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Natural resources, post-conflict reconstruction, and regional integration: Lessons from the Marshall Plan and other reconstruction efforts

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Natural resources, post-conflict reconstruction, and regional integration: Lessons from the Marshall Plan and other reconstruction efforts

Carl Bruch, Ross Wolfarth, and Vladislav Michalcik

On April 17, 2002, George W. Bush invoked the Marshall Plan as a model for building a peaceful and prosperous Afghanistan (Bush 2002). According to President Bush, U.S. support for rebuilding Europe after World War II was a "beacon to light the path" toward effective post-conflict peacebuilding processes in the twenty-first century. In 2005, the Wallonia Regional Government in Belgium announced what they dubbed a Marshall plan for economic revitalization (Chaidron 2005). To the Walloons, the plan would lead to renewed local prosperity.¹ Proposals for other Marshall plans are found in the political rhetoric on Iraq (Kemp 2007), Haiti (Novacek, Mederly, and Armand 2007), the Third World (Korb and Cohen 2005), the environment (Ohlsson 2004), and even the streets of Los Angeles (Newsmax.com 2007).

It would be easy to dismiss the original Marshall Plan as nothing more than a rhetorical tool. Yet the post–World War II reconstruction of Europe—in which the Marshall Plan was instrumental—was peacebuilding worthy of emulation. A region whose rivalries spawned two of the most destructive conflicts in human history has been more or less at peace for the last sixty years. Indeed, George Marshall received the Nobel Peace Prize in 1953, in large part, for the effect of the eponymous plan on building long-term peace. The Marshall Plan enabled Europe's recovery by providing external support for regional cooperation and integration. The plan helped form the basis for international institutions that persist, including the predecessors of the Organisation for Economic Co-operation and Development (OECD) and the European Union (EU). The management of

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¹ While there has been no civil war recently in Belgium, the country has been in political crisis since 2007, raising the possibility of partition.

natural resources, particularly coal, contributed significantly to the development and implementation of regional reconstruction and integration plans, as well as the creation of accompanying institutions. The Marshall Plan casts a long shadow. A survey by the Brookings Institution of 450 professors of history and political science regarding the greatest achievements of the U.S. government in the past half-century rated the rebuilding of Europe after World War II as the greatest achievement (Light 2000).

In the last two decades, Central America and the Western Balkans have taken concerted and moderately effective approaches to regional peacebuilding based in part on natural resource management. Experiences elsewhere, however, demonstrate the potential pitfalls of a regional approach to post-conflict reconstruction. Tracing the history of achievement and disappointment illustrates how, under the right circumstances, regional cooperation in managing natural resources can support the transition to a durable peace.

By comparing seven post-conflict approaches to regional integration involving natural resources—some successful, some problematic—this chapter identifies several common aspects of successful attempts by donors to promote post-conflict regional integration. Effective management of natural resources to support postconflict regional integration requires an appropriate resource; a well-defined region; political will; significant commitments of financial and technical resources by donors; a coordinated, time-bound plan of action; and a high degree of adaptability. This chapter also discusses the key role of natural resources in post-conflict regional reconstruction and explores how lessons learned may be applied to Afghanistan and other post-conflict situations.

EXPERIENCES IN REGIONAL POST-CONFLICT INTEGRATION AND NATURAL RESOURCE MANAGEMENT

This section describes three well-developed efforts at post-conflict regional integration that have utilized natural resource management. It then briefly reviews four other experiences that illuminate potential difficulties in applying this peacebuilding strategy.

The Marshall Plan displayed a high degree of donor and recipient commitment to reconstruction and regional integration, and was an adaptable approach to distributing aid that incorporated natural resources. The Marshall Plan's role in the emergence of the European Coal and Steel Community (ECSC) and its successor, the EU, showed that post-conflict cooperation on natural resources could lay the foundation for and support the development of more advanced forms of political and economic integration. In the 1990s, peacebuilding and regional integration in Central America grew out of cooperation on environmental issues, which were perceived as peripheral and therefore "safe," in contrast to more sensitive economic and political issues. Western Balkan reconstruction following the post–Cold War breakup of Yugoslavia illustrates how the European integration process continues and how the neglect of natural resources



Notes:

At the time of writing, Kosovo is not a UN member state.

CCAD: Central American Commission on Environment and Development; SADC: Southern African Development Community; CENTO: Central Treaty Organization.

can retard progress toward post-conflict regional integration. Experiences in Southern Africa, West Asia, South America, and Japan reveal some of the pitfalls and constraints of donor-supported regional natural resource management as a peacebuilding tool.

The Marshall Plan

When George Marshall announced the United States' startlingly ambitious foreign aid program in 1947, he called it "the business of the Europeans" (Marshall 1947). Throughout its relatively brief existence (1948–1952), the Marshall Plan engaged Europe as a unit while devolving substantial authority to individual European governments. The willingness of the Economic Cooperation Administration (ECA), which was formed by the U.S. government to distribute Marshall Plan aid, to grant significant control to European authorities and national governments was remarkable given the scale of the program. At its peak in 1948, the Marshall Plan consumed 1.98 percent of the U.S. gross national product (Machado 2007), whereas in 2007 U.S. foreign aid totaled only 0.16 percent of the gross national product (Shah 2009).

