NOREF Report

Rethinking policy responses on fragile states

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Executive summary

The evolving policy discourse on fragile states has covered many of the criticisms made of the concept itself and its policy implications, including the need to be context specific, build on local systems of governance, engage for the long-term and beyond state institutions, and consider how having an international presence affects internal power dynamics. While new and innovative approaches have started to emerge in some of the academic work being done on fragile states (eg, the emergence of "hybrid political orders", the role of non-state actors), there is still a gulf between policy discourse and practice. In an attempt to address the fragmentation of the actors, mandates, objectives, cultures, and bureaucratic logics involved in peacebuilding and statebuilding, on-going efforts to improve international support to fragile states tend to focus mainly on internal organisation, means, knowledge, capacity, policy coherence and coordination.

As laudable and difficult as such efforts may be, they risk merely covering up other more fundamental shortcomings of the international action being taken in fragile contexts. Ultimately the main driver for change in the way international actors operate in fragile states is politics. International support needs to build on an understanding of the local political context – including the internal political dynamics that operate both among local actors and between them and external actors – and go beyond state-centred approaches that fail to take on board how fragile states actually operate. There is also a need for clearer political guidance and greater transparency around the role of international actors and the political motivations, objectives and impact of their interventions in fragile states.

The issue of "fragile states" had been addressed in academic literature and policy circles well before it started to attract increasing political attention post 9/11. The formation and/or crisis of the state, which is at the basis of the fragile states debate, has long been researched and debated in academic literature, especially in relation to state formation in the post-colonial period. The political use of the notion of the weak, failing or failed state is not new either and, as pointed out by Jonathan Di John, was specifically used to justify colonial rule. However, it re-emerged more prominently as part of the international policy agenda in the 1990s as a result of different (albeit inter-related) humanitarian, development and security concerns and priorities that began to adopt policy approaches which sought to address fragile states in a comprehensive manner.

Good governance a core concern

As the first section of this paper outlines, policy approaches to fragile states have been influenced by, among other things, poverty reduction strategies and the Millennium Development Goals (MDGs), the concepts of human security and "responsibility to protect" (R2P), new approaches and modalities for aid effectiveness, democratic governance, conflict prevention and resolution, and the "war on terror". However, these are not necessarily convergent or complementary policy agendas and have thus resulted in varied, and sometimes divergent, policies and political approaches and goals. Nevertheless, there seems to be a consensus among international actors that peacebuilding and statebuilding should be the overarching goals guiding policy thinking and external assistance in fragile states.

At the core of international concerns and current policy responses in fragile states is the issue of good governance. International actors, and many people in developing countries, increasingly see governance as the "missing link" in the security-development nexus, and a key reason why cooperation policies have largely failed to promote sustainable development and stability. Governance has thus come to be a key feature of donor strategies in fragile states. However, despite donor rhetoric about upholding/supporting governance in fragile states, commitment, in practice, appears to be much more tentative and ad hoc.

Peacebuilding and statebuilding agendas merge

The evolution of the peacebuilding and statebuilding agendas, as well as the many challenges and tensions faced and caused (intentionally or not) by external interventions and support in fragile contexts are discussed in the second section of this report. Both agendas combine development, governance, and security and appear to be increasingly joined-up.

Peacebuilding was initially associated with peacekeeping efforts in conflict and immediate post-conflict contexts, but the first generation of peacebuilding missions failed to stop some of those countries from slipping back into violent conflict. The shortcomings of those missions were partly attributed to having too narrow a focus on rapid political and economic reforms and placing too much emphasis on quick gains and a rapid withdrawal. Since then the concept of peacebuilding has thus expanded to include both the prevention of violent conflict and efforts to help bring about lasting peace. However, some see the inclusion of statebuilding as part of peacebuilding as problematic and possibly counter-productive.

Statebuilding, for its part, no longer focuses exclusively on the reconstruction of political institutions in the aftermath of conflict and state collapse, or on the role of institutional state actors alone. It is recognised as being primarily an endogenous process involving a diversity of actors and not just a top-down process, but also one in which state institutions have a key role to play. Many donors now believe that international actors must base their priorities on an understanding of the interaction and mediating processes between state and society at their various levels, as well as between social groups. It is also recognised that statebuilding is a complex, lengthy and non-linear process and that donors may need to be in for the long haul.

