 1988 was the adoption of a federal system of government. It was assumed that a federal system of government would provide greater autonomy and allow people to make decisions concerning the exploitation of natural resources (land and forestry resources) and simultaneously enjoy the benefits of development on their island home. Whether or not these arguments are true is debatable. The point is that centralization of power has prevented the majority of people in remote areas from participating in making decisions that affect their livelihood. It promoted a top-down development model whereby people in rural areas were mere recipients of whatever goods and services could trickle down to them. This has encouraged corruption as a few national leaders have used their access to state power and resources primarily as means for personal enrichment. This was also resented by wealthier provinces such as Guadalcanal and Western province, whose natural resources have been exploited to raise substantial revenue for the central government but in return they received little to improve their social and economic wellbeing. Mamaloni (1992: 18) argued that “the exploitation of natural resources were [sic] not for the benefit of masses. Instead it was used to finance a government system that was remote from the masses”. Prior to the crisis, SIPL contributed 20 percent of the country’s gross domestic product. Dissatisfaction and perceived economic injustices motivated Guadalcanal province’s demand for more autonomy and for 50 percent of all revenue collected by the government from investments on Guadalcanal.
Widespread allegations of corruption and nepotism also resulted in growing frustration amongst a majority of Solomon Islanders. From 1990 to 1997 the Solomon Islands Development Trust (SIDT) conducted a national survey in which thousands of ordinary village and town people were asked about government's performance in health, educational opportunities, resource assistance and people's chances of earning money. More than 50 percent stated that successive governments had failed them (Roughan, 2002).

Fourth, there was disrespect for people and authority. The centralized system of government failed to create uniformity across diverse communities. For thousands of years bigman and traditional leaders had governed their own little hamlets. On the islands there were hundreds of small hamlets with their own system of governance, accountability and authority, which people respected. Hence, the failure of the modern state to exercise its sovereign authority and earn respect amongst people from all the islands could be partly explained by the institutional design of the modern Westminster system and its lack of fit with the local political cultures and systems.

During the constitutional changes prior to independence, customary leaders were not included in the local government council. They were the sources of wisdom and traditional leadership and earned the respect of their people. Their omission meant that a critical source of legitimacy was not realized (Premdas and Steeves, 1984). It is difficult for people to respect an authority that many could not see because its center is isolated from them.
In addition, disrespect for people and their customs was resented by many Guadalcanal people. As stated by Kabutaulaka (1999)

"many of us from Guadalcanal grew up detesting the fact others who have settled on our island are often disrespectful of out customs and of us – a ‘no care’ attitude: hem man lo Guale nomoa, no wori lo hem (he is just from Guale don’t worry about him)".

Examples of disrespect were manifested by the fact that 25 indigenous people from Guadalcanal were murdered on separate occasion within and in the outskirts of Honiara in 1980s and 1990s, continued propping up of illegal settlement on their customary land, and the plunder of resources such trees from customary land. Though some of the murderers were imprisoned, the fact that people were murdered fuelled resentment. Disrespect of Guadalcanal people was exacerbated by the fear of Malaita dominance. Of the provinces, Malaita has the largest population, which means that they are over-represented in various areas. For example, in 1989, 40 percent of Honiara citizens were Malaitans. Over 50 percent of labourers working for the SIPL oil palm company on Guadalcanal were Malaitans, until their eviction in 1999 (Naitoro, 2000). The increased Malaitan population, coupled with the perceived disrespect, had an intimidating effect on the people of Guadalcanal. It was therefore felt that in order to achieve greater political autonomy and reclaim the eroding self respect, authority and control over Guadalcanal island, it was necessary to remove the Malaitans. This removal began in late December 1998 when some men from Guadalcanal Province, where the capital Honiara is located, formed a movement that was later known as the Isatabu Freedom Movement (IFM). Their campaign involved the harassment and forceful eviction of Malaita settlers from the outskirts of Honiara.
It is important that delivery of aid for the development of post-conflict Solomon Islands society considers these underlying issues. The above points are not exclusive. They provide a basis for understanding the underlying issues that needs to be addressed by all stakeholders, both locally and abroad.

3:3:2 Progression of the crisis 1998 - 2003

On February 2, 1999, Guadalcanal provincial government submitted a document known as the ‘Bona Fide Demands of the Indigenous People of Guadalcanal’ to the national government (Moore, 2004; Kabutaulaka, 2001). Issues documented in the Bona Fide Demand were: need for state government; review of the ‘Land and Titles Act’; transfer of perpetual estate title; rent for the capital; transfer of the Solomon Islands Government’s (SIG) share in SIPL to the Guadalcanal Provincial government; and relocation of the national capital (See Moore, 2004; Fraenkel, 2004). These claims clearly showed the presence of grievances for the perceived economic and social injustices against Guadalcanal province.

By June 1999, at least 20,000 people, mainly Malaitans, had been displaced from their settlements on Guadalcanal and more than 50 people had been killed (Kabutaulaka, 2001). By mid November 1999, many of the displaced Malaitans had become frustrated since the national government had not addressed their compensation claims. They organized a public protest march to the national parliament house to present a petition to the then prime minister, Bartholomew Ulufa’alu. The Prime Minister said: “the Solomon Islands government (SIG) was not responsible for the damages caused and should not pay compensation” (Nori, 2002). Ulufa’alu told the protestors that the Solomon Islands
Alliance of Change (SIAC) government’s policy towards the crisis was ‘peace before justice’. This meant that no compensation would be paid unless peace was fully restored.

In late November 1999, a group of displaced Malaitans formed a militia group called the Malaita Eagle Force (MEF) to oppose the IFM. On 17 January 2000, the MEF raided the armory in Auki, Malaita’s provincial capital and took guns and ammunition. By February 2000, confrontations between the IFM and MEF had escalated with a number of shootouts between the two groups on the outskirts of Honiara.

On the 5 June 2000 the MEF militants, together with rogue elements of the police paramilitary force, seized control of key installations within Honiara, including the well-stocked police armory (SIBC, June, 2000). Prime Minister Ulufa’alu was placed under house arrest and was forced to resign on June 23, 2000. The National Parliament met on June 30, 2000 and elected Opposition Leader, Manasseh Sogavare, as the new prime minister.

3:4 Ministry of National Unity, Reconciliation and Peace

The Ministry of National Unity Reconciliation and Peace was an institutional arrangement initiated by the Sogavare-led Coalition for National Unity Reconciliation and Peace (CNURP) on 12 July 2000. It was formed in a crisis situation and was tasked with the following functions: (i) to promote national unity; (ii) to ensure that the peace process was successfully concluded; (iii) to promote national reconciliation and healing; and (iv) to facilitate the rehabilitation of those affected by the violent conflicts. Even though this Ministry was assigned with the important national priority of resolving
conflict by getting the IFM and MEF to agree on a peace deal, it commenced all its tasks in a very disorganized manner. Initially, it has no office accommodation and not enough staff, which made administration and coordination difficult (MNURP, 2000).

The SIG under the CNURP launched its 100 days peace plan on July 12, 2000. Following this, initial arrangements for peace talks were made with the Guadalcanal Provincial government and IFM and the Malaita Provincial government and MEF. Assistance was also sought from the Australian and the New Zealand governments for a neutral venue to facilitate dialogue. Eventually, the Australian government offered its warships, the HMAS Tobruk and HMAS Te Kaha, and later the HMAS Newcastle, on which ongoing consultations took place. A cease-fire agreement was signed on August 2, 2000. It collapsed after an MEF militant was killed by IFM during a shoot out at Tanava, west of Honiara. Despite this, arrangements were made to secure a neutral venue where peace talks would be held. The Australian government agreed to facilitate and sponsor 130 delegates, who comprised representatives from the IFM, the MEF and the national government, to attend peace talks in Townsville, Australia. On October 11, 2000 the delegates left for Townsville.

On October 15, 2000, after 4 days of negotiations, the Townsville Peace Agreement (TPA) was signed. The TPA achieved a ceasefire but it failed to solve many of the problems that stemmed from the civil unrest. The significance of the TPA was the cessation of violent confrontations between the IFM and the MEF militants. In comparison to the Bougainville peace process, which was more inclusive and continued over a period of five years (1997 – 2001), the TPA was negotiated in a hurry. There was
not enough time for the different parties (for example between Malaita and Guadalcanal and within the islands, with militants, victims, business government etc) to sort out internal differences before the final peace agreements were reached. The TPA did however provide a lull in the violent conflict, and enabled aid donors and international agencies to assist the country. On December 5, 2001, a national general election was held and the leader of the Peoples Alliance Party (PAP), Sir Allan Kemakeza, was subsequently elected as the prime minister\textsuperscript{13}.

Despite the signing of the TPA, the security situation in the country was still fragile. Large amounts of arms were still in the hands of militants. They used the arms to threaten (and in some cases murder\textsuperscript{14}) civilians and members of the business community, and extort millions of dollars from the state under bogus compensation claims.

Realizing the law and order problems, the Solomon Islands government, in June 2003, requested assistance from the Australian government. This was the third time that a Solomon Islands prime minister had made such a request to the Australian government. The two previous prime ministers, Ulufa'alu and Sogavare had made similar requests.

By then, the Australian government viewed the law and order situation in the Pacific region as a threat to regional stability, hence triggering a shift in Australian foreign policy towards the Pacific region. By mid 2003, the Australian government's foreign policy had

\textsuperscript{13} For detailed discussions on chronology of events and peace agreements refer to Kabutaulaka, 2002: Moore, 2004 & Fraenkel, 2004).

\textsuperscript{14} Amongst the many people murdered in the period after the signing of the TPA was the Minister for Youth and Women, Fr. Augustine Geve, who was shot on August 2002, and Sir Fredrick Soaki, a senior and respected citizen and member of the National Peace Council (NPC), who was assassinated at Auki, Malaita, on February 2003.
shifted from one of ‘non-intervention’ to one of ‘cooperative engagement’. This motivated the Australian government’s decision to lead the Regional Assistance Mission to Solomon Islands (RAMSI) (ASPI, 2003). Whatever the motives behind Australian government’s decision, for most Solomon Islanders it was a decision that was received with a lot of joy. Law and order problems had weakened the state to such an extent that it was necessary to have outside intervention.

3:5 The nature of post-conflict Solomon Islands Society

The nature of post-conflict society in the Solomon Islands is similar to other post-conflict societies. First, in Solomon Islands the conflicts took place in Honiara, the administrative and political centre of the nation. The security arms of the state (regular police and the police field force) were sucked into the conflict system. The Solomon Islands has a weak central government but strong traditional social structures.

Second, the collapse of state institutions and major economic industries (eg. SIPL, Ross Mining) increased insecurity, and at the same time weakened the ability of the national government to support social and physical reconstruction. Aid efforts that supported post-conflict reconstruction needed the support of government administrative institutions and organizations. However, in a situation where the state’s administrative institutions, security apparatus and service delivery machineries had collapsed, the SIG’s ability to contribute towards the administration of aid was seriously undermined. Militants occasionally hijacked state institutions and used them for personal enrichment.\footnote{The state in the Solomon Islands has been described as weak. Dauvergne and Kabutaulaka (1997) for instance, described the Solomon Islands state as extraordinarily weak since it lacks the capacity to impose uniform rules, construct and maintain effective state agencies, implement state rules or manage natural resources.}

Public
officers in Honiara were unable to perform their duties in view of the pressure from militants and opportunists. As a result the state was incapable of containing internal violence and disorder that challenged its existence.

The state was unable to enforce law and order since guns remained in the hands of former militants and implicated police officers. The state could no longer use its ultimate threat of force against its rivals. Furthermore, there were allegations of collaboration between politicians and former militants who continued to use force to loot state finances. Former militants extorted millions of dollars from the state in the guise of compensation payments. Despite being compromised in these ways, government institutions and organizations continued to exist because of external recognition and the huge inflows of aid.

Third, it was also in the interest of those who extorted money to keep the structures of the state in place. In that way, they could extort money through the legitimate institutions and claim some degree of legitimacy. Hence, in many post-conflict situations the state institutions never completely collapse. In the Solomon Islands it was in the interests of those who used these institutions to build and maintain their clientel relationships to keep them existing. Taiwanese money was channeled through state administrative institutions to finance hundreds of bogus claims. In cases where the state completely collapses, as in Somalia, everybody loses out except the warlords who enjoyed illegal incomes and lifestyles.

resources and the national economy. While their description of the state in the Solomon Islands was before the crisis, events such as extortion and bogus compensation claims, which characterize much of the 2000 to 2003 period, was a sure sign of state incapacity.
Hence, in the Solomon Islands, it was not in the interest of those who use the state for personal gain to see a complete collapse of state institutions. The recent revelation in the Solomon Islands Auditor General's report (2005) of an unaccounted sum of SBD$14.5 million from the US$25 million sourced from a Taiwanese Export and Import Bank (EXIM bank) loan that was taken in 2002, shows that corruption was extensive in governments departments. There were widespread allegations that the SIG's lost and damage property program was abused (SIBC, 26 November, 2005). It was argued by Manasseh Sogavare during the debate on the 2006 budget speech that many of those who genuinely lost properties never received their compensation claims. He argued that the 2006 budget had no provision for those who did not receive funds (Solomon Star, 6 December 2005).