Before the plan's approval by the U.S. Congress, sixteen nations met in Paris as the Committee on European Economic Cooperation (CEEC) to calculate how much aid each country needed. The United States refused to accept any proposal for aid distribution that did not result from a regional agreement. Leading European diplomats felt that the Marshall Plan negotiations at the CEEC defined Europe (Geremek 2008). In fact, the organizational ties created by the Marshall Plan would last far longer than direct ECA funding: the CEEC would outlive the reconstruction effort and evolve into the OECD. The Soviets would prevent the participation of Eastern Europe, and the plan would solidify the post-war split between East and West. The Marshall Plan supported Austria, Belgium, Denmark, France, Greece, Iceland, Ireland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Sweden, Switzerland, Turkey, the United Kingdom, and West Germany. Despite the wide dispersal of decision-making authority to national leaders and the sheer quantity of money and personnel involved, the Marshall Plan produced only a single public scandal (Machado 2007).

The day-to-day operation of the Marshall Plan was far less dependent on regional cooperation than its founding had been. The only genuinely international project funded by the ECA was a joint Austrian and German power plant (Arkes 1973). The ECA shipped large quantities of food, fuel, and other supplies to European governments, which sold the goods to their citizens in exchange for local currency, or "counterpart funds" that the governments then reinvested for the general good. The governments had extensive leeway in spending counterpart funds, although there was oversight by the ECA. Great Britain used virtually all of its funds on debt relief. Italy invested 46 percent of its lira in improving agriculture, including swamp drainage and other land reclamation projects, and in infrastructure for transporting agricultural goods to market (Machado 2007). Italy failed through its investments to close the regional prosperity gap between the South and the North but improved the quality of life in southern Italian villages (Machado 2007). France was exceedingly successful in reviving its economy by rebuilding its infrastructure (Machado 2008). Counterpart funds also supported less comprehensive natural resource successes across Europe. The funds supported efforts to fight tuberculosis in cows (Mills 2008), develop large-scale rice cultivation in Greece (Machado 2007), and construct a series of hydroelectric dams along the Rhone River that dwarfed those erected in the 1930s by the Tennessee Valley Authority in the United States (Behrman 2007).

Technical-assistance programs, which in many cases focused on agriculture, were not formalized until later but became so popular and successful that they outlasted the Marshall Plan. Through 1957, five years after the official end of the plan, more than 19,000 Europeans learned U.S. production methods, and more than 15,000 Americans traveled to Europe to share their expertise, often on agriculture (Wasser 2005).

The Marshall Plan also helped support the creation of the European Coal and Steel Community (ECSC). The brainchild of French diplomat Jean Monnet, the ECSC sought to achieve lasting European peace by internationalizing control of the coal- and steel-producing regions of the Rhineland, Ruhr, and Saar, which had long driven conflict between France and Germany (Fransen 2001). However, in the immediate aftermath of war, integration with Germany was decidedly unpopular among the French people. American officials administering occupied Germany in 1948 were admonished not to allow the Germans' standard of living to exceed that of the French. American and French leaders believed that the existence of well-fed Germans would ignite French anger, even communism (Machado 2007).

By 1950, French sentiment had drastically changed. When proposing the creation of the ECSC, French foreign minister Robert Schuman recommended that France and Germany form "an embrace so close that neither could draw back far enough to hit the other" (Behrman 2007, 288). Considering the history of conflict between France and Germany, it was remarkable that Schuman could recommend integration with Germany without destroying his political career. The transformation of the French people's burning desire for revenge into a willingness to work with Germany would have been unlikely without the support of the Marshall Plan for improving the material conditions and forming functional European organizations such as the CEEC.

Shared natural resource management drew together France and Germany and Italy, Belgium, Luxembourg, and the Netherlands—as they joined the ECSC negotiations. Coal was essential not only to reconstruction and macroeconomic recovery but also to war. Thus placing the coal reserves of traditional antagonists into the hands of a supranational authority was a long-term strategy to prevent another war. Although the actual functioning of the ECSC was at times rocky, its administrators benefited from access to the successor aid mechanisms of the Marshall Plan for financial and informal support (MacDonald 2009). The ECSC would eventually serve as one of the first building blocks of the EU, demonstrating how post-conflict cooperation through natural resource management can feed into deeper political and economic cooperation.

The Central American Commission on Environment and Development (CCAD)

The 1980s was a period of turmoil in Central America. Guerrilla warfare with Cold War overtones consumed El Salvador, Guatemala, Honduras, and Nicaragua. The U.S. military ousted a Panamanian strongman installed by the United States. Only Costa Rica (and Belize, a state more culturally and economically oriented toward the Caribbean) avoided serious internal instability and violent government repression. Although none of the Central American conflicts were formal international wars and there were no pitched battles between national armies, porous borders and chaotic legal environments allowed establishment of training camps in neighboring countries and helped to generate regional instability and economic stagnation (Robinson 1991).

