

I. State-Building and Government Consolidation in Situations of Fragility

Rahul Chandran, Lead Author
Edited by Derick Brinkerhoff

“Sometimes when a consultant tells me that Afghans lack capacity, I try to imagine my interlocutor being forced to survive in Uruzgan with two jaribs of land and a goat.”

Barnett Rubin

Overview

This concept note deliberately adopts a discursive, rather than formal academic style. It uses the Background Document on the Partnership for Democratic Governance as the basis for assumptions about the objectives of the PDG, and tries to avoid duplicating arguments contained therein.

It is clear from the PDG core document¹ that the low-hanging fruit for this initiative is quite easily identifiable. The use of outsourcing mechanisms to enhance the efficiency of services delivery (and, in best-practice cases such as health care in Timor-Leste, to increase capacity) are described and well-known to the international development community; the PDG’s principal innovation in these cases is to allow governments to own these mechanisms in a more robust way. As such, the PDG could be characterised as ‘more, better’ - a development assistance modality that delivers on the mantra of local ownership.

This note therefore seeks to investigate a different sort of fruit - to look at ways in which the PDG can support states in managing and mitigating the risks posed by fragilities that service-delivery focused initiatives cannot - such as the Governance and Economic Management Assistance Programme (GEMAP) in Liberia, and beyond. It also seeks to separate out the opportunities and challenges in post-conflict states from those in situations of deteriorating governance (or increasing fragility).

The appetite for greater risk and potentially greater impact that this implies is not taken lightly, but is predicated on the assumption that the PDG actively seeks to provide support in situations of limited access, and to take on challenges that require medium-term thinking in a world of short-term assistance.

The note presents a basic model of fragility and resilience that informs a brief discussion of issues surrounding *government* and *governance* in contexts of fragility. In particular, it looks at limitations of institutional approaches to governance. The note then explores the scope for international interventions, proposing ideas for potential PDG interventions and discussion purposes.

Fragility and Resilience

The OECD Fragile States Group paper, *From Fragility to Resilience* (Jones, 2008), argues that fragility emerges when the political process that reconciles citizens' expectations of the state and state expectations of citizens with the states' capacity to deliver services fails.² This state of disequilibrium can arise from shocks (disasters, commodity price changes, etc.) or chronic erosion (corruption, oppression), which can be triggered by a number of factors, ranging from the uncontrollable (commodity prices) and the external (invasion), to failures of the state to deliver services (post-disaster, for example).

Resilient states can manage these pressures because they have political mechanisms to handle discontent. It is when these mechanisms falter or fail, that social disruption, unrest and violence, or humanitarian disaster may occur, which are the manifestations of fragility that concern the international community.

This model places political processes as central to state building. It suggests that assistance to domestic mechanisms that can manage and mitigate conflict - which is inevitable in all societies - may be as, if not more, important as support to service delivery.

The overarching priority of state building must be a form of political governance and the articulation of a set of political processes or accountability mechanisms through which the state and society reconcile their expectations of one another. A focus on governance structures that address inequities and inequalities and promote accountability are likely to promote stability over time. This includes informal as well as formal institutions. (Jones, 2008)

A logical extension is that successful state building will almost always rely upon the product of domestic action and leadership. Political processes may be supported and even enabled by well-targeted, responsive international assistance. They cannot, however, be imposed.

But how does one diagnose the causes and appropriate interventions in situations of fragility? What are the core functions of the state that international intervention should support, and how can we effectively support them in order to prevent conflict or humanitarian disaster?

The model suggests that core functions and services of the state (which include security) need to be viewed through the lens of a dynamic model of fragility, which places capacity and service delivery alongside expectations and the process for reconciling those expectations. This suggests that, for example, the question of whether 'security' will be provided as a service that meets the needs of citizens, or as an instrument of oppression, will not be dictated by capacity alone, but rather shaped and constrained by the basic political process of state-society contract formation and reformation.

It furthermore argues that interventions that seek to address fragility must focus on issues of service delivery, state capacity and on political process. The question is not, therefore, whether it is appropriate for the PDG to support efforts to build a stable and resilient political process, but, rather, how can the PDG do so effectively?