Gaps between the rhetoric and practice

While there is clearly an overlap between peacebuilding and statebuilding objectives, the merging of the two agendas is not without problem. The multitude of actors involved, all with different and sometimes conflicting political agendas, priorities, guiding principles and rules, funding mechanisms, experiences, timeframes and pressures to deliver renders agreement on a shared strategy and international coordination extremely difficult.

The final section examines the significant gaps between the rhetoric and practice of international donors, as well as the limitations of the role of international actors and their ability to support peacebuilding and statebuilding processes in fragile states. Operational, institutional, and intellectual barriers are standing in the way of changes to a donor approach that tends to be highly rule-based, technocratic and compartmentalised. New donor structures and approaches are being developed.

However, while institutional reorganisation and capacity-building, improved knowledge and understanding of the political economy of the context, greater awareness of and sensitivity to deeply contextual issues such as legitimacy, and greater attention to governance and security-related issues are all positive steps, they do not constitute a miracle cure for the fragmentation of the actors, mandates and objectives involved in peacebuilding and statebuilding efforts. To counter this fragmentation, there needs to be a shared understanding of the political context and a political strategy on how to achieve common objectives and priorities. So far, despite the political rhetoric around ownership, alignment and context-based solutions and the recognition that diverse forms of state organisation exist, there appears to be little substantial change in the way international actors operate in fragile states.

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The main drivers of international engagement in fragile states

International engagement in fragile states used to be largely predicated on development and humanitarian concerns but these days it tends to be driven by concerns about the possible impact of conflict, instability, and eventual state collapse on regional and international peace and security. All these concerns, nevertheless, still co-exist and to varying degrees influence the current international discourse on fragile states.

The strategies being pursued appear to be increasingly focused on restoring the state as the guarantor of development and security. This reflects the prevailing western view of the state's role in society and the perceived negative consequences of the absence or weakness of the state in certain parts of the world. Greater emphasis is therefore being given to "linking" existing donor policies and instruments and to governance as a means of achieving that aim, as well as to less traditional areas of donor engagement (eg, security, mediation and political processes, the environment) and improving coordination between international actors.

Making aid work

Fifty years of development cooperation seem to have produced very limited returns given the amount of resources invested. For many in both developing and donor countries, development aid has all too often either bypassed and weakened national governments or supported despotic and predatory rulers and elites for the sake of international economic and political or strategic interests, without providing any visible benefits to the local population.

Although there is much more to development aid than this,[1] the limited results it has yielded and the frustration felt by both donors and recipients have prompted a review of the effectiveness of aid policies. There is a call for aid to be more embedded in national contexts and priorities (eg, alignment and ownership) in the quest for greater effectiveness, as endorsed in the 2005 Paris Declaration on Aid Effectiveness and the 2008 Accra Agenda for Action. The channelling of

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1   For an interesting and comprehensive overview of the on-going debate about development trajectories and the rethinking of the notion of development in a globalised world, see Monique Kremer, Peter van Lieshout and Robert Went, eds, *Doing Good or Doing Better. Development policies in a globalizing world,* Scientific Council for Government Policy, Amsterdam University Press, Amsterdam, 2009, http://hikm.ihe.nl/pie/file/pdf/http__www.wrr%20doing%20good.pdf, accessed 2 May 2011.

aid through non-governmental organisations (NGOs) (often bypassing national administrations that are seen as too weak, incompetent or corrupt) and the pushing of liberal economic policies by the Bretton Woods institutions (the Washington consensus) are acknowledged to have often had a negative impact, leading to increased social and economic vulnerability.

Particularly in countries with very weak economies and where state power and authority have relied on patrimonial systems, structural adjustment and market-based reforms have led to a fall in investment in the social sector and contributed to a shrinking of the state and the space for state-society relations, thus further eroding state legitimacy and authority and at times exacerbating social tensions and conflict, as documented by many studies by the World Bank and others (eg, Stiglitz).[2]

> Aid effectiveness runs the risk of rewarding good performers and creating "aid orphans".

