

From Fragility to Resilience: Concepts and Dilemmas of Statebuilding in Fragile States

A Research Paper for the OECD Fragile States Group

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EXECUTIVE SUMMARY

1. Policy-makers are increasingly concerned by what appears to be a growing body of ‘weak,’ ‘fragile,’ or ‘failing’ states. This is understandable, as few issues are so central to contemporary international politics – to questions of development, management of the global commons, or human and collective security – as that of well-organized cooperation between effective states. States retain the central responsibility for assuring the safety and security of their citizens, protecting property rights, and providing public goods to enable a functioning market. Many states do more, taking on critical welfare functions for their populations.
2. It is also true that states can be a source of oppression and *in*security, both domestically and internationally. To many communities, the history of state formation and the process of statebuilding is one of violent suppression of ethnic or religious identity, forcible compliance with ‘national’ laws and norms set by distant and unrepresentative elites, and enforced taxation with few services delivered in return. Many such communities have limited and cautious expectations of the state.
3. International actors have not yet adequately incorporated into policies or practice a sufficiently nuanced understanding of the dynamics of fragility and its variations, or developed appropriately contextualized strategies for statebuilding in relation to it. Thus, this report seeks to help clarify the discussion of fragility and to examine implications for statebuilding.

Argument

4. The OECD’s Principles for Good International Engagement in Fragile States assert that statebuilding is the central objective of international engagement in fragile states, and set the ambitious goal of assisting in the building of “effective, legitimate, and resilient states.” The

Principles also assert that statebuilding efforts should be “concerted, sustained, and focused on building the relationship between state and society.” This requires a nuanced understanding of the causes of fragility and its various manifestations, as well as an appreciation for how this understanding should shape both the policy and practice of statebuilding.

5. The central contention of this paper is that fragility arises primarily from weaknesses in the dynamic political process through which citizens’ expectations of the state and state expectations of citizens are reconciled and brought into equilibrium with the state’s capacity to deliver services. Reaching equilibrium in this negotiation over the ‘social contract’ is the critical, if not the sole, determinant of resilience, and disequilibrium the determinant of fragility.
6. Disequilibrium can arise as a result of extremes of incapacity, elite behavior, or crises of legitimacy. It can arise through shocks or chronic erosion, and be driven alternately by internal and external factors. Resilient states are able to manage these pressures through a political process that is responsive, adjusting the social contract. States that lack effective political mechanisms may be unable to manage the consequences – social disruption, unrest, and violence – that can arise when the state does not meet social expectations.

Implications for Policy & Programming

7. Successful statebuilding will almost always be the product of domestic action, though it can be significantly enabled by well-targeted, responsive international assistance. Deeper, context-specific analysis of the historical and contemporary dynamics of social contract negotiations must be the basis for statebuilding efforts. This paper elaborates a series of policy implications related to interventions around various facets of fragility, including weak capacity, illegitimacy, and political division, as well as specific challenges of post-conflict settings and authoritarian states.
8. In short, the overarching priority of statebuilding 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. .
9. The core functions and services of the state –including 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 them. The question of whether security will be provided in a way that meets the needs of citizens, or will function primarily as an instrument of oppression, will not be dictated by capacity, but shaped – indeed, often usefully constrained – by the basic political process of state-society contract formation and reformation.
10. More broadly, a focus on statebuilding, if understood as support for the state-society contract and its gradual institutionalization, is equally if not more important than poverty reduction as a framework for engagement. This is particularly so in divided or post-war states, where poverty reduction of course remains a goal but is perhaps not the most appropriate overall framework for engagement. Rather, overall statebuilding strategy processes should frame, though not replace, post-conflict needs assessment (PCNA) and poverty reduction strategy paper (PRSP)

mechanisms. If properly developed, the new integrated peacebuilding strategy process at the UN, supported by the World Bank, might serve as a more appropriate locus of strategy and coordination – framing and supporting the PRSP's focus on poverty reduction.