The convoluted international structure of the Central American conflicts called for a regional resolution to the conflicts. The first attempt, thwarted by

the United States, was the Contadora peace process led by Colombia, Mexico, Panama, and Venezuela. The United States, even though it lacked credibility among certain parties to the conflict, was unwilling to relinquish its position as the preeminent foreign power in Central America.

Peace, therefore, had to be negotiated by the countries of Central America, led by Costa Rican president Óscar Arias Sánchez. In 1987, five Central American presidents signed the Esquipulas II Accords. The treaty opened the doors for substantial international economic assistance, mainly from the United States, and gradually moved Central America from a conflict to a post-conflict region. By 1992, all the civil wars had ended, except for the Guatemalan conflict, which persisted until 1996.

During the same period, regional and international concern about environmental degradation grew. The overexploitation of natural resources for immediate economic benefit had depleted forests, soils, and fisheries and threatened biodiversity (USAID 1989). Combating environmental exploitation and degradation allowed Central American nations to work together on a politically neutral issue. The Central American Commission on Environment and Development (Comisión Centroamericana de Ambiente y Desarrollo, or CCAD) was established in 1989 by Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua "to cooperate on environmental issues in an effort to facilitate peace in the strife-torn region" (Page and Schwarz 1996, 3).

The United States quickly recognized the importance of CCAD as a tool for building Central American cooperation and for more effectively managing Central American resources. Beginning in 1989, the USAID Regional Environmental and Natural Resources Management Project provided financial support to the CCAD Executive Secretariat and later funded CCAD policy formulation (USAID 1994).

Progress was swift. The commission's first unified effort was the Central American Tropical Forest Action Plan of 1991. By the 1992 United Nations Conference on Environment and Development, CCAD had derived the consensusbased Central American Agenda on Environment and Development. In 1993, CCAD founded the Central American Council on Forests, which brought together forest-service directors, farmers' unions, industry organizations, and nongovernmental organizations throughout the region (Page and Schwarz 1996). CCAD was instrumental in launching the Inter-Parliamentary Commission on the Environment, which assembled legislative representatives throughout the region to push for ratification of international conventions and policy reform in their national congresses (UNEP 1997). Perhaps most notably, CCAD has repeatedly coordinated a unified environmental approach for Central American nations, including the development of shared positions for negotiating the 1997 Kyoto Protocol and other multilateral environmental agreements, and has led efforts to develop, harmonize, and adapt national environmental legislation in the region.

Just as shared management of European coal fed into the EU, the international ties established through CCAD contributed to the creation of the Central American Integration System (Sistema de la Integración Centroamericana, or SICA) in 1991. In both cases, environmental cooperation laid the foundation for continuing regional integration. CCAD became the environmental branch of the larger system for integration and remains one of the most successful branches of SICA (SICA n.d.). CCAD's operations have also expanded. Since 1994, CCAD has overseen the Alliance for Sustainable Development (Alianza para el Desarrollo Sostenible de Centroamérica, or ALIDES), which expanded CCAD's work to include political, cultural, economic, and social spheres while focusing on the environment.

With the December 10, 1994, signing of the Central America–United States of America Joint Accord (Conjunto Centroamericano–USA, or CONCAUSA), the United States became an extra-regional member of ALIDES. The agreement identified four areas that required action: biodiversity conservation, energy use, legal and institutional frameworks, and the harmonization of environmental protection standards across the region.²

Early partnerships developed around Central American cooperation on environmental issues have expanded into region-wide systems promoting environmental, political, economic, and social integration. By initially addressing environmental concerns popular in the international community, Central America gained support from major international donors, and early success in relatively noncontroversial areas allowed CCAD to bring in more international partners and expand the number of regional program areas. The process helped to transform Central America from a region torn by civil war to a (somewhat) unified bloc working cooperatively to promote development, governance, and peace.

EU post-conflict recovery programs in the Balkans

The breakup of Yugoslavia in the 1990s ignited war in Europe for the first time since the Greek civil war ended with the assistance of the Marshall Plan. The disintegration of the multiethnic state created seven new countries: Slovenia, Croatia, Bosnia and Herzegovina, Macedonia, Montenegro, Serbia, and (perhaps) Kosovo.³ The processes that led to the new states ranged from the peaceful secession of Montenegro, to the swift pseudo-war that resulted in Slovenia, to the bloody and protracted ethnic strife in Kosovo. These processes left some of the new states economically and politically devastated and others relatively strong (Bennet 1997). The varied, comprehensive, and generally popular destruction of

² For the complete text of the accord, see "CONCAUSA Declaration and Action Plan: Text of Declaration Signed Following a Meeting between the U.S. and Central American Governments, Miami, Florida, December 10, 1994," *Dispatch* 6 (May 1995), suppl. no. 2. http://dosfan.lib.uic.edu/ERC/briefing/dispatch/1995/html/Dispatchv6Sup2.html.