Fourth, as in the case of Somalia, East Timor, and Bougainville, physical and social infrastructure were destroyed. Bridges, which linked major industries on North Guadalcanal such as the Solomon Islands Plantation Limited (SIPL) and Gold Ridge Mining Company Limited, were destroyed. Public health centres, schools and church buildings were also destroyed. This infrastructure supported the economic base of the country and its social foundations. Churches, schools and clinics, for instance, were important social institutions that united communities. Their destruction increased human suffering and divided people.

Fifth, in the Solomon Islands vertical and horizontal social ties, norms and rules that keep human interaction constructive and predictable were partly destroyed. This was because
those who possessed weapons used it against members of their cultural or ethnic groups as well as those from other ethnic or islands groups. Consequently, it damaged the relationship between the victims and the perpetrators of violence. At the community and village level the crisis destroyed much more than physical capital. The normal rules and norms of behaviour were disregarded. In addition, the presence of weapons in the community created fear and allowed those who possessed weapons to overrule village elders. In some instances, community members were killed while their properties were looted and destroyed. These actions created fear of retribution and destroyed social relationships between those living in communities and villages. The recent Pacific Islands Forum EPG Report (2005) documented that the Solomon Islands is still a fragile community. It argued that provincialism remains entrenched and that there are still strong animosities, particularly between the people of Malaita and Guadalcanal. These unresolved issues need to be addressed.

Experiences of conflicts can impart lasting negative effects on peoples' livelihoods if they are not adequately resolved. In the Solomon Islands, as noted by Nancy Baran (2004), there is a chain of despair and distress amongst some people who had been victimized but were not properly compensated nor counseled. Many lost their loved ones, homes and properties but were not compensated by the SIG compensation programme and were not reconciled properly with those who victimised them. There are ongoing fears of renewed violence due the increasing incidence of youth related criminal activities particularly in east Honiara and the fact that a few former militants who allegedly involved in murder were believed to be armed and at large. Apart from that, there are those with broken families, those who witnessed their relatives being brutally
murdered, and there is the youthful population whose discontent with many years of unemployment and uncertainty has encouraged them to drift into locally brewed alcoholism (kwaso), marijuana abuse and petty crimes (Baran, 2004; Crime Watch, 2006).

Moreover, there are former militants who need to be reintegrated into their communities. These are amongst the socio-psychological challenges facing those involved in the reconstruction process in the Solomon Islands. It has been argued by Nancy Baran (2004) that if the conditions that gave rise to these socio-psychological concerns are not addressed thoroughly, the risks and vulnerabilities confronting these people will continue to haunt them. As stated by Kabui (2004), in the case of Bougainville the ten-years of violent civil conflict created hatred between communities. Similarly in the Solomon Islands, atrocities committed by militants continue to foster hatred between the victims and wrongdoers.

Furthermore, in countries like the Solomon Islands where more than 80 percent of land is customarily owned, addressing the destruction of economic infrastructure and the reopening of natural resource based industries cannot be done in isolation from the tribal landowners. In post-conflict reconstruction, the challenges imposed by land disputes are related to economic activities and human settlements, and the building or rebuilding of physical infrastructure such as bridges, schools, clinics, and community halls. These are the focus of aid efforts in the Solomon Islands. In addition, there are inconsistencies between population distribution and the availability of services. Many of the displaced
people had to be absorbed back into the villages where about 84 percent of people live. This increased the pressures on currently ineffectual social services.

3.6 Some aid assistance in post conflict Solomon Islands

Allegations of corruption have been a concern for aid donors since the 1990s. In the 1990s, aid was drastically reduced. Donors were not willing to support corrupt governments. In the-post conflict period, corruption in the utilization of limited resources could impede the implementation of post-conflict policies and programs. Corruption was observed in post-conflict governments such as Rwanda, Sierra Leone, Liberia, and the Democratic Republic of Congo (Bolonaita 2002). The next section briefly discusses some forms of aid assistance from major bilateral and multilateral donors, and the challenges of aid delivery in the Solomon Islands. Major donors apart from Australia are Taiwan/ROC, New Zealand and the European Union.

Taiwan pays Solomon Islands for supporting its membership at the United Nations and for diplomatically recognizing Taiwan as a sovereign state. From 2001 to 2002, Taiwan provided SBD$10 million for peace and reconciliation programs, SBD$7.5 million for the Rural Constituency Development Fund (RCDF), and SBD$1.6 million for the technical rehabilitation of SIBC (Moore, 2004). Since 2001-2002 the Solomon Islands government has secured a US$25 million loan from the EIXM Bank of Taiwan. This was used to compensate those whose property was stolen, lost and damaged during the crisis (ADB, 2002). Taiwan/ROC has also provided SBD10 million per year since 2005 towards grassroots projects. Grassroots projects are delivered in all of the 50 parliamentary constituencies in the form of projects. Each constituency receives
SBD$100,000 every six months. Some of the major problems associated with the compensation claims were: widespread allegations of corruption, and false and bogus claims. In 2002, for instance, the Solomon Islands cabinet, under intense pressure, paid SBD$4 million to members of the MEF (SIBC, 23 September 2002).

Concerning the grass roots micro projects and the RCDF, the sectarian and electoral interests of current politicians can influence the way aid is distributed in the constituencies. Currently, parliamentary members administer the fund. Moreover, in a situation where the government has limited capacity to monitor and evaluate projects, increases in funding will likely increase the numbers of failed projects. This might result in the repetition of past failures such as those witnessed in the SICOPSA and the PDF (see Nanau, 1995). There is also the possibility of marginalizing others within constituencies if incumbent politicians and their constituency committees (mainly composed of supporters and close relatives) control the distribution of funds. The ROC/Taiwan funds demonstrated the way in which funds are channeled through legitimate government institutions but were extracted by others through legitimate state machinery for direct or indirect personal gain.

New Zealand's bilateral assistance from 1999 to 2001 was SBD$41.8 million, for 2002-2003 NZ$4.8 million, and 2003-2004 NZ$16 million (NZAID, 2004). The priority areas were: (i) to support education, (ii) to control population and address gender and development issues, (iii) to encourage good governance, and (iv) to encourage small businesses through skills training and development (Pollard and Sanga, 1998). NZ's aid was delivered in the form of budget support that focused on tertiary education and
primary schools. The challenges for SIG when aid is delivered in the form of budget support are high financial costs and limited financial and technical capacity to efficiently administer the funds within the Education Department (see Ward, Sikua and Banks, 2004).

Multilateral donors include the Asian Development Bank (ADB), the World Bank, the European Union (EU) and the United Nations Development Program (UNDP). Loans and technical assistance grants were sourced from the ADB. Two loans amounting to USD $5.3 million were received in the period from 1990 to 1997. The loans were acquired to finance emergency infrastructure rehabilitation and power expansion projects. ADB’s Technical Assistance went to support the Public Sector Reform and Education Management program in 1999; the Public Sector Reform and Fisheries Development in 2000; and the strengthening of Planning and Budgeting systems in 2001. Before 2000, ADB was the largest multilateral donor and the third largest donor overall to the Solomon Islands. Total assistance received from the World Bank from 1990 to 2001 was SBD $151 million (Pollard and Sanga, 1998).

3:6:1 Challenges for aid delivery in post-conflict Solomon Islands

First, donor coordination and aid management is difficult in an environment where the capacity of the government to design and implement a post-conflict reconstruction system is limited. Since 2003-2005, some of the aid donors that are actively involved in post-conflict reconstruction are UNDP, AusAID, Taiwan/ROC, European Union and
NZAID. These donors do not follow a coherent post-conflict reconstruction system\textsuperscript{16}. Once such system is installed, results can be measured against the expected outputs. The 2005 White Paper on Australian Aid also suggested the formulation of comprehensive assessment criteria as a means for effective delivery and assessment of aid efforts (Australian Government, 2005).

In addition, major aid donors support the same sectors as if they are working in a separate environment. NZAid for instance, supports education and business training, AusAID CPRF/CSP supports education, health and income generating projects; Taiwan/ROC supports constituency micro income generating projects across the country; while UNDP was involved in the community reintegration of ex-combatants in 2002-2004. UNDP provides Quick Impact income-generating projects for ex-combatants. These donors are targeting similar sectors. But once coordinated, their aid could be used to address issues where needs are greatest, yet receive little donor attention; for example, reconciliation between different communities, and the creation of employment. The Solomon Islands could learn from the way in which the Trust Fund for East Timor is administered (see Cliffe et al 2003). SIG and donors need to bring aid management, planning and funding process together. The institutional arrangements should be simple and easy to implement, so that the political, humanitarian, security and development aspects of the post-conflict reconstruction process in the Solomon Islands are harmonized and coordinated. Fragmentation of planning, funding and implementation was one of the factors that impeded effective reconstruction in post-conflict societies in the African continent (NEPAD, 2005).

\textsuperscript{16} The system is expected to link aid management, planning, funding and implementation processes to reflect the real needs in post-conflict Solomon Islands society.
Second, the Sector Wide method of aid delivery might enhance aid effectiveness in service delivery, but involves high financial costs and risks for the Solomon Islands government. In the 2005 budget, SIG received budget support for these sectors: SBD$40 million to education, SBD$50 million to health, and SBD$640 million to the administration of justice and police (Chand, 2005). In the education sector the costs and risks include: high financial cost for negotiating policy agreements, risk of programme failure and decline in donors' trust in SIG, forcing a decline in aid funding and aid fungibility\(^\text{17}\) (Ward et al, 2004). In addition, finance may never reach those in the rural areas.

The Sector Wide approach is a state centered approach to aid delivery. But in the Solomon Islands the government's role in post-conflict reconstruction processes is undermined by widespread allegations of political involvement in the conflict (Kabutaulaka, 2005). State centered approaches to aid delivery strengthen state sovereignty but it may lack popular ownership and hence legitimacy from the Solomon Islands society (churches, civil society organizations, village men and women and youth). Furthermore, in the Solomon Islands, the state is not the most influential entity on the livelihoods of the majority of the people who live in isolated places across the country. Thus, it is unwise to ignore them in decisions concerning how and where aid should be spent. It is important to develop a vision for reconstruction that reflects the aspirations of Solomon Islanders.

\(^{17}\) For instance, this is where budget support for education can be diverted by the SIG to meet other commitments, such as overseas trips or payment of compensation.
Third, there is a need to balance physical reconstruction and the mending of social relationships. The EPG Report (2005) highlights the reluctance by donors to become involved in reconciliation and mediation. It is necessary to undertake these processes if conflicting groups are to forgive each other and focus on restoring their livelihoods. Donors alone cannot do this. However, they have the financial resources and some expertise to facilitate and support dialogue for reconciliation. Physical (buildings etc), human (educated people), and natural (land and natural resource) capital can not effectively support social and economic development if social relations and social capital are not restored. This was observed in African countries such as Angola, Sudan and Burundi (Michailof et al, 2002).

Fourth, the accumulation of known but unresolved issues may lead to renewed conflicts. The United Nations Development Fund for Women (UNIFEM) Report 2005 indicated that 11 out of 46 indicators are currently in the high-risk level for Solomon Islands. The report argued that corruption, lack of women's participation in government processes, economic inequality, land disputes, the incidence of crime – especially violent crime – and the extent of negative gossip are amongst the issues that need urgent attention. Each of these variables can lead to low levels of economic development, high levels of gender inequality, and an increasing youth bulge (UNIFEM, 2005). These issues can also hinder implementation of aid programs. To have positive impacts, aid donors and SIG should not overlook the challenges.
3:7 Conclusion

Violent conflict in the Solomon Islands is a result of deep-seated issues, which are embedded in its social, political and economic structures. Some issues are the result of poor planning during the British protectorate while others emerged during the post-independence era. The characteristics of post-conflict Solomon Islands’ society include: collapse of state institutions and machinery, destruction of physical and social capital, rise of corruption, use of state systems for personal gain, presence of guns, militants and victims, collaboration between politicians and militants, and political instability. The causes and consequences of the Solomon Islands’ crisis continue to impede efforts to promote stability, security and socio-economic development in post-conflict Solomon Islands communities. Post-conflict societies attract large amounts of aid. In view of their complex nature, effective delivery of aid in the post-conflict period remains an ongoing challenge for aid agencies, recipients and the Solomon Islands government.
CHAPTER FOUR

4:1 AUSTRALIAN AID AND SOLOMON ISLANDS

4:1:1 Introduction

This chapter first provides a brief background of Australian aid. This includes the goals of Australian aid, the key areas it supports, its GNI/ODA ratio, and changes to its aid focus since 1950. Second, it discusses Australian aid to the Solomon Islands since the 1980s. Third, it focuses on aid delivery strategies in post-conflict societies. This includes AusAID responses to countries in the region and the use of a new approach called ‘the whole of government approach’ to improve aid effectiveness. It discusses Australia’s leading role in the Regional Assistance Mission to the Solomon Islands (RAMSI). Finally, it outlines the CPRF (an AusAID funded post-conflict initiative) as an example of aid delivery in post-conflict Solomon Islands’ society.

