

Revisiting the Nexus: numbers, principles and the issue of social change

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Might the concept of social change enable us to work towards a better synergy between the current actors in the development-humanitarian aid-conflict prevention Nexus? This is the hypothesis of the economist Gilles Carbonnier, based on the flow of resources to recipient countries of humanitarian aid.

The decades-old debate on the humanitarian-development divide has resurfaced with conflict prevention and peace as a third dimension in the so-called “Nexus”. This paper first looks at the economics behind the renewed call for greater synergy within the Nexus. It then focuses on framing the Nexus’ potential and limits with a view to effectively addressing the needs and aspirations of people in protracted crises. It concludes by discussing the issue of social and behavioural change, which characterises the development processes but arguably lies outside the remit of humanitarian action.

The economics behind the renewed Nexus hype

Since the turn of the millennium, many developing countries have graduated from low income to middle income and no longer require massive influxes of foreign aid¹. Development agencies are under pressure to divest from such contexts and invest more of their Official Development Assistance (ODA) in the so-called “fragile contexts”, conflict-prone countries where implementing the Sustainable Development Goals (SDGs) is most challenging. They also seek to preserve global public goods such as protecting the environment or limit “global public bads” associated with armed conflict such as the spread of pandemics, insecurity and large, sudden migratory flows.

Hence, development agencies increasingly (strive to) operate in the same locations as humanitarian actors. The United Kingdom has for example decided to allocate at least half of its foreign aid to such contexts while the World Bank has committed to double its funding for “fragile, conflict and violence-affected countries” under the latest International Development Association replenishment.

People affected by armed conflict obviously do not care whether the assistance they receive is labelled humanitarian or development². They want to be able to address their own needs and see their rights upheld. Yet, for historical and institutional reasons, funding schemes and aid agencies still largely function along the humanitarian-development divide, with distinctive operational approaches and principles.

¹ Gilles Carbonnier and Andy Sumner, “Reframing aid in a world where the poor live in emerging economies”, *International Development Policy*, The Graduate Institute, n°3, 2012, <https://journals.openedition.org/poldev/977>

² See UN General Assembly (2017), A/72/1, July 2017.

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Since the 1990s, debates on the humanitarian-development divide have produced a rich jargon: linking relief, rehabilitation and development (LRRD) along a continuum versus a contiguum, early recovery, whole-of-government approach, stabilisation, building resilience, etc. The topic has resurfaced out of a concern to improve how the needs of people caught up in protracted crises are addressed. In the wake of the 2016 World Humanitarian Summit, the UN Secretary General (UNSG) called for a New Way of Working³ to transcend the humanitarian-development divide through a “coordinated long-term approach which sees the UN stepping up cooperation between humanitarian and development agencies, including the World Bank [toward] common goals”⁴. The UN reforms initiated by UNSG Antonio Guterres further advanced the notion of a Triple Nexus⁵ to address the humanitarian-development-peace divide where armed conflict is conceived as an obstacle to development under the assumption that there can be no development without security (and vice-versa).

What do resource flows reveal about the Nexus’ potential

Current trends are seeing ODA growth level off, while needs for protection and assistance remain at record highs. Consequently, donors and aid organisations are seeking ways to enhance aid effectiveness through greater cooperation and synergy across the humanitarian-development-peace divide, with varying emphasis on different outcomes depending on the mission and interests of each actor.

By the end of the Cold War, ODA was the single major north-south resource flow and international humanitarian assistance accounted for less than 3% of official assistance to developing countries (where virtually all war-torn countries were, and still are, located). Figure 1 shows a situation reversal: nowadays, total ODA – which includes humanitarian assistance – has become just a fraction of the global resource flows to developing countries, although ODA grew by 88% between 2003 and 2016, i.e. from 100bn USD to 188bn USD⁶. Over the same period, official humanitarian assistance (OHA) grew much faster; OECD data reveals a 400% increase, from 5,2bn USD to 26bn USD. As a result, the share of humanitarian assistance in ODA increased from 5,2% to 13,8%.

In a nutshell, the humanitarian market has boomed but remains marginal compared to other resource flows: even when adding private humanitarian funding which is about a quarter of OHA⁷, international humanitarian assistance remains less than a tenth of other resource flows such as foreign direct investment (FDI) by multinational companies or migrant remittances sent back home, as illustrated in Figure 1. The UN peacekeeping budget is much smaller still, standing at 8bn USD in 2016 (equivalent to 1,3% of US defence expenditure that year).