³ The international status of Kosovo is still in dispute, with some countries recognizing it as a state. The 2010 Advisory Opinion of the International Court of Justice regarding the unilateral declaration of independence of Kosovo addressed the matter to some extent (see www.icj-cij.org/docket/files/141/15987.pdf), but as of April 2012, ninety UN member states (less than half of the membership of the UN) had formally recognized Kosovo as a state.

a multiethnic state might be expected to yield a region unsuited to and uninterested in a regional approach to post-conflict reconstruction. Yet the shared goal of EU membership convinced the Western Balkan states to act in concert.

When the foreign minister of Luxembourg helped negotiate the Slovenian treaty that ended the first Balkan war, he stated, "this is the hour of Europe" (Bennet 1997, 159). The nations of the Western Balkans were promised participation not only in the rhetorical heir to the Marshall Plan but also in the actual institutional successor to post–World War II recovery and cooperation—the European Union. The Western Balkan states were placed on a post-conflict path designed to end in EU membership, a path smoothed by the EU accession process.

The European Council has affirmed and reaffirmed over the last twenty years that "the future of the Western Balkans lies within the European Union" (European Commission 2008b, 2). Conflict has both expanded the role of the EU in the region and retarded the progress of those Balkan states toward European integration. Only Slovenia, which experienced a relatively nondestructive secession process, was able to enter the EU during the 2004 enlargement that incorporated most of post-communist Eastern Europe. The other six states are in varying stages of accession to the EU, with Croatia the most advanced and Kosovo the least (European Commission 2008a).

In general, the new states of the Western Balkans see membership in the EU as a means to long-term prosperity and stability. The long-term promise has been complemented with the concrete and immediate benefits of EU accession. Billions of euros of EU assistance to the countries of the region have been explicitly tied to their efforts to gain EU membership. The Community Assistance for Reconstruction, Development, and Stabilisation program (CARDS) was the primary tool for distributing EU funds in the region from 2000 to 2006; it distributed 5.16 billion euros over its lifetime (European Commission n.d.b). In 2006, the Instrument for Pre-Accession Assistance (IPA) replaced CARDS.

The level of EU support provided through IPA, which is divided into five categories, is contingent on progress toward EU membership. All participating countries are eligible to receive funds for two of the categories: transition assistance and institution building, and cross-border cooperation. Only countries that have become formal candidates for accession can receive funding for the other three categories: regional development (for regions within countries), human resource development, and rural development (European Commission n.d.a). By structuring IPA to reward success in a series of steps toward EU membership, the EU has created a context in which each Balkan nation is concerned about the economic consequences of falling behind its peers in EU accession (Pond 2006).

From a natural resource management perspective, it is unfortunate that regional and rural development moneys are only available late in the EU accession process. Indeed, natural resources have received a small percentage of CARDS and IPA assistance in the Western Balkans. Less than 4.5 percent of CARDS funds in 2005 and 2006 were targeted toward environment and natural resources (European Commission n.d.b). IPA similarly builds capacity for natural resource

management only when the accession process (and presumably post-conflict reconstruction) has significantly progressed.

The lack of focus on natural resource issues has created challenges for the EU accession process. One of the key components of the transition from candidate to member is the incorporation into national legislation of 80,000 pages of standardized EU rules, the *acquis communitaire*, which are divided into thirty-five chapters. According to one Croatian leader, the three most problematic chapters for Croatia (the only Balkan state currently in negotiations) were Agriculture and Rural Development, Fisheries, and Environment (Grdesic 2009). By delaying funding for natural resource management until Croatia achieves candidate status, the EU may prolong the nation's journey toward EU membership and European integration.

More progress has been made in encouraging regional coordination in natural resource management. In addition to its adherence to the strict requirements of the acquis, the EU requires the Western Balkan states seeking EU membership to cooperate with each other and their Southeastern European neighbors (Pond 2006). The allure of EU membership has been somewhat successful in fostering the development of a functional Southeastern European grouping. Natural resources have played a significant role in the cooperation. The first joint treaty signed by the new Western Balkan nations focused on joint management of the Sava River (Čolakhodžić et al. 2013).

In 2004, the European Commission, in conjunction with the Balkan states and neighboring allies, established the Energy Community of South East Europe (ECSEE). The ECSEE sought to streamline Western Balkan progress toward EU membership and to promote the development of local energy reserves.⁴ The new energy community was explicitly modeled on the post–World War II ECSC (Liebscher et al. 2005). Through the ECSEE, the EU sought to replicate the model of post-conflict regional integration through natural resource management that had contributed to the origins of the EU.

The success of post–World War II European reconstruction has fostered a continental belief in regional approaches to peacebuilding. The regional approach has been central to post-conflict recovery of the Western Balkan states; and natural resources played a substantial role in fostering regional cooperation and integration, as well as possibly slowing EU accession where not addressed early in the process.