4:2 Brief overview of Australian Aid

Australia had been providing aid to countries across the globe since the Second World War. Its aid program became more structured following the Colombo Plan of the 1950s. The aim of the Colombo Plan was to support economic development in the South and Southeast Asian countries (Jarrett, 1994). Under the Plan, Australian aid supported a diverse range of activities such as education scholarships, technical cooperation, training and staffing assistance to Papua New Guinea, Pacific Islands and South East Asia. The Colombo Plan specified the geographical and strategic targets of Australian aid.
Australia’s aid focus shifted following two reviews, namely, the Jackson Review of 1984 and the Simon Review of 1996. Three principal objectives of aid stemmed from the Jackson review: humanitarian assistance, support for Australia’s strategic interests, and the promotion of Australia’s commercial interests (Commonwealth of Australia, 1984 cited in Chand, 2005). Supported sectors included: agriculture, infrastructure, health, population control, and urban development. The Simon’s review led to the adoption of a single clear goal: “to advance Australia’s national interests by assisting developing countries to reduce poverty and achieve sustainable development” (AusAID, 2000). The priority areas include services, rural development and governance, gender equality, humanitarian assistance, and environmental sustainability.

The objectives of Australian aid also shifted against these changing foci. As stated by Greg Fry (2003), Australia’s Pacific policy has gone through the following changes over recent decades: (i) to prevent the PICs from supporting the Soviet Union during the Cold War period; (ii) a depiction of the island states as non-viable in the 1970s and 1980s; (iii) an emphasis on economic reforms and good governance in view of the increasing allegations of incompetence and corruption of Pacific island governments in the 1990s; and, (iv) more recently a security driven foreign policy orientation.

Fig. 4:1 below shows a declining trend in ODA/GNI ratio. Though Australia enjoyed thirteen years of economic expansion, DAC argued that this was not reflected in the evolution of its ODA/GNI ratio over the same period (DAC, 2004). Increases in Australia’s ODA totaling 9% in real terms between 1999 and 2003 are welcome though they fall below its cumulative economic growth of 13% over the same period (and GDP
growth of 17%). Australia’s ODA/GNI ratio has fallen progressively to reach 0.25% in 2001 and remained at that level in 2003, despite a small increase in 2002 (0.26%). The 2003 ODA/GNI ratio represented 0.25% of the total DAC ratio. But it lags behind the average DAC members’ effort of 0.41%. Australia ranks 15th out of 22 DAC members on ODA and 13th on ODA/GNI ratio (DAC, 2004).

Figure 4: 1Graph showing the trend in Australia’s ODA/GNI ratio from 1971 – 72 to 2004 – 05


4:3 Australia’s aid to the Solomon Islands
The objective of Australian aid has been to promote sustainable economic and social development in accordance with the national policy objectives of the Solomon Islands government (AIDAB, 1993). The project approach has dominated aid delivery. This was a reflection of the need for quick impacts. The health sector’s Rural Water Supply and Sanitation project, which started in 1978, and education projects were good examples of this (Haijtink, 1995).
From 1990 to 1998 Australian ODA to the Solomon Islands totaled SBD$ 280.1 million, involving 105 projects in both government and non-governmental organizations (Pollard and Sanga, 1998). Funded areas were: social services, infrastructure, rural development and governance, environmental and gender issues. Australian assistance to the Solomon Islands has declined since 1991 (see Table 4.1), due to an Australian government decision to cut aid by A$2.2 million from 1993. The extent of the decrease was countered by a 20 percent devaluation of the Solomon Islands dollar by the SIAC government in 1997 (Sanga and Pollard, 1998). This counterbalancing effect is shown in the steady level of ODA from 1997 to 1998 (see Table 4.1). The exact amount of aid that actually stays in the Solomon Islands cannot be known. Tying of aid where aid programs and projects must be administered by Australian companies and consultants makes it difficult to know the exact amount of funds that actually end up in the country. It is estimated that 70% of aid went back to Australia (see O'Connor, 2003). However, these funds purchased goods or delivered services that became part of the Solomon Islands economy. Despite the political, economic and strategic nature of aid the most important issue is whether or not the goods and services delivered help Solomon Islanders reconstruct their socio-economic livelihood in secure and sustainable manner.

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18 It was a diplomatic response to unsustainable logging encouraged by Mamaloni’s government, in late 1994. The decision resulted in closure of AusAID funded Timber Control Unit. This was the only regulatory body to monitor logging activities (Moore, 2004; Bennett, 2001).
From 1990 to 1999 Australian aid provided financial and technical assistance to following sectors: (i) development administration, (ii) agriculture, forestry and fisheries, (iii) social development, (iv) human resource development, (v) transport and (vi) health. A total of 105 projects were funded across these sectors (Pollard and Sanga, 1998). From 2000 – 2004 aid was delivered through budget support, projects activities, recurrent budget support, technical support, direct cash assistance and overseas training (Chand, 2005).

Since 2003 there has been a rapid increase in the level of Australian ODA (see Table 4.1). This increase went to finance the Australian presence in the country, due to a change
in focus and a commitment by the Australian government to deal with conflicts, state failure or collapse, and bad governance issues in Pacific Island countries (ASPI, 2000).

4:3:1 How Australia assists societies in conflict

The Australian government has been promoting its national interests in countries that have gone through violent conflicts. In the early stages of the Bougainville crisis, Australia supported the PNG government. It supplied patrol boats and helicopters. But following five failed peace accords and cease-fire agreements, New Zealand government became involved. Since April 1997, the New Zealand government, which has Bougainvilleans’ trust, began a long but inclusive process of peace talks (Eagles, 2001). This led to the signing of the Burnham Declaration in 1997 and, later on, the Bougainville Peace Agreement on August 30, 2001.

New Zealand had no particular agenda in the conflict except to support a peace process owned by the Bougainvilleans (Tapi, 2001). PNG was Australia’s former colony. Besides that, Australian companies have economic interests in PNG’s natural resources such as oil, minerals, and gas. The Australian government provided more than A$100 million to Bougainville after the Burnham declaration was signed. The New Zealand government provided a lot of space and time for discussions between different stakeholders (PNG government, Bougainville Revolution Army, Bougainville Transitional Government and Bougainville leaders). It encouraged an inclusive peace process. This led to a peace process that is owned by the people of Bougainville (Kabui, 2004).
In East Timor, Australian aid has been supporting humanitarian efforts since the 1999 crisis when the Indonesian army destroyed homes and infrastructure. Since then, aid continues to support post-conflict reconstruction and nation building. In the 2004 – 2005 aid budgets for instance, A$39.9 million was allocated for East Timor to promote three inter-related priorities: (i) to strengthen the government budget to deliver services; (ii) to support a police force that is impartial and has the confidence of the community; and (iii) to sustain a legal and judicial system that supports law and order and a secure environment for investment. Improving food security and rural water supply and sanitation are also amongst the major priorities for aid in East Timor (see AusAID-Budget Summary 2004 – 2005).

In Fiji, the Australian government loudly condemned Rabuka’s May coup of 1987. Provision of new aid and Australia’s Defense Cooperation Program were suspended. But as Rabuka consolidated his power, Canberra and Wellington’s opposition softened. By 1988, Australian aid had resumed. Similarly, after the Coup of 19 May 2000, all aid activities were suspended except humanitarian efforts (Davis, 2001). In the Solomon Islands, Australia brokered the TPA on October 15, 2000, which ended overt violence between the two major conflicting parties.

In June 2002, Australia launched its peace, conflict and development policy, which aimed to strengthen Australia’s response to conflicts, particularly in the Pacific region. The Biketawa Declaration was signed by Pacific Island Forum leaders in 2000 provides the legal framework and course action for a regional response to crises in the region. In 2003, Forum leaders endorsed a Regional Assistance Mission to the Solomon Islands (RAMSI)
in accordance with the guidelines of the Biketawa Declaration. The Regional (RAMSI), which arrived in Honiara on July 24, 2003, partly reflected this policy. As indicated in the Strengthened Assistance to Solomon Islands 2003 policy paper, RAMSI was mandated to: (i) restore law and order; (ii) stabilize government finances; (iii) promote economic recovery and business confidence; and (iv) rebuild government machinery. Australian aid for this intervention amounted to about A$37.4 million in 2003 - 2004 and A$201.6 million in 2004-2005 (AusAID Budget Summary, 2004 -2005). This initiative has resulted in new ways of delivering Australian aid in PICs: Solomon Islands, PNG and Nauru. These countries have difficulties in promoting socio-economic progress given their declining economic and security situations.

4:3:2 Aid delivery strategies in post conflict societies
Experience, for example in Bougainville and East Timor, has shown that countries emerging from civil conflict cannot change the situation without external intervention. RAMSI is a partial reflection of a timely convergence of Australia’s national security interests with those of the Solomon Islands. Other Pacific states fit into RAMSI through the framework of the Biketawa Declaration that was invoked for purpose of endorsing an Australian led regional response to the deteriorating law and order situation in the Solomon Islands. This guaranteed intervention. Different strategies are used in Australian interventions in the PICs.

First, increasing problems in the PICs have prompted the Australian government to use innovative and experimental strategies for the administration of aid in the PICs. Examples of innovations are RAMSI in the Solomon Islands and the Enhanced
Cooperation Program in PNG. A specific example of an innovative aid delivery strategy is called the whole-of-government approach. This is where Australian government departments establish institutional linkages with government departments in partner countries. Its aim is to improve aid effectiveness through policy coherence (DAC, 2005). In the case of PNG, the ECP was supposed to be a five-year intensive program aimed at tackling corruption within the PNG police. It comprised 43 Australian officials working within the PNG Government, and 230 police working inline with the Royal Papua New Guinean Constabulary, which has around 3000 officers. Under ECP package Immunity were to be given to the Australian Assisting Police officers (AAP) while in PNG. But providing immunity to these these senior Australian Federal Police meant that they could not be prosecuted under PNG laws. But on 13 May 2006, the PNG Supreme Court ruled that granting of Immunity was unconstitutional. This resulted in the complete withdrawal of Australian police from inline positions and the collapse of the ECP (Hustler, 2006).

But such an extensive and deepened partnership is risky for at least two reasons: (i) aid delivery is dominated by the Australian federal government’s departmental security-driven law and order agenda rather than a broader development agenda that is locally owned (DAC, 2005). A specific risk highlighted by DAC (2005) is that development objectives such as sustainability, capacity building, and local ownership become less important. Also, 20% of Australian aid to the Solomon Island for 2004 – 2005 is administered from beginning to end by government departments other than AusAID. AusAID personnel have more experience in dealing with country specific issues than other government departments. AusAID had been involved in aid delivery for more than 20 years. AusAID has developed a comprehensive data base called AusAID Knowledge
Warehouse (Akwa). Such knowledge might not be completely used if government departments lead policy making and implementation.

Second, the deployment of military forces has become part of the aid and development agenda. In the Solomon Islands, RAMSI is an excellent example. Since the arrival of RAMSI, the economy has improved due to stability, and improved management of government finances, stabilization of government debt, and huge inflows of aid (EPG, 2005; Chand, 2005). The recent EPG report 2005 highlighted successes (improved law and order and finances), challenges (fear, unresolved land issues, high rate of unemployment) and options for the way forward (expected roles of SIG, provincial government, aid donors, RAMSI, village and church leaders and Solomon Islanders) (see Eminent Persons Group Report, 2005). RAMSI has shown a new way of delivering aid in the Solomon Islands. The military component is directly and indirectly attached to delivery of aid in the Solomon Islands.

Third, AusAID supports humanitarian relief efforts in societies that have been through violent conflicts. In Bougainville, East Timor, and the Solomon Islands, for instance, AusAID sponsored activities that reduced human suffering, and protected human rights. Its humanitarian and emergency funds also supported humanitarian and reconstruction efforts in Iraq, Afghanistan, Africa and Sri Lanka.

Australia is making a strong contribution to meeting the humanitarian and reconstruction needs of Iraq. Australia’s total commitment to the rehabilitation of Iraq is more than $126 million. $55 million was allocated to immediate humanitarian needs, $45 million is
directed to reconstruction activities, focused on the rehabilitation of the Iraqi agriculture sector, and $25 million in additional support is channeled through the multi-donor trust fund facility managed by the UN and World Bank for reconstruction priorities such as elections (AusAID, 2005). In southern and eastern Africa, humanitarian assistance went to post-conflict situations, including conflict-affected areas devastated by the tsunami of December 2004 (AusAID, 2005). Moreover, since AusAID realized that humanitarian aid can be diverted by warlords to prolong wars, they adopted the ‘do no harm’ approach, which is usually supported by a military and police presence.