Somewhat counter-intuitively, the picture remains the same when considering just the twenty countries that have received the largest amount of humanitarian assistance over the past few years. Indeed, FDI and remittances consistently dwarf humanitarian aid⁸, hinting at the fact that diasporas and private investors make a significant difference in terms of livelihood, vulnerability and outreach in conflict-ridden countries. Besides, virtually all remittances

³ <https://www.agendaforhumanity.org/initiatives/5358>

⁴ See UN General Assembly, *op. cit.*

⁵ [https://www.unocha.org/sites/unocha/files/NWOW Booklet low res.002_0.pdf](https://www.unocha.org/sites/unocha/files/NWOW%20Booklet%20low%20res.002_0.pdf)

⁶ Current prices, considering aid from all donor States included in the OECD QWIDS (Query Wizard for International Development Statistics). See data from OECD/DAC QWIDS at <https://stats.oecd.org/qwids>

⁷ See *Global Humanitarian Assistance Report 2018*, <http://devinit.org/post/global-humanitarian-assistance-report-2018/>

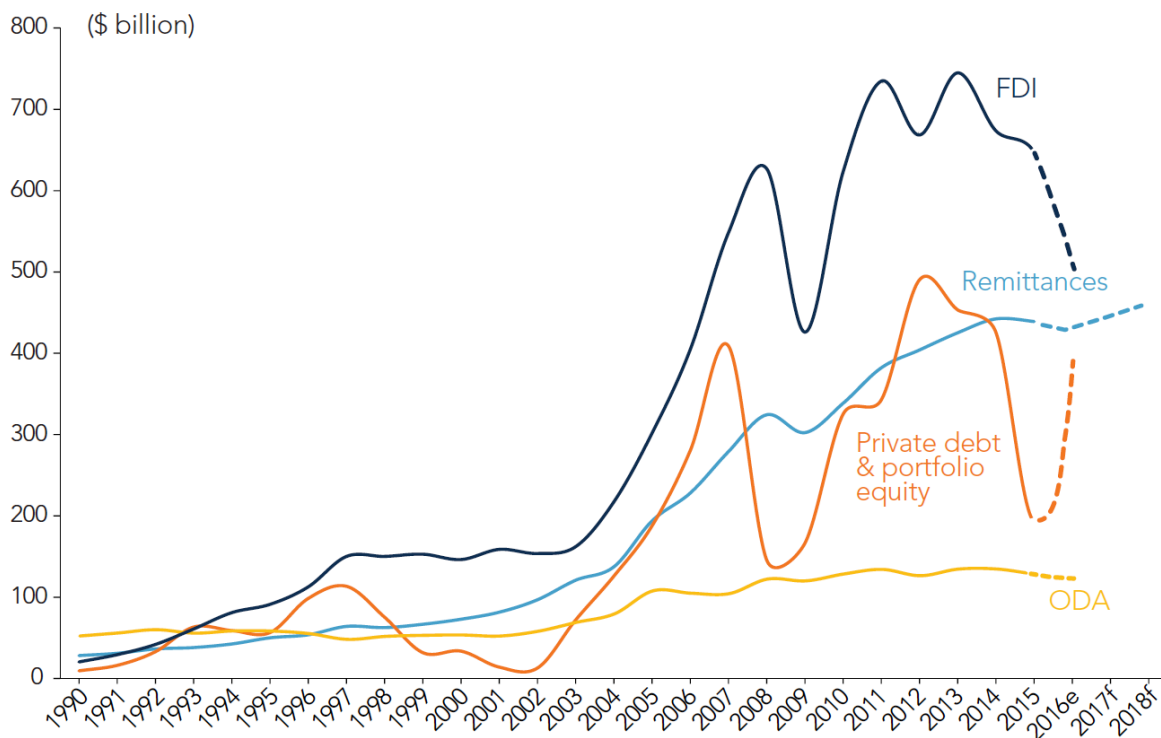
⁸ See the three latest *Global Humanitarian Assistance reports*, <http://devinit.org/themes/humanitarian>

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effectively end up in the hands of migrants’ relatives back home – save a few percent charged by money transfer companies – whereas a large chunk of foreign aid is used to pay for salaries, logistics, administration, fundraising and other operating costs. Factoring into the equation that OHA accounts for just a sixth of ODA, Figure 1 helps put the volume of resources associated with different actors into perspective. Moreover, domestic government revenues of the twenty top recipients of humanitarian assistance are twice as large as all resource transfers from abroad, meaning that domestic policy and budget allocation decisions are obviously key to people’s welfare in many of these countries.