Other examples

Although the Western European, Central American, and Balkan experiences offer appealing stories of post-conflict regional integration using natural resources, experiences from other regions highlight various challenges to and caveats for

⁴ For the text of the Treaty Establishing the Energy Community, 2004, see www.eihp.hr/ hrvatski/pdf/zakoni/ect2005.pdf.

regional approaches to using natural resources in post-conflict reconstruction. Four examples are useful in considering the limitations of regional approaches: the first three examine situations in which regional integration involving natural resources has not lived up to expectations. The fourth is a success story that happened in parallel with the Marshall Plan but was undertaken at the national rather than regional level. The experience (in Japan) reveals that while natural resources can be crucial to post-conflict recovery at the national and regional levels, a regional approach is not necessary for successful recovery.

Southern African Development Community (SADC)

The Southern African regional institutions created in the 1970s and 1980s were anticolonial, antiapartheid, and anti–South African. With the fall of apartheid in South Africa in the early 1990s, Southern African countries reorganized these organizations to establish the Southern African Development Community to encourage regional cooperation and economic integration alongside, rather than in opposition to, the regionally dominant nation, South Africa. For the smaller nations battered in the 1980s by South Africa's destabilizing "Total Strategy," SADC held the promise of a regional Marshall plan whereby South Africa could make amends for its past colonialist wrongs by helping its poorer neighbors (Omari and Macaringue 2007).

South Africa, despite regional preeminence, lacked the economic power to support a massive program for regional development and integration. SADC's 2003 development plan presented a laudable list of goals and methods for regional action (SADC 2003), yet funding for projects has been inconsistent and piecemeal. Bilateral aid from Finland covers forestry education; aid from Italy funds research in plant biodiversity; and an aquaculture program deemed necessary by SADC was discontinued in 2004 because of lack of funds. In the absence of a strong, consistent, and independent financial base, SADC's ability to conduct integrated development projects is constrained both in the natural resource sector and more broadly.

SADC coordinating initiatives have been more successful than those involving money. For instance, a 2000 protocol to standardize mining regulations in all member states, except the Democratic Republic of the Congo, and regional protocols for environmental and transboundary water management have been developed. SADC has become a platform for encouraging natural resource cooperation and development of environmental standards in the region, although it has yet to harness the full development potential of the resources of Southern Africa. The potential of natural resource cooperation to contribute to economic and political integration as peacebuilding tools has, therefore, been limited. It is difficult to see the situation changing without outside donors either dramatically increasing aid budgets in the region or making the unlikely choice of prioritizing regional integration over issues of poverty, public health, and environmental degradation at the national and subnational levels (GON 2008).

Central Treaty Organization (CENTO)

The Central Treaty Organization (CENTO) sought to integrate Turkey, Iran, and Pakistan and was the least successful of the U.S.-led Cold War alliances. The lack of common security orientations prevented development of a lasting union. Turkey feared Soviet expansion; Pakistan was more concerned with the threat of India; and Iran was fearful of enemies within the Arab world. CENTO is remembered as an icon of Cold War U.S. hubris and exemplifies the U.S. fantasy of a bipolar world.

Yet beginning in 1959, CENTO housed the first regional authority for the dispersal of U.S. aid since the Marshall Plan. CENTO was coordinated by John McDonald, a former staff member of the secretariat of the Organisation for European Economic Co-operation. He had direct experience with the mechanisms of regional supervision and authority that began with the Marshall Plan. Regional International Cooperation Administration (ICA) coordination was central to a number of infrastructure projects, including the construction of a still-functioning railroad connecting Tehran and Ankara (McDonald and Zanolli 2008). The ICA built capacity and fostered cooperation between professionals in the three countries through a symposium on mining. It also brought together agricultural economists from the region and the West to change the agricultural credit system by providing low-interest loans (McDonald and Zanolli 2008).

CENTO utterly failed to reproduce the anti-Soviet successes of Europe's North Atlantic Treaty Organization. But individuals focused on replicating Marshall Plan-type development in Central Asia achieved modest success. They were able to foster cross-border cooperation with positive results for agricultural production and other forms of natural resource management. Although the efforts did not lead to deeper cooperation in a region artificially defined by proximity to the Soviet Union, they nevertheless made some positive contributions to the well-being of local populations.

The Alliance for Progress and Andean integration

In 1961, John F. Kennedy proposed U.S. foreign aid for Latin America on a grand scale. Aid plans with regional scope or substantial budgets are often compared with the Marshall Plan, but the Alliance for Progress was the rare successor that rivaled the original in ambition, if not execution. Kennedy's speech pledged U.S. support for economic integration in Latin America (Kennedy 1961), but the results of the Alliance for Progress were less than stellar. The lack of financial, popular, and institutional support within the United States and the fundamental differences between a war-ravaged Europe and a chronically underdeveloped Latin America led to its demise (Rabe 1999).