AusAID usually hires Australian contractors and consultants to deliver and assess their assistance. For instance, in the Solomon Islands the CPRF is managed by ANU Enterprise Pty Limited. It was formerly known as Anutech Pty.

4:4 The Community Peace and Restoration Fund (CPRF)

AusAID’s approach to alleviating poverty and enhancing security has taken additional dimensions. In response to a post-conflict situation at the micro level, basic services and small scale income generating projects were delivered to villages across Solomon Islands. The Community Peace and Restoration Fund (CPRF) now known as the Community Support Program (CSP)\(^{19}\) is one of AusAID’s key programs in Solomon Islands. It began in November 2000 and has been extended on a six monthly basis. The CPRF is

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\(^{19}\) In 2005 CPRF had changed its name to Community Support Program (CSP). Hassall and Associates International is implementing CSP from 2005 to 2010 at a cost of A$32 million. In addition to its predecessor and its objectives, an important component of CSP is to increase food security. This study was conducted in 2003 – 2004 when the fund was called CPRF. Therefore, discussions and issues raised in this study are limited only to CPRF.
independent from the national government but it has invested a huge amount of money (in cash and kind) into local communities and villages nationwide.

4:4:1 Evolution of the CPRF

Starting as a rapid-disbursing fund to support humanitarian needs, the CPRF evolved beyond its original scope of services. This made it resemble a project but without a design (Pattison, 2004). Lack of design may be attributable to flexibility or lack of knowledge about the communities. Therefore, as stated by Judi Pattison (2004), learning takes place as projects proceed. In August 2000, an AusAID humanitarian and rehabilitation mission visited Solomon Islands. It identified a number of peace building and humanitarian activities worthy of AusAID support. One of the mission’s recommendations was establishment of the CPRF. It was seen as a valuable grassroots level activity to provide small grants to community groups for rehabilitation, restoration and peace building activities. Each province has established a CPRF provincial office, which is manned by a principal coordinator and supported by provincial coordinators.

CPRF’s goal is:

"to contribute to the overall process of restoration of peace and development in the Solomon Islands by assisting communities to pursue peaceful resolution to disputes and to address priority community concerns" (AusAID-CPRF, 2004).

Its objective is:

"to provide support for small scale, community based initiatives, which meet reintegration, resettlement, and rehabilitation needs of affected population in a manner that promotes self reliance and peace" (AusAID-CPRF, 2004).
CPRF fund what was needed in the particular situation of 2000, for example, delivery of basic health care services. These were disrupted as a result of the collapse of the national economy, SIG finances, and service delivery mechanisms. One of the conditions for receiving CPRF assistance is for communities to sort out internal differences. In post-conflict situations where people are desperate for help, the idea can be seen as an incentive for communities to resolve internal difficulties - enabling them to become eligible project recipients. For example, on a few occasions, provincial coordinators witnessed people sorting out their internal differences and compensating each other (Personal Interview, 2004). The Provincial Coordinators (PCs) carry out consultations on what CPRF could offer once villagers resolve their differences and are ready to receive assistance. Therefore, CPRF can be seen as a peace dividend.

The idea behind CPRF is similar to SICOPSA and RCDF. All are based on hand outs. There is an assumption that when money and materials are given, development will somehow take place. CPRF is different, however, in that more than 90% of its activities focus on community services projects. It aims to bring people in post-conflict environments together, enabling them to peacefully resolve disputes, and supports their priority community concerns. It provides assistance from a few hundred to thousands of dollars. Communities receive assistance in kind and cash. PCs also assist communities to write proposals. Once approved, PCs negotiate with contractors (usually local builders, plumbers etc), prepare material lists and identify contact persons in the communities. The implementation section of the CPRF is responsible for obtaining materials, recruiting contractors, and distributing materials, together with builders who collaborate with
community men in constructing the projects. PCs also work with communities to implement, monitor and evaluate projects (CPRF, 2003).

The CPRF projects are spread across several sectors including health, education, community facilities, training, roads, women, youth and agriculture. At the end of 2003 a total of 686 small-scale community projects worth SBD$36,667,966 had been implemented nationwide (CPRF, 2004). The ideas of peace making behind CPRF are based on the assumption that increasing interactions amongst people who were enemies during the conflict will help them solve their differences.

CPRF projects have involved partnerships between communities and some central government departments. The CPRF has used the community self-reliance and empowerment approach. In peace and conflict theory, CPRF can be located within the framework of the Reflection of Peace Practice project, which focused on short term needs to mitigate the immediate effects of conflicts (Patterson and Sullivan, 2004).

4:4:2 CPRF on Guadalcanal Province
Guadalcanal province, where this study was conducted, received a substantial share of CPRF’s assistance. As shown in Table 4.2 below, CPRF funded activities in different sectors in Guadalcanal totaled more than SBD$8 million, out a total of more than SBD$36 million spent nation wide over a period of three years.
According to table 4.2 a significant amount of fund in CPRF's programme activities for the first three years of operation was spent on educational projects. This was followed in terms of amounts by peacebuilding, road and bridge repair works, health and income generating projects. It can be seen that the major focus was on rebuilding schools, roads, clinics and encouraging interaction through sporting events as well as peace building activities and income generating projects. Peace building involved the construction of new facilities such community hall, schools and clinics plus communication equipment in remote areas such as in the Weathercoast Guadalcanal that never received assistance before. Putting in place basic infrastructure is the basis for restoring service delivery. Schools, clinics and road could be seen could be seen as instruments which encourages interaction between people in the communities. In this context, rebuilding physical infrastructure could also be seen as a basis for rebuilding social relations. But
effectiveness of the various allocations in creating positive impacts in the respective focus areas remains to be critically examined in chapter 5 and 6 of this study.

Guadalcanal Province has four CPRF provincial coordinators who are responsible for visiting projects, helping communities develop project proposals and reporting to the project manager.

Figure 4:2 CPRF project approval process

[Diagram of CPRF project approval process]


Communities around the province were encouraged to submit proposals for funding to provincial coordinators as shown in figure 4.1. Awareness raising about CPRF was done through the SIBC radio and by PCs themselves during village visits. The proposals were appraised and, if approved under CPRF's selection criteria, contracts were drawn up.
While such community-based approaches are favoured, since they might encourage participation and provide an opportunity where hands-on experiences can be gained, the effectiveness of the projects remains to be critically assessed. Their performance will determine the nature of their contribution to post-conflict development at the village level. Projects producing positive results at the village level can be a catalyst for positive changes in villages and communities.

Assessing projects that have no design but evolve provides both conceptual and operational challenges for assessors. While there are no agreed-upon analytical frameworks for such an exercise (see for example Sullivan and Patterson, 2004) analytical approaches to assess such activities have to portray a realistic picture of success, failures and areas that need future improvement.

Conceptually, the challenge lies with the use of blanket concepts such as rehabilitation, peace or restoration. Such concepts often obscure what should be done. Take the case of rehabilitation or restoration as an example. It could mean putting the communities back to where they were prior to the conflict, a situation which might initially have created conflict. Operationally, the challenge lies in the criteria for measuring effectiveness. Measuring effectiveness or successfulness against objectives of the activities alone could ignore other hidden impacts of aid activities or projects.

4:4:3 Aid project approach

The project approach was chosen to deliver CPRF’s assistance for a number of reasons. First, it was expected to produce a quick impact. After the signing of the TPA in 2000,
law and order was a major problem. The government was cash strapped, and limited in its ability to deliver services. It was a post-conflict situation where people were in desperate need of basic services. Therefore, the project method produced quick impacts on specific needs in the villages. This approach is consistent with the recommendation made at a PIC/Development partners’ meeting (held in Rotorua, New Zealand in June, 2004) that projects should target constraints and opportunities not reached by general or sector level support (Forum Secretariat, 2004).

Second, it was believed that since many Solomon Islanders did not trust their government, aid funding could more effectively deliver much needed services. CPRF was not part of the government or any church or local organization. Therefore, it was seen as a neutral organization, capable of producing quick results in communities. Quick impact projects are commonly used in humanitarian efforts in other parts of the world to alleviate human suffering (Wood et al, 2001).

Third, since CPRF provided assistance in kind (not cash) it had the advantage of reaching targeted communities throughout the country. Cash, because of its nature, is always fungible; therefore, it could be easily misused. Giving materials reduced the risks of misuse and abuse of funds. Materials cannot be sold because CPRF actually assisted communities to utilize the materials. Apart from that, the accountability arrangements between the CPRF head office, its provincial coordinators, and suppliers of materials provided little or no room for corruption and abuse of funds. The principal coordinators and their assistants were not in charge of cash. They were responsible for coordination and liaison. There was a check and balance system where materials were double checked
by the CPRF’s project manager, provincial coordinators and hired contractors before they were dispatched to communities. This provided an effective linkage between communities and the CPRF head office. Furthermore, the CPRF welcomed feedback from communities.

4:4:4 Project recipients

The recipients were in a needy situation and ready to accept any form of assistance. The survey undertaken for this research covered both community-based, income-generating projects and community-based services projects such as clinics, schools, water supply and sanitation, and road works. Community contributions were expected from project recipients. This rule applied to both services and income-generating projects.

4:5 Conclusion

Undoubtedly, Australia’s aid assistance to the Solomon Islands is influenced by motivations of Australia’s national policy and security interests. Australia’s leading role in RAMSI reflects its concern that a failed state in the region will expose the country and its citizens to the global scourge of terrorism. Based on that proposition it was argued by the Australian Prime Minister, Mr. John Howard that remedial actions has to be taken instantly. In recent years (2000-2005), the Solomon Islands has received substantial amounts of aid, which has supported different sectors. In view of the increasing incidence of violent conflicts and political instability in the Asia-Pacific region and the global threat of terrorism, Australia, a regional power, has developed innovative and experimental strategies for dealing with the causes and consequences of these events. CPRF is an example of AusAID’s contracting out process whereby ANU Enterprise Pty delivered on
behalf of AusAID. The effectiveness of CPRF in delivering aid for the development of post-conflict villages and communities in Guadalcanal province is discussed in the next chapter.
5:0 CHAPTER FIVE

5:1 RESULTS AND CASE ANALYSIS

5:1:1 Introduction

This chapter presents the results from five CPRF projects surveyed during the field survey. The CPRF Projects are used to examine whether or not aid is effective for the purpose of assisting post-conflict villages in the Solomon Islands. First, the chapter briefly outlines the New Institutional Economic approach. Second, it describes the results of the survey that was carried out on the CPRF projects in the Northwestern region of Guadalcanal province. Starting with the women’s income generating projects, it describes how the projects were organized. Third, it describes and analyses three of the community service projects: the Tamale Water Supply Project, the Tamalupo Community School project and the Kakabona Clinic project. It begins by briefly outlining the social organization within these communities. Then it describes and explains some of the factors that contributed to the success of the services projects.

5:2 Analytical approach

This study, as discussed above, adopted the New Institutional Economics (NIE) framework for assessing the effectiveness of the CPRF projects. Through the NIE approach, I examined the structure of incentives (“institutions\textsuperscript{20}”) established within the projects that would determine how participants in the projects behave. In assessing institutional arrangements, it is important to identify whether or not the arrangements, in this case in the projects, are “incentive-compatible”. Rules are incentive-compatible if

\textsuperscript{20} Institutions in this context refers to the humanly devised rules that determine who is eligible to make decision in some arena, what actions are allowed or constrained, what procedures must be followed, what agreement of rules will be used, what information will be provided and what payoffs will be assigned to individuals (Noth, 1999: 3; Ostrom, 1990: 51).
they encourage people in an organization to internalise norms that constrain their opportunity to deviate from the rules (Clague, 1997:370). In other words, incentive-compatible rules encourage people to fully perform the duties assigned to them and reveal all information to other stakeholders.

Hence, the key issue is whether incentive-compatible arrangements were put in place by the CPRF and the recipient communities from the beginning of the projects. In this case the "rules" are meant to govern the behaviour of the recipient communities. If the project incentives are appropriate, the project recipients should respond in a manner that ensures the project objectives are achieved.

This study hypothesised that the projects will only produce the intended results if the arrangements for the operation of the projects are incentive-compatible. Assessing whether this is the case involves analyzing whether the arrangements provided incentives for the various participants to carry out their assigned tasks as defined in the project and reveal all information about their activities to other participants and stakeholders.