This does not mean that humanitarian aid is not essential for the vulnerable in some of the toughest places. But it is marginal compared to significantly greater resource flows generated by others, which in turn hints at the potential for leveraging the resources and power of other stakeholders to achieve greater humanitarian outcomes in the context of “a nexus that works”⁹.

Figure 1. FDI, Remittances, ODA, Private Debt and Equity (1990-2008, in USD Billion, current prices)



Source: World Bank & KNOMAD (2017), Migration & Development Brief No27, p.2, <http://pubdocs.worldbank.org/en/992371492706371662/MigrationandDevelopmentBrief27.pdf>

It is important to note that the north-south resource transfers in Figure 1 fail to show increasing south-south cooperation involving trade, investment and aid flows between emerging and less developed economies. As importantly, Figure 1 does not reveal the amount of resources that flow in the other direction, i.e. from developing to industrialised countries. By some accounts, south-north transfers in the form of loans¹⁰, interest repayments, profit or income repatriation

⁹ Filipa Schmitz Guinote, “A humanitarian-development nexus that works”, ICRC blog, 21 June 2018, <http://blogs.icrc.org/law-and-policy/2018/06/21/humanitarian-development-nexus-that-works>

¹⁰ E.g. southern countries and citizens buying US treasury bonds, that is lending money to the US government.

and illicit financial flows might be double the north-south transfers¹¹, which has become a major issue in global development debates.

Framing the Nexus: concepts and principles

In the 1990s, several studies showed that humanitarians can inadvertently do harm while seeking to do good, for example by fuelling war economies and prolonging conflicts or by creating aid dependency and stifling local markets and initiatives¹². Since then, many relief organisations have not only committed to “do no harm” but seek to do good way beyond saving lives and alleviating suffering. Humanitarian organisations seem broadly supportive of the SDGs and peace even if this is not their prime purpose. So why not simply embrace peace and development? To what extent should the specific definitions, purposes and principles of humanitarian action and development set limits to collaboration?

Donors and major aid actors have adopted instrumental, self-referential definitions of humanitarian and development assistance. Such definitions have kept scholars busy for decades and remain controversial. In 2016, the European Association of Development Institutes advanced a definition of development in close consultation with academics from China, South Africa, Brazil and the US. They reached a consensus to portray development as a process involving profound societal change with “social, economic, political, technological, ecological, gender and cultural aspects” as well as “interactions between local, national, regional and global dynamics”¹³. Development studies are thus interested in social change processes that “cover an expanding range of topics and concerns” beyond just the global south.

From a normative viewpoint, development interventions can be perceived as positive or negative depending on the type of intervention and one’s own interests and ideology. For instance, the opening of the Trans-Amazonian Highway linking the Brazilian heartland to the Pacific Ocean a decade ago brought abrupt societal transformations in Puerto Maldonado, a Peruvian town in the Amazon Basin. Some residents welcomed the new opportunities associated with the road connection while others opposed the change, sometimes violently. Aid organisations thus tend to characterise the type of development they promote as sustainable, inclusive, equitable, rights-based, pro-poor, or human development.

The definitions of humanitarian action reflected in Red Cross/Red Crescent, UN and OECD documents refer to saving lives, alleviating suffering and protecting human dignity in an impartial, neutral and independent manner. The International Humanitarian Studies Association defines its study object as “crises caused by natural disaster, conflict or political instability” with a focus on “how humanitarian crises evolve, how they affect people and their institutions, communities and societies, and the responses they trigger”¹⁴. What do such definitions imply when framing the Nexus? There are four distinctive features:

- Both development and humanitarian organisations have long affirmed that participatory approaches involving “beneficiaries” are key to ensuring the relevance and effectiveness

¹¹ Some of these estimates rely on poor data and weak estimation techniques. The 2:1 ratio comes from www.eurodad.org/files/pdf/1546315-the-stateof-finance-for-developing-countries-2014-1450105202.pdf

¹² Mary B. Anderson, *Do No Harm. How Aid can Support Peace or War*, Lynne Rienner Publishers, 1999.