The Alliance for Progress nevertheless contributed to the creation of a number of Latin American regional organizations, including the Andean Common Market. Created in 1969, the Andean Common Market included the two primary

countries of the alliance, Colombia and Chile (Collier and Slater 1996). Though greatly encouraged by the United States, the organization's formation was a response to tensions within Latin America. In its early years, the Andean Common Market developed plans for joint control of a wide range of products, including the area's ample natural resources. In the Andean Petrochemical Agreement, production of thirty-nine petrochemical products was divided among the five member nations. Each product could be produced by no more than two of the countries (Kearns 1972). Similar agreements were contemplated for other natural resources, but protectionist and nationalist trends, including the takeover of Chile by Augusto Pinochet in 1973, prevented the plans and agreements from evolving into functional integrationist institutions.

While the cause of Andean integration was delayed, it was not destroyed, and the Andean Common Market reemerged in the 1990s as the Andean Community. The modern community is oriented toward a political integration unseen in the plans of the 1960s and facilitates cooperation on many issues, including the environment and natural resources. U.S. funds helped underwrite the formation of an Andean integration system of the 1960s, but political and economic development realities prevented significant progress until the more favorable political environment of the 1990s and 2000s. Funds and plans are insufficient to create action for regional integration in the absence of political will among the participating countries.

Japan

Not all post-conflict countries can be easily and productively fit into a regional model, nor should they be. At the same time the United States crafted the Marshall Plan for Europe, it administered the reconstruction of Japan in an entirely non-integrationist fashion, partially because of the internal peculiarities of the U.S. government. The army, particularly General Douglas MacArthur, was bureaucratically and materially unchallenged during most of the occupation of Japan. In contrast to the United States' long tradition of civilian diplomatic action in Europe, during the occupation of Japan, only a single high-level State Department official visited the country (Finn 1992). MacArthur himself was not inclined to pursue integrationist goals, in part because the logical partners, China and Korea, were focused on resisting the military advance of communism (Finn 1992).

The absence of an integrationist agenda did not prevent a focus on natural resources. The occupation authority swiftly conducted "surveys in the fields of mining and geology, agriculture, fisheries, and forestry reveal[ing] the extent to which utilization of Japan's meager natural resources had been dislocated by the war" (Mueller 1949). The surveys led to constructive action, beginning with the emergency support of Japanese food production through the supply of seed, fertilizer, and fuel. In addition to short-term emergency measures to address food and fuel, longer-term measures sought to increase Japanese production of coal, oil, and timber, as well as for replanting over-forested areas and restoring fishery

fleets (Scheiber and Jones 2013).⁵ The isolation of Japan may have been inspired by geography, historical coincidence, and even racism, but it did not preclude a substantial role for natural resources in post-conflict recovery, nor did it prevent an economic revitalization that rivaled and sometimes exceeded that of states participating in the Marshall Plan.

LESSONS

The general successes of Western Europe, Central America, and the Western Balkans are the products of particular post-conflict situations. Caution needs to be exercised before seeking to replicate the Marshall Plan, CCAD, or CARDS and IPA elsewhere. The historical record suggests a number of factors that affect the success of post-conflict peacebuilding efforts to use natural resources in regional integration. These factors include an appropriate resource, a well-defined and logical region, political will, significant commitments of resources by outside donors, a coordinated and potentially time-bound plan of action, and a willingness to adapt to local conditions.

Regional peacebuilding cannot succeed without a clearly and logically defined region. Furthermore, shared natural resources can often help to identify the region and provide a context for regional cooperation and peacebuilding. When George Marshall testified before the U.S. Senate in 1947 in defense of the Marshall Plan, he was immediately asked why the plan should include Germany. Marshall's response was emphatic: "The inclusion, or integration, of western Germany into the program is essential. Coal alone provides one of the great essentials to the recovery program, and Germany is a major source of coal" (Gimbel 1976, 266). For Marshall, natural resources helped to define the acceptable limits of the regional recovery program: the integration of Germany into the ECA was necessary because the integration of Germany's resources was indispensable to recovery. The apolitical reality of coal distribution mandated that the Marshall Plan treat Axis and Allied countries alike. A plan that had failed to treat Europe as a region would not have had the same impact on recovery or peacebuilding. Conversely, CENTO was a political disaster because the "central" region of Iran, Pakistan, and Turkey was a geopolitical fantasy developed in Washington, and the target countries did not sufficiently share national goals, interests, or identities. Accordingly, attempts at unified natural resource management and regional integration were short-lived.

Regions cannot be defined by outside donors; they must reflect the interests of post-conflict countries. Although successful post-conflict regional integration has occurred in readily understood areas, such as Western Europe, Central America, and the Western Balkans, regional integration processes inherently politicize

⁵ For more information on Japanese post–World War II reconstruction efforts, see Mikiyasu Nakayama, "Making Best Use of Domestic Energy Sources: The Priority Production System for Coal Mining and Steel Production in Post-World War II," in this book.

geographic identity. The cooperative and integrative efforts of CCAD and its successors have helped to make the people of Central America somewhat more "Central American" than before. Their common identity can act as a deterrent against conflict recurrence, albeit an imperfect one.