As stated earlier, the NIE framework is used in this study for several reasons. First, it allows an examination of whether incentive-compatible arrangements are in place. Second, it allows for the recognition of local institutional arrangements. This aspect is important for countries like the Solomon Islands, which is made up of culturally diverse groups of people. Third, since the CPRF Projects have not been in existence for very long (six months) the NIE approach is a more appropriate choice for an analytical study at this stage than other impact assessment approaches that rely on ex-post data. Institutional
arrangements are in place from the beginning of a project and can be assessed in analytical terms. Fourth, the framework allows an analysis of the micro-level effectiveness of aid projects as opposed to approaches that focus on macro and long-term impacts.

As noted earlier, an important area in which institutional "rules" have to condition individual behaviour is any situation that involves a Principal/Agent relationship. An 'agency' problem, where the agent acts in his or her own interests rather than that of the principal, can arise in any Principal/Agent relationship. Principal/Agent problems may arise between the different stakeholders in the CPRF projects: AusAID-CPRF, Provincial coordinators, contractors, village contact persons, and project recipients. The project relationships are complex, with some of the stakeholders being both principals and agents. For example, AusAID-CPRF Head Office is a principal as it is providing the funds for the projects and is expecting services from all the other stakeholders. The women's groups and village communities are also principals as they rely on others (agents), the Provincial coordinators, contractors, and women participating in the project, to provide services. The Provincial Coordinators and the women's groups and villages are also principals as they are expecting services to be provided by contractors, village contact persons, women's groups, and individual women.

The various principal/agent relationships in the projects can be illustrated as follows. Take for example the relationships between the CPRF Head Office, the Provincial Coordinators and the project recipients. After a project is approved, contractors are hired to work out the costs of materials needed for the project. When the cost is finalised, the
project appraisal is sent to the head office where a procurement officer goes to the suppliers to obtain an invoice for the materials and gives it to the head office. The head office pays the suppliers and the materials are collected by the provincial coordinators and transported to the target community. This process reduces the chances of collusion and misuse of project funds. It also protects the provincial coordinators from allegations of misuse of project funds since the AusAID—CPRF head office is responsible for all project funds. These arrangements are put in place so that the AusAID—CPRF head office and the recipients can have confidence in the principal coordinators with respect to the distribution of the project funds. The CPRF head office and the provincial coordinators only provide materials for projects, not cash.

5:3 Case study one: Women’s income generating project

Communities are made up of villages. Villages are composed of approximately 5 to 15 families. Within the villages there are mainly four clans: (i) Lakuili; (ii) Kakau; (iii) Ghaubata; and (iv) Kidipale. Because marriages can only take place between individuals from different clans, it is inevitable that in each family unit there are, at least members of two clans. Clan membership is passed on through the matrilineal line (through the mother’s side). Each recipient community has its community leaders and clan heads. Community leaders refers to the individuals within a community who are normally elected or appointed by the villagers to head village organizations such as the village church committee, the youth group and the women’s group. On the other hand, a clan leader refers to those who earn their leadership title through their hardwork, recognition from members of their clan through the possession of wealth and oral history and
tradition, and or because of their seniority in relation to the whole clan in a particular area.

Before people lived in small villages and recognized one big man or taov\textsuperscript{21}. Today inter-village migration and inter-island marriages have created a new and complex social composition in communities, including recipients of the CPRF projects. In two income-generating projects, Vatulale Women's Poultry Project and Hamosa Women's Sewing Project, the women come from four different clans and 15 different family units. The ways in which leadership and social composition influence the performance of the two projects is discussed below. These two projects were chosen for study because people in the area had experienced overt violent conflict between militants groups, resulting in the displacement of people from their homes. Consequently, women and children suffered the most. CPRF provided sewing machines and rolls of cloth (fabric rolls) for the Hamosa Project. For the Vatulale Project, CPRF provided day-old chicks, nets, nails and feed for the chicks.

The goal of the two projects was to bring women together to work as a group on income generating projects in order to meet their needs.\textsuperscript{22} Funds raised were supposed to be used to help the women meet their needs and, when they do not have enough money to pay for a necessity, they could borrow from the funds. The activities that the projects promoted include: (i) raising chickens and sewing clothes for sale; (ii) skills development and empowerment; (iii) encouraging cooperation among the women; (iv) reconciliation and

\textsuperscript{21} Taovia – the word Taovia big-man or leader in Guadalcanal.

\textsuperscript{22} These income-generating projects are seen as being in the informal sector. The definition of the informal sector is a strongly contested notion. The informal sector in this paper refers to activities characterized by (i) irregular working hours, (ii) not registered, (iii) the skills used are acquired outside the formal system of education and training, (iv) small inventories, and (v) self-employment with little or no wage labour (see Reddy et al, 2003).
self-reliance, which is assumed to be facilitated through cooperation; and (v) group 
ownership. Sustaining the above activities can also be seen as an inducement for the 
promotion of social cohesion.

The women were expected to: (i) identify women in the community who would be 
responsible for teaching chicken raising and sewing skills; (ii) provide housing for the 
sewing and poultry activities; (iii) devote specified times to meet and work on the 
projects; (iv) provide local materials as well as labour; and (v) organize themselves by 
forming committees that take responsibility for management of the project by organizing 
meetings and planning for the sustainability of the projects.

The expectations of the two projects were driven by the overall goals of the fund as well 
as the criteria that have to be met before funds were released. The goals of the fund were 
formulated alone by the CPRF and imposed onto the recipients. Despite the fact that 
communities involve at the activity level, the overall scope and focus is based on the 
goals that were created by the CPRF Head Office in Honiara. According to CPRF 
Information Document (2003) the goals of the Fund were to: (i) help with both the social 
and physical rehabilitation needs of communities; (ii) promote peace and cooperation 
within and among groups; (iii) build community self-reliance; and, (iv) support 
community based initiatives that meet the reintegration, resettlement, and rehabilitation 
needs of affected communities in a manner that promotes self-reliance and peace.

Moreover, the CPRF Information Document (2003) states that communities must show 
their commitment by contributing to the activity. Their contributions should include: (i)
cash; (ii) transport; (iii) material; and (iv) labour. The communities were also required to show community members’ participation in design, implementation and maintenance of projects. The community must make use of local skills and resources wherever possible. It can be seen that considerable responsibilities are placed upon the recipients.

Table 5:1 shows that not all the women in the groups have been taking part in the CPRF project activities on a daily basis. 14 of the 18 women interviewed (78%) said that they prefer to concentrate on individual activities rather than on group projects. This is because they have large families, and need income to buy basic necessities such as soap, kerosene, clothes and school fees. It is not that they do not want to cooperate in the projects. They have to spend a lot of time on their own activities, which gives them little time to work on the CPRF projects. These factors contributed to the declining cooperation amongst the members of the women’s group and the eventual failure of the Sewing project.

In the poultry project (project one), not many women participate since not everyone was well informed about it. The provincial coordinator and the contact person in the village did not conduct awareness-raising sessions to inform people about the project. This is an “information asymmetry” problem (Ostrom, 1990). One of the respondents said: “mipala no helpim oketa bekosi oketa sei seleni oloketa givim fo proyect ia bae bae masi sensim baek ia” (“We do not want to be part of the project since we heard that the money given for the project have to be reimbursed”) (personal interview, January, 2004). This misinformation has adversely affected cooperation.
Table 5.1 Types of informal sector activities in the villages

<table>
<thead>
<tr>
<th>Type of activity</th>
<th>% taking part</th>
<th>Hours/week</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Group project 1</td>
<td>8.0</td>
<td>14</td>
</tr>
<tr>
<td>2. Group project 2</td>
<td>48.2</td>
<td>10</td>
</tr>
<tr>
<td>3. Marketing (selling agricultural produce)</td>
<td>80.0</td>
<td>35</td>
</tr>
<tr>
<td>4. Ring cake seller and others</td>
<td>62.0</td>
<td>30</td>
</tr>
</tbody>
</table>

Source: Data obtained from the primary survey of the CPRF project (January, 2004).

In the projects it is expected that the women will act collectively to achieve the benefits of restoration and rehabilitation of livelihoods. Promoting cooperation amongst the women participating in the projects is one of the main aims of the CPRF fund. This was not achieved because project work had stopped.

5:4 Case Study 2: Tamale Water Supply

The Tamale Community is a coastal village that consists of settlers from the island of Savo, located approximately 6 kilometers west across the ocean from the Northwestern tip of Guadalcanal Island. There has been intermarriage between people from the two islands. The researcher interviewed village-elders, women and children, and young men and women. The community has a total population of 50 persons. Their social structure is similar to Guadalcanal, a matrilineal society. The community has a village Big-man.

During the height of the crisis, Tamale village was a base for the former IFM militants. The villagers fled to the bush and built temporary homes. After the TPA was signed, the militants slowly returned to their homes. By then, the villagers’ social-cultural and economic livelihoods had been disturbed. Their homes were burnt, the water supply system destroyed, and generally, people lived in fear, frustration and uncertainty.
In 2002, one of the CPRF Provincial coordinators visited this community. After consultations with the community, a proposal was sent to the head office. The project was approved and materials were delivered directly to the community by the coordinator. The objective of the project was to construct a dam and connect water pipes to tap-stands in the village. The villagers were expected to do the following as part of their contribution towards the project: (i) women should cook food to feed the labourers; (ii) men should carry sand and gravel to the dam construction site, mix cement and dig underground pipe way; and, (iii) the community should assume responsibility for repairs to the water supply system when the need arose. The community paid SBD$450 as a sign of appreciation and as part of their contribution towards labour costs. CPRF also paid SBD$450 to the plumber. Besides that, the CPRF provided all the materials such as pipes, cement, nets, and fittings needed to complete the project.

The results of the survey highlighted the incentive structures facing this community by drawing upon their social capital and various institutional arrangements formulated by the community, together with those arrangements put in place by the CPRF.

Table 5:2 Social Capital

<table>
<thead>
<tr>
<th>Variables</th>
<th>Observations / results</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Structural dimensions</td>
<td>Villagers belong to: (i) one religious group, (ii) one cultural group, (iii) some members of the village are part of the nearby school committee and church committee, and (iv) decisions in the village are reached by consensus in open public village discussions.</td>
</tr>
</tbody>
</table>
1.1 Previous collective actions

(i) Work together with other villages to address common issues. (ii) Very good turn out of villagers to work on the project.

2. Cognitive dimensions

Cooperation is based on (i) whether or not individual and collective benefits and needs are met; and (ii) on cultural values and beliefs.

Source: Primary data obtained from the survey of CPRF, (January 2004)

Drawing on their previous cooperative behaviour, for example, working together during church or school activities with nearby villages (see Table 5.2), members of the community participated cooperatively in the project. The Provincial Coordinator for this area confirmed that due to community commitment, cooperation and support, the project was completed as planned and handed over to the community (Personal interview, 2004). The way in which the villagers responded to the project from start to finish also showed the quality of internal organization in the village.

In the community, people were motivated to participate if they perceived the outcome as being beneficial. The villagers indicated during the interviews that water was one of their greatest needs. The completion of the project was possible due to cooperation based on their desire to have it completed since it benefited them individually and collectively (see table 5.2 and 5.3). This shows the importance of attitudes, norms and beliefs that the villagers brought with them to the project. Krishna and Shrader (2002) refer to norms, attitudes and beliefs as the cognitive elements of social capital. While there are rules (see Table 5.3) and structural elements of this community’s social capital (see Table 5.2) that guide and facilitate how villagers should participate in the project, it is the values and beliefs towards the project that motivate them into collective action.
Table 5:3 Institutional Arrangements

<table>
<thead>
<tr>
<th>Variable</th>
<th>Observations / results</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Operational rules designed by villagers</td>
<td>(i) Participate in project work, (ii) form committees, plan fundraising to meet repair needs.</td>
</tr>
<tr>
<td>2. Monitoring and sanctions</td>
<td>None</td>
</tr>
<tr>
<td>3. Formal rules as part of the project</td>
<td>(i) Project must be community based; (ii) only women's groups receive income from project; (iii) cannot fund compensation; (iv) cannot fund church outreach; (v) cannot fund overseas advisors, studies and tours; (vi) must use local skills and resources without damaging environment; (vii) involve community contribution and participation.</td>
</tr>
<tr>
<td>4. Who participated in project design</td>
<td>Village leaders and a civil engineer</td>
</tr>
<tr>
<td>5. Individual and collective benefits</td>
<td>(i) Water is available and accessible to everyone, (ii) families spend less time on fetching water, (iii) more time for individual households to do other things, (iv) water previously fetched from well is now available from tap.</td>
</tr>
<tr>
<td>6. Sustainability</td>
<td>Village committee</td>
</tr>
<tr>
<td>7. Linkages (village, provincial gov't &amp; donor)</td>
<td>None (bypassed) due to fear of mismanagement &amp; lack of capacity.</td>
</tr>
</tbody>
</table>

Source: Primary data obtained from the survey of CPRF Projects (January, 2004).