¹³ Joost Mönks, Gilles Carbonnier, Aude Mellet and Leo de Haan, “Towards a Renewed Vision of Development Studies”, *International Development Policy*, The Graduate Institute, n°8-1, 2017, <https://journals.openedition.org/poldev/2393>

¹⁴ <https://ihsa.info>

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of their interventions. Yet, international development assistance tends to be State-centric. It hardly ventures into rebel-held territory. Humanitarian action is people-centric and tends to focus on underserved areas that are often neglected by, or outside the effective control of, the State.

- Development aid primarily consists of financial and technical assistance covering the broad, transformational 2030 Agenda for Sustainable Development. The prime focus of humanitarian action is narrower and more conservative, but specifically includes preventing and protecting people against violations of International Humanitarian Law (IHL).
- Impartiality dictates providing unconditional humanitarian aid based on needs whereas development assistance is often made conditional on the adoption of measures and policies deemed necessary to spur the type of societal changes supported by the donors.
- Just like peacebuilding, development is a politically-laden process where the government is expected to take the lead and routinely faces opposition, not least by non-state armed groups in war-torn countries. Humanitarian organisations remain wary of getting embroiled in highly politicised processes.

These features help to frame the Nexus properly but should not prevent any stakeholder from seeking greater synergy between humanitarian, development and peace endeavours as long as it is not at the expense of the humanitarian space and core mission. In this context, the contentious issue of social change deserves greater scrutiny to the extent that one cannot simply assume that development is transformative while principled humanitarian action would be purely conservative.

Humanitarian action and change

Preventing and protecting people against IHL violations often requires pushing for behavioural change on the part of the military and non-state armed groups. Humanitarian actors sometimes refer to social norms that may have been eroded by war to promote greater IHL compliance. Getting and granting access to the most vulnerable may actually entail pushing for social change to overcome or bypass exclusion patterns that amount to a violation of IHL in war (e.g. depriving women from access to healthcare).

That said, development workers dealing with social change tend to have grown more agile in identifying and dealing with social exclusion than humanitarians. The 2015 flagship report of the World Bank entitled “Mind, Society and Behaviour”¹⁵ draws on recent advances in cognitive and behavioural sciences to reconsider how policymakers and citizens in developing countries as well as aid workers actually think and behave. The report underscores how “nudging” behavioural change can help address some of the most acute development challenges including breaking multi-generational poverty traps or mitigating climate change. “Nudging” now appears on the ever-longer list of buzzwords and refers to the idea of prompting behaviour change that can induce wider social changes in a subtle, non-threatening manner that might also minimise adverse policy-economy dynamics.

¹⁵ The Report highlighted that people tend to make decisions automatically, or based on prevailing social norms and mental models rather than on rational cost-benefit calculus. See <http://www.worldbank.org/en/publication/wdr2015>

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Such advances in behavioural and social sciences were long used for marketing and investment purposes before finding their way into the development sector. They have the potential to help address some of the most acute humanitarian challenges, be it with regard to preventing IHL violations, exclusion patterns in armed conflict, or some of the most contentious “Nexus issues” raised above¹⁶.

In conclusion, a look at the resource flows to countries that receive humanitarian aid hints at a vastly untapped potential for greater synergy across sectoral divides while a few distinctive features call for caution. Case studies on what works best in practice coupled with insights from cutting-edge research are critical to build on the multiple, often inadvertent, interactions between each Nexus’ facets to improve how the needs and aspirations of people in protracted crises are addressed.

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Biography • Gilles Carbonnier

Elected to the International Committee of the Red Cross (ICRC) Assembly in 2017 and ICRC’s vice-president since April 2018, Gilles Carbonnier holds a doctorate in economics from the University of Neuchâtel and has worked in three main fields over the past 30 years: development economics, humanitarian action and international trade.

Since 2007, Gilles Carbonnier has been a Professor of Development Economics at the Graduate Institute of International and Development Studies, where he also served as Director of Studies and President of the Centre for Education and Research in Humanitarian Action.

His expertise is in international cooperation, the economic dynamics of armed conflict, and the nexus between natural resources and development. His latest book, published by Hurst and Oxford University Press in 2016, is entitled *Humanitarian Economics: War, Disaster and the Global Aid Market*. Prior to joining the Graduate Institute, Gilles spent several years with the ICRC: he worked in the field from 1989 to 1991 (in Iraq, Ethiopia, El Salvador and Sri Lanka) and then at headquarters from 1999 to 2006 as an economic adviser.

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¹⁶ The ICRC intends to explore these issues as a matter of priority notably through its newly established Centre for Operational Research and Experience (CORE).