Proximity and similar historical experience do not ensure integration. The Andean Common Market failed in the 1960s because the ambitious plans for the regional management of various natural resources were never executed for political reasons. Shared natural resource interests—from the interconnected natural environments of small nations in Central America to distribution of European coal—can be key to convincing international actors that geographical proximity and common interests are a sufficient basis for substantive cooperation. Long before sharing political authority is politically or socially acceptable, coordinated natural resource management can allow technical and administrative cooperation. Joint natural resource management can lay the foundation not only for medium-term cooperation but also for long-term regional integration.

A conflict with interstate dimensions can be a strong incentive for taking a regional tack after hostilities. World War II was an interstate war; the Western Balkan conflicts were internationalized civil wars; and Central America's civil wars featured combatants who frequently crossed international borders. The conflicts showed how strife generated by one country in a region could have devastating consequences on the entire area. At the same time, the shared experience of conflict helped build a common interest in and perspective on reconstruction. With outside donor support, the perspective formed the basis for justifying integration as a guarantor of regional peace.

For integration to make its full contribution to post-conflict reconstruction, belief in the positive benefits of a regional approach must extend to external donors. The Marshall Plan was so integrative in its original conception in part because key U.S. decision makers felt that a United States of Europe would be the best ally and companion for the United States of America. To U.S. senator William Fulbright, European integration "was an objective so dramatic and so full of hope that the enthusiasm of a tired and disillusioned people could be aroused" by it in the United States and Europe (Fulbright 1948, 152). Although donors of the past thirty years may have lacked Fulbright's enthusiasm—there is frequent reference to "donor fatigue"—EU belief in a regional approach to reconstruction in the Western Balkans and U.S. faith in a regional approach in Central America have been crucial to fostering a regional approach to post-conflict reconstruction in the 1940s, and there has been only modest donor rhetoric or support for the development of integrative institutions in Southern Africa.

A lack of commitment and political will from participating countries or donors has the power to destroy any possibility of regional integration for peace. Regional integration is not painless, and it often requires participating countries to make real sacrifices of sovereignty. Great Britain dropped out of the Marshall Plan at the end of 1950, so it could retain its special links to Commonwealth countries rather than integrate more fully with Europe (Behrman 2007). It eventually joined the EU in 1973.

As Japan's post-war reconstruction illustrates, a regional approach is not necessary for effective peacebuilding. Substantial investments of assistance at the national level can yield dramatic results. There are few (if any) successful post-conflict recoveries that do not rely at least partially on natural resources, and Japan's recovery depended in no small part on managing their coal, steel, fisheries, agriculture, and other natural resources.

Post-conflict regional integration depends on substantial commitments of funds and other support from outside donors for management of shared natural resources. The generous monetary contributions made by the EU to the Western Balkans through CARDS and IPA have been essential in moving the region toward European and Southeastern European integration. Successful regional integration and peacebuilding efforts frequently entail a combination of financial, technical, and other commitments from donors. Funding is essential but insufficient, as seen in the politically driven collapses of CENTO and the Alliance for Progress. The efficient allocation of funds is critical for maximizing the impact of financial commitments. In the natural resource sector, successful efforts have historically emphasized technical assistance, cooperation, and harmonizing legislation across international borders. Furthermore, integrationist reconstruction cannot occur without a solid base of security and peace. Thus peacekeeping assistance can be an essential donor contribution. CARDS was facilitated by a UN peacekeeping force that made continued interstate war in the Western Balkans impossible, and the presence of the U.S. Army was instrumental in enabling Western Europe to focus its resources on civilian reconstruction during the Marshall Plan.

The goodwill generated by the Marshall Plan far exceeds any realistic assessment of its economic impacts (Behrman 2007). The Marshall Plan's reputation was burnished by the ECA's extensive propaganda efforts, which produced numerous documentary films for European consumption and even sent troubadours through the Sicilian countryside to sing of the wonders of Marshall Plan penicillin (Ellwood 1998). The psychological boost of a well-funded and well-publicized integrationist dream for a better future should not be underestimated. Senator Fulbright's belief that a united Europe would contribute to a prosperous and peaceful Europe has been borne out by the last sixty years.

Donor commitments need to be coordinated but should not be unlimited. The Marshall Plan had a strict five-year cutoff date and was actually canceled early due to an unexpectedly vibrant European recovery. Although some of the most successful elements of the plan continued for decades (for example, the technical assistance program, cooperation through the OECD, etc.), the massive allocation of funds at the core of the Marshall Plan was a relatively short-lived phenomenon (Arkes 1973). Similarly, although there seems little chance of IPA no longer funding the Western Balkan states, full admittance to the EU and eligibility for all EU benefits are limited to Western Balkan countries that manage to incorporate the entirety of the acquis, including the natural resource requirements.

These limitations force post-conflict states to assume ownership and responsibility for their own recovery and future prosperity. Donor support for regional integration must be a tool to help national governments set their investment priorities, including proper consideration of natural resources. For Croatia, insufficient attention to natural resources appears to have prolonged its accession to the EU, potentially affecting the momentum of regional integration.