Since the project addressed one of their greatest needs, the villagers indicated during the survey that a committee (see Table 5:3) would be set up to organize fundraising activities towards any repairs and maintenance needs. This ensured that the benefits of having a working water supply system were sustained.
A local civil engineer worked closely with the community and the CPRF. He provided technical support for the design of the water supply project. This demonstrates the way in which establishing effective linkages between government technical staff such as the civil engineer (from the Rural Water Supply and Sanitation, RWSS), a plumber (hired contractor), the CPRF and the community can lead to successful outcomes.

However, the linkage was mainly in the form of technical assistance, which could have been hired from anywhere. The project did not link into the planning systems of the village and community. The province distanced itself from the good name of the CPRF and the village ‘ownership’. Thus there is an unequal perception in terms of ownership and planning. By-passing a provincial authority with limited finances can cause provincial governments to depend on aid donors to finance projects every now and then. It creates dependency since provincial authorities might think that donors will fund projects when needs arise. At the same time it creates a disincentive for provincial authorities to provide and maintain such services in partnership with the villagers because they were not part of it in the first place.

If CPRF had used the CDR approach, it could have used the participatory and planning process with the villagers, identifying priority needs, both humanitarian and developmental. As stated by one village leader, “distaem mifala garem wata nao. Mifala nedim project, fitim mifala fo iusim wata lo hem, olsem, poultry or piggery” ("now that we have our water needs met, we need to be assisted in projects such as poultry or piggery which by their nature uses water") (Personal Interview, 2004). That would help
them earn income to meet basic needs. For that reason, it is important that restoration of basic services is accompanied by aid activities that help villagers earn income.

5:5 Case Study 3: Tamalupo kindergarten
Tamalupo Kindergarten is located just outside the capital, Honiara. Before the crisis started, both the indigenous people of Guadalcanal and settlers from other provinces occupied the surrounding area. There was a lot of inter-marriage over the years. As such the population of this area is ethnically mixed with different cultures interacting and working together. The school provided education for many indigenous and immigrant pupils.

Unfortunately, during the height of the Solomon Islands crisis, one of the most brutal killings took place near this school. It was in this area that an unarmed IFM militant was brutally murdered by MEF militants shortly after burning the Tamalupo Kindergarten (see Guns and Money Documentary, 2002). The MEF militants burnt the Tamalupo Kindergarten as an act of retribution for the way in which rival Guadalcanal militants forced thousands of Malaitans from Guadalcanal. Villagers in this community fled to the bush for safety. After the TPA was signed and confrontations between militants stopped, people slowly moved back into their villages. CPRF funded a replacement of the Tamalupo classrooms that was burnt down. The villagers welcomed this project. They appreciated that somebody still had concern for their children’s educational needs.

The CPRF provided building materials that were difficult for the villagers to buy such as roofing iron, cement and nails. The CPRF also provided chain saws to cut trees and process them into the required sizes of timber. CPRF also hired building contractors who
were assisted by the communities to construct the classrooms. The villagers provided trees for timber. Members of the community carried gravel and sand. The community is expected to conduct fundraising activities to pay the wages of untrained teachers who are willing to assist the few qualified teachers. The objective of the project was to build a completed classroom. This was clearly achieved.

Table 5:4 Social Capital

<table>
<thead>
<tr>
<th>Variables</th>
<th>Observations</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Structural elements</td>
<td>(i) People related culturally and by blood ties; (ii) similar or same religion.</td>
</tr>
<tr>
<td>2. Previous collective actions</td>
<td>Worked together in previous school</td>
</tr>
<tr>
<td>3. Cognitive dimensions</td>
<td>Values (they believe that educating their children is an investment for their future, caring, sharing, cooperation), beliefs (believe in better future through education), attitudes (people are motivated to participate because they know that they will directly or indirectly benefit from the project), experiences (witnessed destruction of personal and public properties, loss of close and distant relatives and friends, and hardships felt as a result of the crisis).</td>
</tr>
</tbody>
</table>

Source: Data obtained from primary survey of CPRF projects 2004.

A number of key issues regarding the kinds of incentives and the ability of this project to create space for social interaction emerged. First, based on their experience of working collectively on the previous school, the villagers were able to work together collectively on the project until its completion. The villagers were also motivated to work on the project since CPRF provided chain saws for sawing timber and paid building contractors to assist them construct the building. Unlike other projects where the villagers were left to do it alone, this project was planned and implemented in partnership with the
recipients. The recipients not only participated as labourers according to instructions given by the funding agencies, they also gave their support for the project. It involved a lot of community effort and contributions.

Second, primary education is regarded as one the most important needs of this community (see Table 5.5). The villagers saw it as appropriate to participate since individual families benefit from the school. For instance, immediately after the crisis, pupils who used to attend this school went to Tanaghai Primary School, which is quite far for small children. The school was crowded due to the destruction of Tamalupo School and the displacement of students from other parts of the country. The completion of this school enabled early childhood education to be carried out. The school fees for this school are also cheaper and more affordable for parents in this community. In post-conflict communities such as this, it takes time for people to reconstruct their livelihoods. The school is a sign of unity. It brings children and their parents together.

Third, the operational rules designed by the community are fitting for their situation (see Table 5:5). For example, during some of the working days set aside for work on the school, some individuals might not turn up. This was because they had to do other things such as working in their gardens, or on coconut or cocoa plantations. Their absence meant that they would have to give cash contributions. The recipient community accepted these arrangements. Members of the school committee were selected from different villages that made up the community.
Fourth, timely completion of the project was due to the project being compatible with the educational needs of the villagers. Moreover, cooperation and participation is influenced by the structural and cognitive elements of the community’s social capital. While the structural elements of this community’s social capital (see Table 5:4) facilitates people’s participation, their beliefs, attitudes, experiences and values (see Table 5:4) motivated them to participate collectively until the project was successfully completed. Parents placed a value on this project because they believed that their participation in the construction of the classrooms would result in their children becoming educated. For them, their children’s education is like an investment for themselves and their children’s future. This is an example of a value that motivated those that have participated in this project (see Table 5:4 for examples)

Fifth, the recipient community “owned” the project since they participated in its planning and implementation. Subsequently, a school committee was reestablished. One of its functions is to organize fundraising activities. Funds raised will be used to maintain the classrooms and to pay the wages of untrained teachers.

Table 5:5 Institutional arrangements

<table>
<thead>
<tr>
<th>Variables</th>
<th>Observations / results</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Operational rules designed by the villagers</td>
<td>(i) All community members must participate in fundraising; (ii) must work on school on selected days (iii) those who do not take part for other reasons should give support in terms of cash.</td>
</tr>
<tr>
<td>2. Monitoring and sanction</td>
<td>None</td>
</tr>
<tr>
<td>3. Formal rules as part of the project</td>
<td>Same as fig 5:3</td>
</tr>
<tr>
<td>4. Who participated in the project</td>
<td>MP, provincial coordinators and community.</td>
</tr>
<tr>
<td>5. Individual and collective benefits</td>
<td>Education and health services for all</td>
</tr>
</tbody>
</table>

Source: Data obtained from primary survey of CPRF projects
5:6 Kakabona Clinic

This is a newly-built clinic. Everybody (15 people) interviewed was happy with the completion and operation of the clinic. There are immediate and long-term collective benefits. From the data gathered, a number of observations were drawn. First, as it was in the case of other activities that quickly produced collective benefits by addressing the immediate needs of the villagers, the clinic has a good chance of being successful. Since it began operations, people in this area no longer have to travel to Honiara for health services. Previously, this community depended on health services from the Guadalcanal provincial clinic in Honiara, which was destroyed during the height of the crisis.

Second, the construction of this clinic brought people together. It is a tangible activity that comes direct to the people at the village level. People’s health determines their participation in all forms of activity, whether it is for an individual or the community. A healthy community creates an active population that can participate in household, agricultural and income generating activities. Moreover, in places like the Solomon Islands where the incidence of malaria is high, access to health centers is very important for treatment of this deadly disease.

Third, the community’s social capital facilitated collective action (see table 5.4). Based on their calculations of benefits, costs and needs, there were positive responses from the villagers. This was very important for the timely completion of construction work. Moreover, the building was welcomed by many people, in particular, landowners who freed up their land for the construction. This was part of their contribution towards the project. It also demonstrates landowner support for the clinic. Furthermore, the community provided manpower and timber while the CPRF provided other building
materials and hired contractors to construct the building. The provision of materials and
builders to the community was an added incentive, which motivated the villagers to respond collectively.

Fourth, like other services projects, the clinic is compatible with community and individual needs. Moreover, the villagers indicated during the survey that they will take care of the property since it is a life saving centre for villagers. A village leader indicated that in the future, with increasing population, space for extensions is available.

Fifth, participation in the construction of the clinic was excellent. It was also noted that the project has helped to maintain peace in the surrounding villages. During the construction of the building and when people came for treatment they usually met up with others. In this way the clinic helped to bring people together. Moreover, as in the case of the other two projects, after the TPA was signed and the projects were completed there was no overt violence in this community. In all of the CPRF services projects observed, changes brought about by the projects appear to have affected the way ex-militants behave, as they have respected the buildings and services they provide.

5:7 Conclusions

The above account indicates that project recipients participate better in social service projects than in income generating projects. It highlights factors that influence people’s participation in services projects. It shows the value people have towards their health, their children’s education, and their need for a clean and working water supply system. Determinants of successful services projects include: complementary functions of social capital, the availability of physical and human capital, and funded activities in villages.
But the availability of services alone is insufficient to promote post conflict development in villages. Basic services are seen as a foundation for development in villages. After services were delivered, people’s needs and expectations also changed. This leads us to the question of whether or not the CPRF’s projects effectively promote post-conflict development at the village level.
6:0 CHAPTER SIX

6:1 THE EFFECTIVENESS OF AID FOR THE DEVELOPMENT OF POST CONFLICT VILLAGES IN THE SOLOMON ISLANDS

6:1:1 Introduction

Fundamental needs in the Solomon Islands, as in other post-conflict societies, are to alleviate human suffering, guarantee a safe and stable political and socio-economic environment, create employment opportunities, restore basic services, reconstruct physical infrastructure and social relations, reintegrate former militants back in civilian livelihoods, and jumpstart the national economy. The role of aid in such situations is challenging. Different aid donors use different aid modalities and approaches for delivering their assistance. Whether one approach is more successful than others remains to be established. This chapter assesses whether or not aid effectively promotes post-conflict development at the village level in the Northwestern Region of Guadalcanal province.

6:2 Analysis of CPRF's project

6:2:1 Income generating projects

In income generating projects, despite the fact that people are able to work together in other activities involving collective benefits or demanding communal responsibilities, the results of the survey point to a number of problems with respect to the incentives facing women in the groups (see Table 6:1). First, since about 98 per cent of the women did not have sufficient capital to start projects like raising poultry or sewing clothes, the skills they gained in the projects could not be utilised. CPRF, the national government, and
financial organizations do not lend funds that would allow women as groups, or as individuals, to start separate projects. Thus, they would rather work in their gardens and sell produce from their gardens instead of cooperating in the project. Women spent a lot of time during the week on activities other than the project (see Table 5:1). There were deficiencies in the needs assessment and project design since the activities funded were inconsistent with the needs of the women in the villages.

Second, Table 6:1 shows that in neither project are operational rules working. One of the reasons is that there are only four Provincials Coordinators to deal with 144 projects on Guadalcanal. As a result, they have little time to visit projects, carry out evaluations, and suggest ways for improving project performance. It follows from the limited involvement of the Provincial Coordinators that monitoring and sanctions are not in place. Even if they were, the women's groups would not want to impose sanctions on others, since doing so might create divisions and conflicts between them.

Third, while the communal value of sharing and caring is important, some people within the community see the poultry project as a community project. Since it is a community project, they feel that they should not have to pay for the chicken they get from the poultry farms. As stated by Sutherland et al (2005) community means ‘us’ and ‘our needs’ in three PICs, including the Solomon Islands. Further, some respondents claim that since the project is funded by aid (“free money”), they should not have to pay for the chicken. In addition, ‘kaon’, i.e., getting goods and promising to pay for them later, affected chicken raising in particular. One respondent said: ‘sampala talem bae peim nekst wiki bata go go nomoa nao’, (“some get the chicken and promise they will pay next
week but after many months, they never turn up to pay”). These kinds of attitudes discouraged the women’s groups. Poor project design, in that the cultural norms of sharing and the practice of ‘kaon’ (credit) were not taken into account, adversely affected the performance of the projects.

Fourth, records show that previous income-generating projects in the communities have also failed. Factors contributing to their failure included: (i) conflicts between community members in relation to handling of finances; (ii) poor management and business knowledge; and (iii) lack of wide consultation, leading to lack of cooperation. In addition, business activities for profit generation and savings accumulation are in conflict with the culture of sharing and caring between individuals and groups. Thus, group projects should be established only for the provision of public services such as schools and clinics. Income generating projects should be given to individual women. But whether or not individual women will succeed is a subject for further research. Despite these constraints, the possibility of awareness raising about the importance of village-based income generating activities and the feasibility of establishing micro-finance schemes should be explored.