Some caveats on institutional assistance

The rhetoric of development programming often conflates support to *government*, or the entity that governs, with support to *governance*, a concept that encompasses the relations between state and society. While recognition of this division can be found in high-level policy papers (Jones, 2008), the

practice continues to be dominated by an institutionally driven approach to state building that is problematic.

Both experience and theory argue that institutions are not portable. An identical set of rules and regulations (and even an identical physical infrastructure) will produce different results based on their context. This is classic sociology³ - a contract rests on its non-contractual underpinnings - as well as common sense. The underpinnings of a state are the result of a complex process of negotiations over power, resources and benefits, during which accommodations are made that reconcile oft-competing visions, values and norms. These challenges are reflected by a limited group of studies that have sought to evaluate international experience in support to post-conflict countries (Fritz, 2007; Ghani, 2008; Whaites, 2008). Perhaps more pointedly, the epigraph from Rubin illustrates that concepts of capacity and the way in which it might be required differ vastly depending on context. Perhaps this is again common sense, but the number of Iris-scan-based welfare and payment identification projects being implemented in Afghanistan and the Democratic Republic of the Congo suggests otherwise.

A USAID review states that the “record of success in implementing public administration reforms, however, has been limited in developing countries and especially in post-conflict societies raises a number of concerns.” (Rondinelli, 2006, 26) It notes that building capacity requires capacity - the chicken/egg problem; that effective aid requires effective government policy, which is rarely a feature of post-conflict or deteriorating governance situations; and that public administration is by its nature systemic, and requires systemic approaches, where the challenges are often caused by or linked to the failure or absence of systems.

A more pointed critique emerges from the five-year report, *Signposts to More Effective States: Responding to Governance Challenges in Developing Countries*. The report is damning. It begins:

For decades the development community has intervened in poor countries with little understanding of the political and institutional landscape, and with scant regard for the impact of their actions ... If that sounds harsh, consider the record. (Moore, 2005, 1)

The report states that donors have been “unrealistic about the capacity required to manage complex change” and “ignored the need to build a social and political consensus,” while assuming that this involves “little more than the supply of material resources and technical assistance.” (Moore, 2005, 1) It frankly states that this lack of realism is not for want of evidence, noting that both research and donor evaluations point to the lack of success in transferring institutional models. The basis for this blinkered vision is identified as the inconvenience of realism, which would suggest that donors cannot control the process of state building, but also because of a failure of imagination. It is worthwhile to quote the following at length:

The development community finds it difficult to conceive of legitimate public authority in developing countries except in terms of models that have worked ...well in developed countries—a merit-based bureaucracy, independent judiciary and programmatic political parties. The focus has been on formal institutions rather than on the informal relationships that shape the way they work. The approach is ahistorical - there has been virtually no attempt to understand the processes whereby current institutional models were negotiated, or the social, economic and political circumstances in which they were conceived. (Moore, 2005, 1-2)

Implications

The expected outcomes for the PDG include “improved government services, ... capacity and accountability, [and] a better understanding of what works and what does not work in the interim supply of international personnel as providers of core government services and core policy functions.” (PDG Background Document)

The model and the caveats above suggest that the experience in building stability through a focus on public administrative reform and state capacity alone has been fractured and poor. The critiques also suggest that international assistance must be grounded in deep local knowledge, and willing to be flexible and dynamic, in order to operate in situations where systems and policy are weak.

This is not to say that the objective of strengthening governance through strengthening government is unachievable. Rather, it suggests that there is a tremendous opportunity in providing support to governments as they seek to build their own capacity to lead (or restart) their economies and their political processes, if that assistance takes into account the lessons learned over the last decade. This is also a clear call for serious, in-depth research as to what actually works. The questions to be answered are too many to list here (and perhaps require a separate exercise to identify core challenges), but a potential agenda could contemplate some variation of the following: (i) Given the democratic mandate of the PDG, what approaches to capacity and services incorporate and support the idea of democratic function? (ii) What is a systemic approach to capacity, and how can sector-based, service-delivery focused efforts be leveraged to provide ‘governance’? (iii) How important is context, and where can semi-standardised approaches work?