Every region requires a different approach to post-conflict integration, and every regional approach must adapt to the specific context of the countries involved. No two post-war regional integration efforts utilizing natural resource management are identical. In the case of the Marshall Plan, and to some extent the Western Balkans, reconstruction targeted a population and a region dissimilar from most modern post-conflict situations. Before World War II, Western Europe was one of the most prosperous and industrially advanced areas of the world and possessed ample natural resources to harness for economic progress. The task of the Marshall Plan was to rebuild capacity that had been destroyed by war and to restore the coal mines and the shipping infrastructure, not to design a modern economy from scratch. Although U.S. technical assistance substantially improved European production and cultivation techniques, Europeans already possessed many economically valuable skills and had education levels far higher than those of Central Americans in the 1990s or of most citizens of other modern post-conflict states. It has been argued that the Marshall Plan's early focus on regional integration and its incredible success were only possible because Western European countries were already developed-although the experience of Central America calls that argument into question.

The claims also ignore the nature of the Marshall Plan. Although Europe's post–World War II advantages are undeniable, the Marshall Plan confronted wide disparities in economic conditions among participating countries and responded by structuring its activities on a country-by-country basis. The Marshall Plan in Greece was not the Marshall Plan in France, just as a Marshall plan for Croatia would not be a Marshall plan for Kosovo. Countries that needed massive investment in agricultural capacity used counterpart funds, while nations better positioned to invest in heavy infrastructure could make different choices. Similarly, EU accession in the Western Balkans, while valuing Southeastern European cooperation, has been structured so that each post-conflict country can proceed at its own pace. In the Western Balkans, the donor makes most of the decisions, whereas countries participating in the Marshall Plan played a central role in allocating funds. In both the Marshall Plan and the Western Balkans, collaboratively developed programs attuned to local conditions were essential.

Especially following interstate conflicts, post-conflict countries may be unusually aware of the role of their neighbors in national prosperity and security. The awareness can foster cooperation and regional integration that can contribute to long-term peacebuilding and fulfill immediate reconstruction needs. In the past, natural resources have inspired efforts at regional cooperation, which in turn have expanded into regional integration.

APPLYING THE LESSONS OF POST-CONFLICT REGIONAL INTEGRATION: A MARSHALL PLAN FOR AFGHANISTAN?

According to at least one Afghan official, the 2008 Afghanistan National Development Strategy is a Marshall plan for Afghanistan (Haidari 2008). Yet the document does not reflect a regional approach beyond a few scattered projects for regional hydropower and irrigation (IRA 2006). A real Marshall plan for Afghanistan would need to be far more regionally oriented and ambitious.

The geographic scope of a would-be Afghanistan Marshall plan is not obvious. Lack of stability along the Afghanistan-Pakistan border could inspire Pakistan to participate in a regional attempt to rebuild Afghanistan, but two highly unequal countries do not a region make. There is less incentive for Afghanistan's other neighbors—particularly the Central Asian republics of Turkmenistan, Kyrgyzstan, and Kazakhstan—to surrender sovereignty in support of cooperation or integration. Shared water management could be a promising context for cooperation between Afghanistan and its Central Asian neighbors, but Afghanistan is in a poor position to negotiate effectively given its lack of institutional capacity, data, and geopolitical power—at least without strong donor assistance (Ahmad 2004). More positively, donor support of post-conflict Afghanistan will presumably remain substantial in the near future, and many donors will likely be open to regional approaches to peacebuilding. Of course, a Marshall plan would need to be adapted to Afghanistan's history and level of development, as well as to ethnic differences within the country.

The central lesson of past post-conflict regional integration efforts is not that enormous sums of money can produce economic miracles under perfect conditions. It is that a carefully structured foreign commitment can foster both post-war recovery and long-term regional peace and stability. The cooperative management of natural resources was essential to post-conflict regional integration in post-conflict Europe and Central America. Regional integration of natural resource management in Afghanistan and other post-conflict areas could similarly become a key tool in advancing economic development and peace—and create an embrace between countries so close that no country would have the desire or capacity to pull back its fist to pummel another. But the right conditions are necessary, and the approach must be tailored.

With the right conditions, leadership, and approaches, post-conflict reconstruction can lead to long-term peace and prosperity. Regional approaches, such as the Marshall Plan and its conceptual progeny in Central America and the Western Balkans, can be particularly effective. However, as the less successful regional approaches illustrate, regional integration by no means guarantees peace. If a regional approach is adopted, natural resources can and should be part of the strategy to build confidence (e.g., cooperating on environmental issues in Central America before extending cooperation to political and economic spheres), facilitate cooperation (e.g., in managing shared waters in the Western Balkans), foster shared identity (e.g., through harmonized environmental laws and joint

international environmental negotiating positions in Central America), and link economies (e.g., through coal and steel management in Europe).

A regional approach can be valuable but not necessarily indispensable to postconflict peacebuilding. As this book shows, however, natural resources appear to be indispensable to most peacebuilding processes. Rather than calls for new Marshall plans, international assistance may be more effectively and efficiently deployed to manage natural resources for livelihoods, economic recovery, basic services, restoring governance capacity, and other objectives of peacebuilding.

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