In the sewing project, the women had stopped working together on the project for the previous ten months. The project began in the March 2003, continued for three months but then stopped. The stoppage was due to conflicts between the women over issues such as finances and also because one of the women leaders of the project sold some of the clothes without informing the other members of the group about the revenue from that sale. Further, the sewing machines had been placed in one member’s home. Consistent
with their culture, other members do not feel free to come and go as they wish. The project designers did not account for this cultural factor in the design of the project. In addition, the women were unable to build a separate house for this project.

Fifth, there is a general misconception about the communal nature of wealth accumulation, which is what income-generating projects are about. The conventional view is that Melanesian societies do everything - including wealth accumulation - communally. That is a misconception. Whilst certain things are done communally, there are other things that are done individually, or within family groups. One such activity that is often done individually, or is family-based or clan-based, is wealth accumulation. An income generating project brings with it notions of competition for wealth, or tamani, which is inherently an individual engagement. For instance, when individuals work for a taovia, (big man) it is not because they love him or that they are forced to obey. Rather, it is because individuals can seek help from a taovia in the future, or because the individuals receive immediate gain in the form of food or a pig. Further, a taovia can help individuals (young men in particular) to pay the bride price when they need it. The women who were involved in the income generating project were leaders in their own right. However, they do not carry the same authority and respect as their male taovia counterparts. They cannot accumulate and distribute wealth in the broad way that the Big-man (taovia) can. Thus there is no motivation for cooperation in wealth accumulation because none will be used by another for individual gain. It follows that the incomes raised were insufficient to be redistributed amongst large groups of women and their families. In the case of taovia, there was an incentive to obey and cooperate since
individuals knew their labour was an investment for a future gain. This is one way of building social capital between the taovia and members of the community.

Sixth, the women’s groups did not set criteria to specify those situations in which a woman should be eligible to receive funds without requiring repayment, and under what conditions funds should be lent and repaid. Furthermore, it was not clear who should make these decisions. The absence of rules that clearly specified who would make these decisions and what sanctions would be applied if the loans were not repaid has created confusion and conflict over the funds and discouraged cooperation. All of the above resulted in limited or misdirected motivation on the part of the women.

Seventh, since the project designers and Provincial Coordinators have not had much time to focus on individual projects and give appropriate assistance, project recipients have changed the nature of the business activities. For example, in the poultry project, the women heading the project indicated that they thought of leaving poultry and moving to a village trade store, or piggery. Conflicts of interest between individuals in the groups have also led to changes in focus and types of project. Moreover, it was argued that their most important needs were not those funded. Provision of social services such as health clinics, improved transportation to sell produce at the main market in Honiara, and provision of information on how to improve subsistence food productivity to sustain family needs and generate surpluses for sale are seen as having higher priority.

Finally, the projects were imposed in a top-down manner. The women were not involved at all stages in the selection of appropriate projects. The consultations that were carried
out in the villages were insufficient. Consultations were carried out primarily to make the women aware of a fund that already had predetermined targets. Selection of the projects was also made according to the criteria and rules of the Fund (see Table 6:1 below). Thus, the women did not have any decision-making space that would have allowed them to decide either collectively or individually on appropriate projects.

Table 6:1 Institutional arrangements

<table>
<thead>
<tr>
<th>Variable</th>
<th>Observation /results.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Project 1</td>
</tr>
<tr>
<td>1. Operational rules designed by women</td>
<td>None</td>
</tr>
<tr>
<td>2. Monitoring and sanctions by CPRF &amp; group</td>
<td>None</td>
</tr>
<tr>
<td>3. Formal rules of the project (criteria)</td>
<td>(i) Project must be community based, (ii) only women’s groups receive income from project, (iii) cannot fund compensation, (iv) cannot fund church outreach, (v) cannot fund overseas advisors, studies and tours, (vi) must use local skills and resources without damaging environment, (vii) involve community contribution and participation.</td>
</tr>
<tr>
<td>4. Cultural rules</td>
<td>(i) Maintain domestic roles of feeding, nursing, caring and waiting on others, (ii) male dominant, (iii) caring and sharing, (iv) consensus</td>
</tr>
<tr>
<td>5. Who participates in project design</td>
<td>Women’s groups</td>
</tr>
<tr>
<td>6. Collective benefits</td>
<td>Poultry skills, Income, Sewing skills.</td>
</tr>
</tbody>
</table>

Source: Primary data obtained from the survey of the CPRF Projects (January, 2004).

All of these interlinking factors provided conditions for an incentive-incompatible environment. Thus the income generating projects have not been effective. In particular,
the projects have not promoted good working relationships, trust, and minimised conflicts in relation to income generation. While they brought the women together at the first meeting, as time went by the number of women attending the meetings decreased. This has affected the ability of the projects to facilitate increased social interaction. Frequent interaction is important for strengthening horizontal social capital, an important ingredient for improving social cohesion in post-conflict villages.

Necessary modes of transparency and accountability were not built into the community projects. There are no records kept of the funds collected from the sale of chickens and clothes, perhaps the result of a breakdown in the relationship between the Village Coordinators and the women’s groups. This lack of transparency and accountability affected cooperation and became a disincentive for the women to participate in the projects. An important source of information in the villages—rumors or ‘coconut wireless’—has it that some of the funds were misused by a few of the members. One of the women respondents said: “mipala no save tu lo seleni ia” (“we do not know about the money”).

6:2:2 Institutional barriers at provincial and national level

There are clearly institutional barriers at provincial and national levels that inhibit women’s involvement in income-generating activities. First, the national Ministry of Youth, Women, Sports, and Recreation acknowledges that there are inadequate credit facilities such as micro-finance or loan schemes for women as groups or as individuals. Second, there are insufficient or inadequately trained professional, technical and managerial human resources within the Women and Development Division (WDD) and the Solomon Islands National Council of Women (SINCW). These are national women’s
organisations that aim to promote and support the welfare of women. The WDD’s role is to train women in domestic skills such as home economics, health and childcare, use of appropriate technologies and income generating activities (WDD, 1999). Unfortunately, over time the Division has been moved back and forth within the government ministries. Initially, it was transferred from the Ministry of Health and Medical Services to the Ministry of Social Development, then to the Ministry of Education and Training, and finally to the Ministry of Home Affairs, Youth, Women and Sport. This lack of stability has made implementation of programs affecting women in the Solomon Islands extremely difficult and inconsistent. It has also made it difficult for the WDD to link effectively with projects such as the CPRF and others that focus on women in the rural areas.

Moreover, as in other post-conflict societies, the institutional and organizational barriers highlighted above are part of the nature of post-conflict Solomon Islands society that was discussed in Chapter 3.

6:2:3 Experiences of Project Contractors

It is important for AusAID to select contracting agencies that have sufficient knowledge and experience about the Solomon Islands, especially its diverse socio-cultural structures, their characteristics, and the way they influence community projects and people’s livelihoods. CPRF was implemented by ANUTECH Pty Ltd on behalf of AusAID. Community participation in income generating projects is not a new issue in the Solomon Islands. Thus delivery of income generating projects needs people who are informed on the socio-cultural considerations, the way livelihoods of people affect the projects, and
how the conflict had affected the way people respond to the projects. These are some of
the key factors that have to be considered for projects that operate in villages emerging
from violent and disruptive conflicts. Therefore, foreign aid delivered in the form of
income generating projects by the CPRF were not effective in promoting post-conflict
development at the village level.

6:3 Service projects:

6:3:1 Tamale Water Supply; Tamalupo Kindergarten; Kakabona Clinic

These projects revealed differences between income generating projects and social
services projects. Again it is important to note that not everything is done communally.
First, cooperation in the services projects is influenced by the nature of taovia or
leadership and the perceived individual gains expected from a taovia. In the case of the
social service projects, individual expectations from a taovia (if they work for the taovia)
is outweighed by the expected benefits individuals will reap from the availability of
public services such as clinic, school and water supply. Thus they cooperated very well in
the services projects.

Second, everyone interviewed was happy since it directly addressed their needs. Costs of
the projects were shared between the communities and CPRF. CPRF was very supportive
and appreciated the needs of the communities. Thus, it provided items that the villagers
could not afford. In all the projects, CPRF bypassed the provincial and national
governments since AusAID and the people did not trust these institutions. However, the
projects were left for national and provincial authorities to maintain in the future. The
problem now is not that they were not initially involved. The problem is that in
Guadalcanal society communal interaction is important. Leaders must be informed about all that is going on in their communities, regardless of whether they can or cannot help to finance the projects. Informing them symbolizes respect, trust and responsibility to maintain the projects. In spite of these shortfalls, the services projects have been mostly effective in restoring basic health, education and water supply services in the post-conflict villages in the Northwestern region Guadalcanal province.

Third, success was due to an understanding with government departments such as the Ministry of Works, where local experts and knowledge were involved in the construction of water supply systems and building. They provided correct and timely advice. Fourth, the design of service projects provided appropriate incentives for the participants to be included in the project. Unlike the income generating projects where the Women and Development Division could not assist the women’s groups, the services projects were partly supported by some central government departments. Despite problems of sustainability identified in chapters 5 and 6, the services projects are effective in supporting the national and provincial authorities in delivering basic services.

6:4 Conclusions

The above discussion examined whether aid delivered by the CPRF in the form of projects effectively promotes post-conflict development in the villages in the Northwestern Region of Guadalcanal province in the Solomon Islands. Aid projects that focused on income generation were ineffective. The pressures on the women to provide for the immediate needs of their families seem incompatible with cooperative activities in the income generating projects. The information gathered during the survey pointed to
priority needs in the form of health clinics, improved access to markets for agricultural
surplus, and information about ways to improve agricultural productivity. Income
generating activities at the local level are an essential part of post-conflict development in
the Solomon Islands. But how aid donors channel their assistance to support women in
this sector remains a challenge and needs further research.

Further, the Women and Development Division (WDD) has been disrupted by its
frequent movement between ministries. It lacks resources to support women's groups.
Enhancing the capacity of the WDD division is important for establishing an effective
link to grassroots initiatives like the CPRF. All of the above factors are disincentives for
good performance in the two projects studied. The findings showed that the two projects
have not contributed towards the restoration of the women's livelihoods. In fact, they
have created some disagreements, are inconsistent with women's needs, and are not
compatible with the resources available to the women. Ultimately, it has proven difficult
to forge cooperation between the members. The projects do not ensure that villagers earn
income to help them pay for basic goods and services (transport, imported food stuff and
clothes). Socio-cultural issues were not accounted for in the income generating projects.
The funds are criteria-driven rather than being open to fund economically viable income
generating projects at the village level. People do not participate in the selection of
projects. On the other hand, the aid projects that focused on the delivery of basic services
were mostly effective as it meets their needs. Services projects received some support
from central government departments. They are consistent with the needs of the villagers,
and the project design provides appropriate incentives for recipients to participate in the
projects. Local resources and knowledge were also included in the projects. But there are
no clear arrangements about how the services will be sustained. There are no arrangements for the CPRF to slowly build the human resources of provincial authorities so that they can be accountable for project funds in the future. There are also no clear arrangements about how provinces will be able to source funding and maintain the level of accountability similar to CPRF as discussed in chapter 4 and 5.

While the services projects were partly effective in restoring service delivery in the villages, post-conflict development is more than the availability of services. It involves mending of social relationships, the resolution of incompatible goals that initially led to conflicts and addressing the consequences of the violent conflicts by rebuilding of people's livelihoods. CPRF's income generating projects were unable to support the recipients in resolving conflicts and rebuilding their socio-economic livelihoods due to the factors explained in chapter 5 and 6. Therefore, the aid projects were not effective in promoting post-conflict development in the respective rural Solomon Islands communities.
7:0 CHAPTER SEVEN

7:1 Lessons and suggestions for aid delivery

7:1:1 Introduction

The role of aid in post-conflict societies is complex. Each post-conflict situation is unique. The second grand question of this study is: how can aid contribute effectively to the development of post-conflict villages in the Solomon Islands? To explore options that could contribute to ongoing discussions and debates on the above question, it is important that lessons from the Solomon Islands' experience are outlined. First, this chapter outlines the lessons learnt from the experience of aid delivery in the Solomon Islands. Second, it discusses what needs to be done to improve aid delivery for the purpose of post-conflict development in Solomon Islands.

7:2 Lessons on aid delivery from the Solomon Islands' experience

(i) There is a need to balance the availability of basic services and assistance given to villagers to earn incomes. Sustenance of services partly depends on the incomes that villagers earn. For instance, once a school is built, parents need income to pay for school fees to supplement the costs of running the school. They need income to buy basics needs (clothes, kerosene, and soap) and services (transport—ship/boat and vehicle transport).

(ii) The accountability arrangements established between CPRF head office, Provincial Coordinators, suppliers of materials and contractors discussed in chapter 5 should also be brought down to the village level, particularly in the way finance is administered in the income generating projects.
(iii) Projects are successful if the institutional arrangements are incentive compatible.