The recent DFID-sponsored report, *Recovering from War* (Chandran, 2008), part of a movement toward a more evidence-driven approach to these issues, makes four recommendations for post-crisis interventions that are worth reproducing in full:

The deeply political nature of post-conflict recovery cannot be overstated. Decisions that in normal development contexts have low costs can in early post-conflict contexts have serious repercussions, putting a premium on training and conflict sensitivity. Moreover:

- ▶ **Capacity-building programmes need to be willing/able to take risks to build national capacity absent clear national direction.** In early recovery, where government is not organised to articulate priorities except at the broadest level, it is possible to identify key steps that must be taken to facilitate government leadership and support local capacity and ownership. Paralysis in waiting for government to have the capacity to lead delays the point where the government can do so.
- ▶ **“Good enough development” is necessary.** The objectives of early recovery programming are to help implement peace, secure stability, and begin to restore state capacity. Given these objectives, and the frequent lack of counterpart capacity and ownership, programming that is not designed to be sustainable is often necessary. This means a willingness to spend money to secure the peace dividend—in ways that may not be ideal in the long term, but that serve the important short-term goal of stability and sustainability of recovery.
- ▶ **Programming needs to be more fluid and flexible.** Reality must drive programming, supported by assessment, strategy, and planning. This requires adaptability to shifting political climates, shifting institutional capacities and underlying political, social and economic realities. Innovative methodologies to deliver will be required in post-conflict contexts.

- ▶ **Early recovery programming cannot pretend to development levels of risk management.** There has long been acceptance of higher levels of risk in the humanitarian sphere. This does not mean a lowering of fiscal standards, but puts the burden of accountability on international actors. It also means that donors must be willing to sacrifice the donor flag to common strategy and to take greater risks than are the norm in traditional programming. The cost of not taking risks is high. (Chandran, 2008, 8)

The PDG could be well-suited to addressing the challenges raised by this report. Its abilities to inject capacity into government programming, to provide multi-year funding to its projects, and to assume risks from which bilateral and traditional multi-lateral programmes shy away, if coupled with a willingness to innovate in its early years, offer significant potential.

What can donors do?

Opportunity I: Support to strategic planning

Recovery from War shows evidence for a “strategic gap” in recovery from crisis, describing the absence of planning and prioritisation frameworks that integrate political, security and development strategies towards the common goal of state building. An example might be Afghanistan, where the proliferation of policy structures, and many years of tinkering have yet to produce a single, co-ordinated flow where national government officials can monitor and oversee international performance - due to a lack of capacity and investment. The absence of international support to the Consultative Group mechanism led to an unsustainable situation where senior ministers had to chair technical meetings on irrigation issues.

This is both a problem and an opportunity. Domestic leadership at the national, provincial and district levels in any planning process that seeks to identify these gaps is essential. In times of crisis (and deteriorating governance) there are rarely enough individuals with the time and the capacity to manage a fragile peace, and to lead and provide substance to the process of strategic planning.

Strategic planning is, however, a process and a skill that can be divorced from content. Placing a team of competent strategic planners, and individuals with relevant technical knowledge, at the service of the governments seeking to develop recovery strategies and plans would be very useful. At a recent conference in London, the *chef de cabinet* of the Congolese Ministry of Planning recognised the importance of this gap, and called for more direct support to governments to enable them to own and lead such processes, rather than solely further investment in multilateral capacities for planning.

As importantly, it is realistic to assume that international experts could easily train their national counterparts in the process of leading and facilitating strategic planning. There are countless private and public sector courses on planning, and many national militaries, for instance, have standardised training modules for military planners that would be adaptable to such a process.

There are risks inherent in such an approach, and the limitations of the effectiveness of traditional ‘training’ programmes are well-known. The PDG is, however, in part predicated on the belief that careful design and multi-year programming can mitigate some of these risks. It is unclear to what extent international consultants, even working for a government, can execute a process that this paper deems always political - and whether host governments would welcome these ideas.