As Christopher Clapham notes in the case of Africa, "almost throughout the continent, indebtedness, economic failure and the consequent imposition of structural adjustment programmes have deeply undermined governments that relied for their authority mainly on clientelistic networks sustained by the trickle-down of economic favours (…) Those mechanisms for political and economic reform that help to consolidate viable states now only serve to exacerbate the problems of those territorial units in which the foundations of statehood are feeble or non-existent".[3]

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2 See also, for instance, in relation to the land reform introduced in Guatemala as part of the changes sought by the 1996 peace accords, Claudia Virginia Samayoa, "Challenges and opportunities for statebuilding. The experience of Guatemala, a fragile state", paper presented at the Madariaga-College of Europe Foundation and the Folke Bernadotte Academy seminar on "Statebuilding at the Heart of Conflict Prevention and Peacebuilding", Brussels, 27 May 2010. In many Latin American and Sub-Saharan African countries, adjustment policies led to a reduction in per capita income and investment as well as accelerated inflation. This resulted in disinvestment in social sectors during the 1980s whereas in countries that did not undergo structural adjustment programmes spending in those areas increased. See Department for International Development (DfID), *Recession, debt and structural adjustment*, Education Research Paper No. 06, United Kingdom, 1993, http://webarchive.nationalarchives.gov.uk/+/http://www.dfid.gov.uk/AboutDFID/Education/research/library/contents/dep06e/ch05.htm, accessed 2 May 2011.

3 Christopher Clapham, "Rethinking African States", *African Security Review,* Vol 10 No 3, 2001, Institute for Security Studies, South Africa, http://www.iss.co.za/pubs/asr/10No3/Clapham.html, accessed 3 May 2011.

The aid effectiveness discourse and the MDGs

However, the aid effectiveness discourse, which had begun back in the 1990s, signalled other dangers, namely the risk of rewarding good performers and creating "aid orphans", leading to international disengagement in weak states, which served neither development nor security objectives. Poorly governed societies, whose populations were already among the most economically deprived in the world, were indeed neglected by donors throughout much of the 1990s. Poverty reduction agendas, such as the Millennium Development Goals (MDGs), though focused exclusively on development indicators, offered instead a renewed global commitment to supporting weak or poor performing countries. International donors generally cite the MDGs, which are targeted at securing substantial improvements in human development indicators such as poverty, hunger, disease and illiteracy, combating environmental degradation and discrimination against women and developing a global partnership for development, as a justification for engaging in fragile states.

According to the Organisation for Economic Cooperation and Development (OECD), aid to fragile states in 2009 amounted to $40.5 billion, indeed indicating a continued increase in official development assistance (ODA) and attention to fragile states over the last years. Current funding levels are over twice the amount of ODA given to fragile states a decade earlier. While aid to fragile states now accounts for a third of ODA to developing countries, it is estimated that fragile states still receive on average 43% less aid than their poverty levels would seem to warrant. They are also more dependent on just a few donors, and aid flows are twice as volatile and less predictable than those to other developing countries as aid is more quickly withdrawn in situations of instability or conflict.[4]

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4 OECD, *Annual Report on Resource Flows to Fragile and Conflict-Affected States 2010*, Development Cooperation Directorate (DCD-DAC), 2010, http://www.oecd.org/document/13/0,3343,en_2649_33693550_45789965_1_1_1_1,00.html, accessed 3 May 2011.

Responding to humanitarian crises

The desire to respond to humanitarian crises is one of the strongest arguments underpinning international engagement in fragile states and is frequently used to justify peacekeeping missions and other military interventions mandated by the United Nations (UN), some of which raise concerns about the possible abuse of this course of action. In many cases, mission mandates clearly list the protection of civilians and/or humanitarian actors and the facilitation of humanitarian access as key objectives. It is the case, for example, of the European Union (EU) mission in Chad and the Central African Republic; of the EU's naval operation in Somalia, EU NAVFOR Somalia – Operation ATALANTA is tasked with helping to protect both World Food Programme (WFP) vessels delivering food aid to displaced persons and other vulnerable vessels sailing in the area; of the African Union (AU) mission in Darfur; or more recently of the NATO led operation Unified Protector in Libya.