(iv) Income generating projects cannot succeed unless constant supervision and support is given to the recipients. In addition, income generating projects failed when they were given to groups of individuals as in the case of the women.

(v) Projects that produce quick results give hope to people who desperately need services, especially in communities that have never received such assistance from national and provincial governments.

(vi) Without proper needs assessment and involvement of people in the selection of appropriate and viable projects, aid projects are likely to fail.

(vii) Communalism does not mean everything is done communally in the villages. Income generation and accumulation are usually individual activities. In addition, funds and materials should not be delivered in isolation to communities, but contractors must be hired by aid agencies and recipient communities to construct or implement a particular project in partnership with the recipient communities. Do not provide materials and expect people to build. They might sell the materials if they cannot build the classrooms and clinics themselves.

(viii) In culturally diverse societies like the Solomon Islands, project design and institutional arrangement have to be based on the context in which projects are to be implemented. Certain arrangements that work well in one province may not work in another province.
Civic education and awareness programs that clearly outline the costs, benefits and expectations of community projects are important for clarifying doubts and confusions – factors that hinder cooperation in projects.

Distributional effectiveness is important. CPRF spreads its projects across all the provinces in the Solomon Islands. It does not restrict itself to badly affected provinces such as Guadalcanal and Malaita but provides assistance to all provinces.

Arrangements for project administration and implementation must avoid Principal/Agent problems. Reward and sanctions must be strictly enforced.

Social capital plays an important role in the development of post-conflict societies, as discussed in chapters 5 and 6.

7:3 Future Prospects for Community-based Aid Projects in the Solomon Islands

Australia’s Foreign Minister, Alexander Downer, once stated that: “Aid is not a panacea: a [genuine] commitment and [participation] by all parties is central to successful outcomes” (Downer, 2002:1). The Solomon Islands will continue to need aid. At the same time there is a general view amongst some politicians and senior government officials that the voice and views of SIG needs to be considered in relation to the aid it receives. But, there is no clear indication of how the Solomon Islands Government is going to make its voice heard. It was recommended by the Pacific Islands Forum Eminent Person Group’s Report (2005) that the donor coordination role of the Ministry of Finance and the Department of National Planning and Aid Coordination needs to be strengthened. There is a need to increase the number of people with relevant knowledge and experience to work in these government departments.
The business of aid is complex. Donors have a lot of control over how aid is delivered compared to recipients. For aid to contribute effectively in promoting post-conflict development at the village level, a solution has to be found within the Solomon Islands. Based on the outcome of this study the following suggestions can help to improve the effectiveness of aid in facilitating post-conflict development in the village level.

First, an effective evaluation mechanism for use by donors and government departments is needed. Donors have to network more closely with communities and the Department of National Planning and Coordination. They have to look for resources, or educated people who are part of the communities. By empowering people such as teachers or church workers with monitoring and evaluation skills and methods, evaluation can be done at the village level by skilled community members rather than waiting for consultants or provincial coordinators. Consultants can only cross check and review the reports. This suggestion uses the local governance structures that exist in the community.

Second, money by its nature is fungible. An accountability system that ensures records are kept and checked is necessary for the survival of income-generating projects. Establishing an accountability system that demands regular checks by funding agencies or the Ministry of Finance of the financial records is important. Moreover, rewards and sanctions ought to be strictly enforced but through appropriate means - those that do not create conflicts. The forms of rewards and sanctions should be jointly formulated and designed by the aid donors, Ministry of Finance and the recipient communities during the project initiation stage of the project development process. For example, additional
funding should be given as an incentive to those who manage to run a successful income generating project. On the other hand, projects that failed to perform should not receive additional funding and technical support from aid donors and the national government. Educating the masses about aid activities, how business works and its principles is important. Remember that business is a separate entity from its owner. It has to raise revenue to keep running. Project recipients should be trained in basic business principles and management skills. It is important that villagers are taught how to save and use their money wisely. The attitude of 'kaon' (getting goods on credit) should be discouraged. This is because of the uncertainties with repayment.

Third, innovative and creative aid delivery methods have to be found. Project support has failed to promote post-conflict development in the Solomon Islands. Thus an approach to aid delivery that ensures aid efforts have positive impacts on the lives of a majority of the people in the remote villages and communities across the Solomon Islands should be found. After reviewing some of the approaches to aid delivery, this study suggests that a combination of approaches and frameworks is needed in post-conflict societies. This is because they will be able to complement each other and at the same time reflect the nature of post-conflict development. For village-based aid projects, this study proposes that a combination of the following frameworks should be used as basis for data collection, design, delivery and assessment of aid activities: (i) the New Institutional Economics approach; (ii) the social capital framework; (iii) the community driven reconstruction / development approach; and (iv) the conflict analysis framework. As stated in Chapters 1 and 2 these frameworks are powerful analytical tools, which can be used to effectively deliver aid in post-conflict villages in the Solomon Islands.
Fourth, a multi-sourced community trust fund for post-conflict community development should be created. Currently, community development projects are either funded directly by bilateral donors, multilateral donors, or bilateral donors and channeled through individual parliamentarians. Direct donor funding to communities are often donor driven and unsustainable as in the case of CPRF, SICOPSA, and PDF. On the other hand, funds channeled through the government such as the ROC-Taiwan Grassroots fund, the Rural Constituency Development Fund (RCDF) are used solely for consumption rather than investment projects. There are widespread allegations that sitting MPs used the funds to buy votes or diverted them to benefit immediate family members and cronies (see Bennett, 2002; Moore, 2004). Apart from these allegations, the pressure on parliamentarians to financially assist communities with important consumption needs (school fees, death and funeral expenses, etc) should not be underestimated. Therefore, establishing a trust fund with clear guidelines for consumption and investment should be explored. For example, only a small percentage should be used to fund important consumption needs, while large amounts should be invested in economically viable income generating activities.

Aid donors and the national government should jointly manage the community trust fund. It should address community needs based on proper needs assessments and sufficient village / community inputs. Aid donors, in consultation with communities and the national government, should jointly formulate the criteria for this fund. In addition, there is a need for deepened coordination between aid donors regarding their aid activities. Solomon Islands government should lead the way towards the formulation of a post-conflict reconstruction and development framework. This framework should coordinate
the planning, funding, management and implementation of all aid activities. This framework should be expected to respond to the reconstruction and development needs and achievable aspirations of Solomon Islands in different sectors.

Fifth, for aid to have a meaningful impact on the lives of those it is meant to target, reform and creativity must be the guiding principles of all stakeholder involved in post-conflict reconstruction and development efforts. If conventional aid delivery methods are not working, an alternative must be found. If a development model is not working, look for options that take into account the nature of post-conflict development.

Village based, post-conflict development was not fully promoted in the Solomon Islands. This was partly due to the inadequacy of current aid delivery methods and models. Therefore, if aid is going to promote a secure and sustainable post-conflict development at the village level in the Solomon Islands, research and innovation for effective aid delivery methods should be an ongoing mission for all stakeholders in the aid industry.
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APPENDICES

APPENDIX 1 Interview Questionnaire for Community – Project recipients

Aid project Effectiveness, Sustainability, and Post-conflict Development

Part one: Personal information

Home: 
Village: ___________ Position in community: __________________
Ward: ___________ Number of peoples / household served by the project: ___
When did project start: ________

Part two:
Project effectiveness

1. Are you happy with the project?
   Yes ( ) No ( )

2. Explain why you say yes or no to the above question.

3. What benefits do you expect to gain from the project?

4. What kind of support are you giving to the project?

5. Are collective benefits expected from the project?
   Yes ( ) No ( )

6. Explain your answer (why yes or no) to the above question.
   Collective benefits __________________
   Individual benefits __________________

7. What are some of the changes that you have see in the villages since the project was implemented?

8. Do you think the project is solving the problem it intends to address?
   Yes ( ) No ( )

9. Please explain why you say yes or not to the above question.
10. Did any of you or others in the village participated in the formulation and design of the project?

Yes ( ) No ( )

11. If yes, please state which person in the community or village participated in the design of the project?

12. If no then who were you told was responsible for the design of project?

13. Should other people have participated in the design of the project?

14. Who and why?

15. Are there rules that tell people how they should participate in the projects?
   Yes ( ) No ( )

16. If your answer to the above question is yes, please identify the kinds of rules that are there.

17. Do you have to keep records of how the projects items and good and services produced are used?

18. How does the community perceive the project?

19. What are the rules between the village/community, the CPRF and the Provincial Government for the project?

20. Do you think the project should be organized in a different way?

   Yes No

21. Explain how you think the project will be organized differently if your answer to the previous question is yes?

**Sustainability**

22. Who will be responsible to maintain the project in the future if it needs repair in the future to sustain the project’s benefits?

23. Are village committees going to be accountable for the funds collected through income generating projects to maintain project activities after the lifespan of the project?

24. Do you think the current way the project is organized will work over a long period of time?
Yes ( ) No ( )

25. Explain why you say yes or no to question 24.

Peace and social cohesion

26. Do you think this project have helped to maintain peace in the village and surrounding communities?

27. Explain ways in which it helped to facilitate and maintain peace.

28. What are some of the major causes of law and order problems in these communities?

29. Was there absence of violence in your community after the CPRF project was completed?

Development

30. What does development mean for you?

31. How do you think the project should be organized to achieve development in the villages?

32. What kinds of development would you like to see in the villages?
APPENDIX 2 Questionnaires for AusAID (Aid Advisor)

Aid effectiveness, sustainability and post conflict development

Part one
Personal detail

Name:_________________________ Position:_________________________

Contact details: email: __________ Fax: __________ Phone:_________

Part Two

Aid effectiveness

1. What are objectives of your country’s aid to the Solomon Islands?

2. What institutions have been set up to coordinate and manage aid?

3. How is dispensed annually in aid to the Solomon Islands?

4. How does the national foreign policy interests of your country influence the way aid is delivered?

5. Is there a shared understanding between your aid agency and other aid donors about how to address development issues and problems?

   Yes ( )              No ( )

6. Please explain why you say yes or no to the above question

7. How well do project recipients manage projects given to them?
8. How is aid given to the Community Peace and Restoration Fund organized?

__________________________________________________________________________

__________________________________________________________________________

9. Do you think the current way in which CPRF aid projects are organized will have long lasting benefits?

__________________________________________________________________________

__________________________________________________________________________

10. Who was involved in the design of these projects?

__________________________________________________________________________

__________________________________________________________________________

11. Are there arrangements and understanding between you as a donor, the provincial government and the project recipients about how aid projects should be monitored and evaluated to ensure aid projects are successful?

Yes ( ) No ( )

12. Explain the arrangements if your answer to question 11 is yes.

__________________________________________________________________________

__________________________________________________________________________

13. What are some of the lessons you learnt from previous aid funded projects: For example,

Success

Failures

Challenges and constraints

14. Are mechanisms to ensure local socio-cultural or economic issues are considered in aid efforts?

__________________________________________________________________________

__________________________________________________________________________

Sustainability

15. What arrangements could be implemented that would make the aid project benefits last for a longer period of time?

__________________________________________________________________________

__________________________________________________________________________

Post-conflict Development

16. What a kind of development is aid expected to produce at the local level?

__________________________________________________________________________

__________________________________________________________________________
17. How do you deal with aid delivery in post conflict societies like the Solomon Islands?
APPENDIX 3 Interview schedules for CPRF's Team Leader

1. What kinds of institutions were set up to coordinate and manage this project?

2. How well have you seen project recipients managing their projects?

3. Who decide on who should receive funds?

4. Is there a shared understanding between you and other donor agencies about how similar issues are going to be addressed?

5. How do you account for cultural issues and local cultural situations?

6. What consideration or arrangements have been given to ensure sustainability of projects?

7. What role does CPRF projects play in the overall process of facilitating peace and restoration?

8. Should there be difference in the way income and service projects are designed and implemented?
APPENDIX 4 Interview schedule for senior government officer

1. What is the main role of the aid coordination division in this ministry of national planning and aid coordination?

2. What is government policy on aid?

3. What is the institutional framework for aid management and coordination?

4. Where does project like the CPRF fits into the national development plan of the SIG?

5. Do you think this Ministry has the capacity to effectively coordinate aid?
APPENDIX 5 Interview schedule for Guadalcanal Provincial Coordinators

1. What is the process for getting proposal approved?

2. What happen after a project document has been approved?

3. What benefits do you think this kind of project would bring to these areas?

4. In what ways do people participate in the projects?

5. Do you think people are happy about the project?

6. Do you think the current way in which the project is organized is okay or should it be organized in another way?

7. Do you think the fund helps to bring peace and reconciliation to the people?

8. Do you think the fund help to bring development to villages?

9. What does development mean to you?

10. Do you think people organized themselves properly in the services and income generating projects?