Opportunity II: Support to political processes

A second powerful opportunity lies in support to political processes. This can occur on three particular levels:

Firstly, international interventions must take to heart that a peace process begins, rather than ends, with a peace agreement. All peace agreements are subject to continual informal renegotiation, as the reality of government intrudes. This requires constant mediation and outreach - from those who have power to those who have less - which is often difficult in low-capacity contexts, or situations with a history of conflict between parties. The support of a team of 'neutral' individuals with the specific task of mediation and outreach, but on behalf of the post-crisis leadership, could help to ensure the sanctity and stability of a peace process. This is a difficult and highly specialised task, and would require the full support of the leadership. A mechanism such as the PDG, where individuals such as these are answerable to national leadership, rather than to the United Nations or other external actors, might have significantly more domestic credibility⁴. The risks of failure are large; the potential pay-offs likewise.

Linked to this is the question of leadership training in conflict management. While there is much discussion about how to make senior political officials more effective negotiators, training for senior civil servants at the national and local levels more often focuses on their bureaucratic - rather than their political - skills. A conflict in Indonesia, for example, recently arose when farmers were experiencing dramatic changes in the rainfall cycle and tapped an underground aquifer for irrigation. This lowered the water table to the point that the wells of a neighbouring village ran dry. With local officials unsure of how to talk to each other, and lacking basic negotiation and conflict resolution skills, a potentially manageable situation descended into violence.

This example is deliberately complex. Again, international training and support to mediation and conflict resolution skills might not have averted this conflict, and certainly would not have prevented mismanagement of water resources or the change in rainfall. State building is often a percentage game - there are no 'correct' pathways to success, and no "right" ways to do it. Violence, however, rarely helps stability, and building more and better skills to locally manage inevitable conflicts are likely to provide a long-term return on investment. The success and popularity of programmes among participants - such as the Burundi Leadership Training Programme (Woodrow Wilson International Center for Scholars, 2008) - have not been matched with funding and expansion. Nonetheless, a sufficient body of knowledge exists in the private, alternative dispute resolution (ADR), and public sectors to effectively leverage into a PDG-style programme.

Finally, there is an important and neglected role for public relations in post-crisis contexts. Few developing countries have access to crisis-management PR expertise. Citizen expectations of the state are a function of their perceptions of what their government promises and delivers as much as the realities. Management of those expectations and of information is, fundamentally, a public relations problem. In no easily identifiable case has there been a formal programme of support to public outreach and to the communications departments of new governments.

There is plenty of private sector capacity for this function that could easily and naturally be leveraged for this purpose, and which could usefully provide training to national counterparts in skills and techniques. The opportunities to learn by doing will, more than likely, be numerous.

Opportunity III: Support to the security and judicial sectors

Both *From Fragility to Resilience* (Jones, 2008) and *Recovering from War* (Chandran, 2008) identify the lack of co-ordinated international investment in the security sector as a significant risk to stability. An

ambassador of a Caribbean country recently asked a closed-door gathering: “What has to happen to my country before we receive international assistance? Must we descend into war? It is clear that our security sector is the cause of trouble; it is clear that we lack the skills to deal with it. To whom then do we turn?”

The security sector is particularly sensitive to issues of sovereignty and control. The PDG model, therefore, offers a comparative advantage over bilateral assistance in its ability to work under government leadership. The difficulties lie in identifying where in the security sector international assistance could realistically offer utility, and in managing the difficult relationship between technocratic reform of the security sector, and the underlying political situation that has often created the problem in the first place. Although the answer will always be context-specific, examples of potentially useful assistance are rife. In both Afghanistan and the Democratic Republic of the Congo (DRC), the problem of salary payments has been highly challenging. Particularly in the DRC, failure to create an effective payment system and difficulties in the relationship with the European Security Sector Reform Mission (EUSEC) have been identified as a significant roadblock to stability. It is conceivable that an international team under direct government control - and integrated into the Ministry of Defence - might have had more success. Further opportunities may also be available in Disarmament, Demobilisation and Reintegration (DDR) and policing.