Although the legality of humanitarian interventions is still contested, the emergence of the concept of human security and the endorsement of the Responsibility to Protect (R2P) by the 2005 UN World Summit have contributed to clarifying the principles and rules of humanitarian intervention and the obligations of intervening states, thereby increasingly shaping international politics and customary international law. Limitations to the principle of state sovereignty are now more likely to be justified on humanitarian grounds. Article 4 of the Constitutive Act of the African Union, for instance, asserts the AU's right to intervene in respect of grave circumstances, namely war crimes, genocide and crimes against humanity, pursuant to a decision of its Assembly. Humanitarian interventions are also more likely to be accepted and supported by the general public. An increase in the number of peacekeeping missions since the late 1990s is also credited with having helped to reduce the number and severity of conflicts worldwide and, consequently, their humanitarian consequences, thus strengthening the argument that engagement is positive.[5]

The level and scope of humanitarian assistance has also increased substantially since the end of the cold war. Aid per displaced person in war-affected countries has more than tripled over the past two decades and become more effective, contributing, together with the changing nature of warfare and better public health programmes in peacetime, to a significant decrease in wartime mortality. In most fragile states (and not necessarily those undergoing conflict), humanitarian actions often secure the greatest funding and appeal most to the public in donor countries while, for instance, according to a recent OECD study on transition financing, transition activities attract far less international funding

Lack of perceived alternatives to humanitarian aid

In some fragile states, humanitarian aid represents 50% or more of total ODA to the country while in most recipient countries it is around 10% or less.[6] This illustrates the greater appeal of, or the lack of perceived alternatives to, humanitarian activities in such contexts. In fact, humanitarian actors are very often among the few international actors present in many fragile situations, particularly where there is conflict, due partly to the nature of their role, activities and modus operandi (humanitarian actors generally do not work through the state) and partly to their acceptance of higher levels of risk.

In such contexts, humanitarian organisations often carry out activities across the whole spectrum of relief, recovery and development, though the latter generally attracts less funding. Furthermore, securing funding for humanitarian activities appears to be quicker and more flexible while other types of expertise are often lacking and hard to find/mobilise in more difficult or insecure contexts. It is also easier to mobilise public support or justify public spending for humanitarian activities than for other forms of intervention. Lastly, in some situations working through state actors can be seen as a stumbling block.

Improving policy responses by linking security and development

Security, development and humanitarian concerns in relation to fragile states were already on the international agenda in the 1990s, as reflected in

5   See, for instance, Human Security Report Project, *Human Security Report 2009/2010. The shrinking costs of war*, Simon Fraser University, 2010, http://www.hsrgroup.org/human-security-reports/20092010/overview.aspx, and Monty G. Marshall and Benjamin R. Cole, *Global Report 2009. Conflict, Governance, and State Fragility*, Center for Systemic Peace, December 2009, http://www.humansecuritygateway.com/documents/CSP_GlobalReport2009_ConflictGovernanceStateFragility.pdf, both accessed 2 May 2011.

6   OECD, *Transition Financing. Building a better response*, Series: Conflict and Fragility, 2010, http://www.oecdbookshop.org/oecd/display.asp?CID=&LANG=EN&SF1=DI&ST1=5KMLJ31GF8WL, accessed 3 May 2011.

the Boutros-Ghali Agenda for Peace of 1992 when traumatic events were occurring all over the world (eg, Rwanda, Somalia, former Yugoslavia, Haiti, East Timor, etc). After the 9/11 terrorist attacks, the perceived causal links between poverty and conflict – often seen as synonymous with state weakness – and international terrorism came to dominate donors' policy discourse and approaches in developing countries.

Perceptions of threat levels to international security in weak and failed states are often linked to the latter's lack of will or capacity to counter international terrorism, piracy, organised crime and illegal migration flows, or their inability to cooperate with other countries on containing global health or environmental hazards, as stated in the 2004 report of the UN High-level Panel on Threats, Challenges and Change. The Panel's report, like the concepts of R2P and human security, highlighted the links between security and development and bolstered the case for conflict prevention, management and resolution, and peacebuilding, funding for which in fact increased twentyfold between 1998 and 2008. In the 2011 World Development Report on Conflict, Security and Development, the World Bank also emphasizes the interconnections between conflict, fragility, and development and calls for a fundamental rethinking of policies in such contexts.[7]

Supporting a wider range of peacebuilding and statebuilding activities

Changes in ODA criteria allowed a broader range of activities to be reported as such by donor countries.[8] More importantly, beyond traditional peacekeeping, international actors are increasingly engaged in and willing to support civilian peacebuilding and conflict prevention and resolution activities – funding for these more than doubled between 2004-

2008[9] – because they recognise that development and security are interdependent and that sources of conflict or terrorism cannot be countered by political or military means alone.[10] Likewise, development actors acknowledge that advancing or sustaining development is very difficult in the absence of minimum security.