11. Generally, the question of the resilience of the social contract should shape statebuilding strategy. Where the state leadership has a credible strategy for fostering the social contract, a statebuilding approach would strongly emphasize forging a joint, multi-donor strategy with the government, and then providing direct support to the state budget. Likewise, where an assessment suggests that a source of disequilibrium lies in the state's inability to extend the rule of law, supporting the long-term development of legitimate security and justice structures should be a core goal. At present, official development assistance (ODA) spending definitions are at odds with this prioritization.
12. Where a basic social contract is not in place, or is weak or highly exclusionary, our analysis suggests a two-part basic strategy: political engagement with the government to seek to generate the necessary political reforms, and support to service delivery functions of the state, if viable, or alternative delivery mechanisms to meet human needs where not.
13. Post-war states present both a major challenge and a major opportunity. Three dimensions of policy should be the focus of post-war engagement: political processes that legitimate the state; the development of the framework of the rule of law, including with respect to economic governance; and the re-establishment of a framework of security, including but not limited to reconstitution of the state security apparatus.
14. A critical question for international policy is how to develop institutional or political arrangements before rather than after the outbreak of violent conflict or crisis. The challenge of statebuilding in the context of authoritarian political systems is thus acute. At the very least, our analysis suggests that policy on authoritarian states should seek to identify some opportunities for engagement with state institutions where that engagement may have only minimal impact on state legitimacy – for example, in health provision. This may, at the margins, extend regime survival – but only at the margins, and it may have a positive impact in terms of reducing the likelihood of state collapse in situations of rapid political transition. More broadly, in such contexts, diplomatic/political mechanisms, not development assistance, should be the primary mode of bilateral and multilateral engagement.
15. The paper also briefly sets out (and Annexes 2 and 3 further elaborate) the implications of this statebuilding lens for a range of current aid practices, including programming relating to decentralization, accountability, the rule of law, taxation, and the establishment of frameworks for economic development.

Implications for Bilateral and Multilateral Organization and Financing

16. The report sets out a number of implications concerning organizational and financing issues, and makes recommendations to bilateral and multilateral institutions. The first recommendation is for sustained policy engagement with the major emerging economies and regional actors, which are becoming increasingly relevant in several fragile state contexts. Absent this, OECD policy will become decreasingly relevant in several fragile states contexts.

17. Second, the perennial issue of donor coordination remains highly salient. The launch of a ‘One UN’ process in several countries is a starting point, but must be matched by tighter coherence among the donors. The coordination challenge would be substantially eased if donors did more to pool their funds – perhaps through the ‘One UN’ process.
18. Donors also need to address glaring weaknesses in the financing for rule of law and justice sector support to fragile states – both at the multilateral and bilateral levels. Related to this is the acute problem of a lack of multi-year funding. Donor governments should also be engaging with their legislative oversight bodies to make the case for a greater emphasis on accountability to the societies in which they work, rather than on state-donor accountability.
19. Multilateral institutions have substantial comparative advantages in dealing with fragile states, but need to be further developed to support statebuilding functions. Given the increasing importance of peace operations in the provision of support to post-conflict states in the rule of law, the UN Department of Peacekeeping Operations and the UN Special Committee on Peacekeeping should engage in a major reform effort to improve the speed of recruitment, training, and retention of civilian personnel for peace operations. The World Bank has already agreed to expand its personnel in the field in fragile and conflict-affected states; staffing for those new positions should take appropriate account of the political sensitivity of fragile states contexts, and the need for negotiating skills. We also believe that it is warranted to strengthen the UN Development Program’s role in political governance, the rule of law, and security sector reform as core areas of development engagement in fragile states – this will require new organizational strategy from UNDP, as well as multi-year funding.

Conclusion

20. Statebuilding in fragile states is a critically important but highly challenging function. The complexity and context specificity of the state formation process, as well as limits on external influence, means that sustained, serious efforts as well as research and policy innovation are urgently needed. Successes will contribute to human security, development, and international stability – benefits warranting substantial national and international engagement.