The Annex to the PDG Background Document also identified the judicial sector, referring to support to the justice sector in Guatemala. Forensic expertise is very rare in post-conflict contexts, and urgently needed to combat crime which can easily undermine trust in the government if unchecked. There is also potential for the PDG to go beyond this. International criminal courts, such as the Criminal Tribunals for the former Yugoslavia and Rwanda have proven expensive and unpopular. The case of Akinola Aguda, however - a Nigerian jurist who was the first Chief Justice in Botswana - suggests that there is potential for broader interventions to deliver access to justice.

Brief Conclusions

This note does not address traditional service delivery; this lacuna in no way minimises the potential impact of PDG interventions in support of services. It also does not address a further potential area for PDG focus: increasing the core absorptive capacity of countries in crisis – through contracting, procurement and technical functions. Again, this omission does not reflect on the potential importance of this function.

The risks of these approaches - and of the proposals in this note - have been discussed elsewhere. The practice of “substitution” always carries the potential to undermine the state either through transferring credit to international actors, or through creating the expectation of services and performance at a level that cannot be sustained. This is always balanced against the humanitarian imperative to act, and the occasionally conflicting imperative to support the emergence of a stable and resilient state. There are no easy answers to this.

There are also no guaranteed ways to ensure that the execution of functions - whether political, security, or service delivery - is continuously twinned with capacity development. The practice of dual-desking has frequently been recommended, but is expensive and somewhat untested.

Other commentators have noted that a lack of demand for (and implicitly, perceived benefit from) state institutions and reform remains one of the largest obstacles to reform, and that external actors’ influence over this is highly limited. This is also true.

Nonetheless, there is clearly significant potential in the PDG to deliver on the mantras of local ownership and national capacity - and on the promise of stability - if the PDG is willing to take risks and to honour its own ideals.

As perhaps best phrased by Fukuyama, these approaches “will work only if ... donors are patient and do not care if the factory produces goods in the short run.” (Fukuyama, 2004)

List of references

Brinkerhoff, D. (2005), “Rebuilding Governance in Failed States and Post-Conflict Societies: Core Concepts and Cross-Cutting Themes,” *Public Administration and Development*, Vol. 25, pp. 3-14.

Woodrow Wilson International Center for Scholars (2008), Burundi Leadership Training Programme, www.wilsoncenter.org/index.cfm?topic_id=1417&fuseaction=topics.item&news_id=44130, accessed 18 Sept 2008.

Chandran, R., B. Jones and N. Smith (2008), *Recovering from War: Gaps in Early Action*, Center in International Cooperation, New York, www.cic.nyu.edu/peacebuilding/docs/earlyrecoveryfinal.pdf

Fritz, V. and A. Rocha Menocal (2007), *Understanding State-Building from a Political Economy Perspective*, ODI, London.

Fukuyama, F. (2004), *State-building: Governance and World Order in the Twenty-first Century*, Cornell University Press, Ithaca.

Ghani, A. and C. Lockhart (2008), *Fixing Failed States: A Framework for Rebuilding a Fractured World*, Oxford University Press, New York.

Jones, B., R. Chandran et al. (2008), *From Fragility to Resilience: Concepts and Dilemmas of Statebuilding in Fragile States*, OECD, Paris. www.oecd.org/dataoecd/59/51/41100930.pdf, accessed 18 Sept 2008.

Moore, M. (2005), *Signposts to More Effective States: Responding to Governance Challenges in Developing Countries*, Institute for Development Studies, Brighton, <http://www.ids.ac.uk/ids/news/signposts.pdf>, accessed 19 Sept 2008.

PDG (2007), Background Document on the Partnership for Democratic Governance, www.oecd.org/dataoecd/27/3/39408415.pdf, accessed 19 Sept 2008.

Rondinelli, D. (2006), *Reforming Public Administration in Post Conflict Societies: Implications for International Assistance*, USAID, Washington, D.C., http://pdf.usaid.gov/pdf_docs/PNADG326.pdf, accessed 18 Sept 2008.

USAID (2008), *Poverty Reduction in Conflict and Fragile States: Institutions and State Legitimacy*, Symposium, 2 April 2008, Washington D.C., www.povertyfrontiers.org/symposium

Whaites, A. (2008), *States in Development: Understanding State Building*, DFID Working Paper, London, www.dfid.gov.uk/pubs/files/State-in-Development-Wkg-Paper.pdf