In many fragile states, along with humanitarian and development aid and sometimes peacekeeping missions, donors are supporting peace processes and the implementation of peace agreements, elections, institution building for democratic processes (eg, parliaments, political parties), small arms reduction and mine action, security sector reform (eg, police training and equipment, training of judges, reform of penal codes, etc), mediation mechanisms, the disarmament, demobilisation and reintegration of former combatants, and local human rights organisations. The mandates of most UN missions in fragile states now include some of these broader aspects of peacebuilding and statebuilding, including the development of institutions of good governance, law and order and security (eg, the UN Integrated Mission in Timor-Leste (Unmit), the UN Interim Administration in Kosovo (Unmik), the UN Assistance Mission in Afghanistan (Unama) and the UN Stabilization Mission in Haiti (Minustah) and some, including the missions in Kosovo and Timor-Leste, have even assumed the role of interim state administrations.

> After the 9/11 terrorist attacks, the perceived causal links among poverty, conflict and international terrorism dominated donors' policy discourse.

Activities at country level are also increasingly coupled with efforts at regional level, reflecting an acknowledgement that regional factors can influence fragility or be negatively affected by fragility in neighbouring countries, as illustrated in the cases of West and Central Africa. It also reflects the view that local/regional actors are best placed to address and deal with some of these problems. International

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7   The World Bank, *World Development Report 2011: Conflict Security and Development*, 2011, http://wdr2011.worldbank.org/fulltext (accessed 5 June 2011), accessed 4 July 2011.

8   In 2004-2005 the OECD Development Assistance Committee (DAC) broadened the criteria for what can be reported as ODA in order to take account of many of the new generation peace support and peacebuilding activities. These included aspects of disarmament, demobilisation and reintegration (DDR) and security sector reform (SSR) programmes, such as the repatriation and demobilisation of soldiers, rehabilitation of demobilised soldiers and national infrastructure and police training; weapons disposal and mine clearance; human rights; election monitoring; and costs incurred by donors in using their military forces to deliver humanitarian aid or carry out development activities.

9   For data and analysis on aid for humanitarian, development and security-related activities, see Development Initiatives (2010), *Global Humanitarian Assistance Report 2010*. United Kingdom, 6 July 2010, http://www.globalhumanitarianassistance.org/report/gha-report-2010 accessed 2 May 2011.

10   OECD, *Transition Financing. Building a better response*, 2010.

actors, including the EU and UN, as well as bilateral donors, are, for instance, supporting mediation by regional partners or organisations, regional early warning systems, the development of operational and planning capabilities for peacekeeping, such as the AU's Africa Peace and Security Architecture (APSA), and regional border programmes (that have both an economic/trade and security dimension).

Governance – the elephant in the room?

At the core of international concerns and current policy responses in fragile states is the issue of good governance. Political and human rights violations, rent-seeking political elites, economic and political exclusion, predatory state institutions, an arbitrary justice system and other shortcomings stemming from "poor" economic, social, political and security governance are associated with fragility and conflict. International actors, and many people in developing countries[11], increasingly see governance as "the missing link" in the security-development nexus and a key reason why cooperation policies have largely failed to promote sustainable development and stability.

> Good governance is at the core of current policy responses in fragile states.

Governance has thus come to be a key feature of donor strategies in fragile states. The German government, for instance, bases its development strategy in fragile states on the level of governance and the attitude to development of the country's government. The European Commission has adopted a "Governance Incentive Tranche" that rewards progress in introducing in-country reforms of democratic governance on the basis of a governance profile.

A great deal could be said about donors' approaches to governance support but, regardless of their merits or flaws, there is a broad understanding that governance is about: (i) the processes and mechanisms governing state-society relations (eg, decision-making processes, how and which decisions are implemented); (ii) the legitimacy and delivery capacity of domestic institutions, and how they are held accountable to their constituencies; and (iii) their ability to mediate between state and society and within society. It comprises formal and informal institutions, as well as processes and actors. Besides the government, such actors can include, depending on the context, religious leaders, "warlords", traditional leaders, political parties, trade unions, NGOs, etc.

The concept of "good governance" is thus founded on the principles of participation, inclusion, transparency and accountability. However, to what extent and how such principles are applied within each society is very much rooted in history, culture and social relations and is also likely to be influenced by the economic and security situation of the country in question.

Financial incentives alone are not likely to induce a drive towards meaningful (as opposed to cosmetic) governance reforms. Furthermore, where informal arrangements tend to prevail over formal institutions, rules and processes, as is the case in fragile states, it is difficult for external actors to fully grasp local governance mechanisms and underlying processes. As a way of encouraging greater institutionalisation of governance processes, international (and local) actors tend to draw up long lists of conditions and necessary reforms that encompass all aspects of perceived governance weakness. Many acknowledge this to be unrealistic. Recognising the challenges inherent in supporting highly political processes and that local stakeholders will inevitably be the main driving force of change, with external actors being confined to a supporting role, donor strategies in fragile states are beginning to incorporate the notion of "good-enough governance"[12] and acknowledge the need to prioritise.

"Sequencing" v "gradualism"

The debate over "sequencing" v "gradualism" in the context of supporting democratisation illustrates the challenges of supporting governance reforms from outside and the differing views on the subject. "Sequentialists" argue that democratisation should be pursued only once the state has fulfilled a

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11 Adebayo Olukoshi, *Governance in West Africa: A Survey of Trends in 2006*, Synthesis Report, CODESRIA, Senegal, 2007. The importance of governance in the African security and development agenda is also attested by the AU's adoption of an African Charter on Democracy, Elections and Governance in 2007.

12 Merilee S. Grindle, "Good-enough governance revisited", *Development Policy Review*, Vol 25, Issue 5, September 2007, pp.553-574, http://www.relooney.info/00_New_1805.pdf, accessed 3 May 2011.

number of pre-conditions (eg, establishment of the rule of law, properly-functioning institutions, socio-economic development, etc); otherwise the state may be more prone to conflict. "Gradualists" argue that democracy needs to be established sooner rather than later, if necessary at a slower pace, but that statebuilding efforts must go hand in hand with establishment of the rule of law and democratisation and not avoided or put off indefinitely, if they are to be mutually reinforcing.[13] Experiences in Afghanistan and Iraq have provided a range of new arguments for both sides in this debate.

Despite donor rhetoric about upholding/supporting governance in fragile states, commitment, in practice, appears to be much more tentative, "shaky" and ad hoc. International actors have for the most part been far less supportive of change and political reforms when the status quo served their interests or where they feared the risk of increased instability, as the record of international support for democratisation processes shows – there is no better reminder of this than the mixed reactions and confused signals being given out by many world leaders in response to the youth-led popular revolts against the regimes of Ben Ali in Tunisia and Mubarak in Egypt.

> In the wake of the financial crisis, economic arguments have gained traction spurring calls for preventive action.

In the face of difficulties, donors often resort to technical approaches and avoid the fundamental political problems and dilemmas that would arise if they sought good governance. Support for governance reforms should be based on a clear understanding of the political economy in question, the will to build on shared local priorities, and agreement between international donors on the establishment of realistic priorities and the type of approaches to use. None of these can be taken for granted.

The cost of disengagement

Analysis of cost-benefit ratios and the advantages of investing in prevention have clearly found their way into the political discourse and strategies for dealing with fragile states. Economic and financial arguments (these days more important because of the fallout from the financial crisis) have been added to the hitherto predominant security arguments for engagement, and calls for early and preventive action on development and humanitarian grounds have been strengthened.

Estimates of the direct and indirect cost of conflict and fragility are thought to be up to four or five times higher than the cost of investing in prevention. According to the Global Peace Index, for example, between 2006 and 2009 the global economy lost $28.2 trillion in direct and potential lost dividends and total economic impact due to violence.[14] Humanitarian and development actors often point to the huge disparity between the cost of military interventions and that of longer-term development and humanitarian aid. In Chad, for instance, EU humanitarian and development aid, including for policy and justice reforms, totalled on average 100 million euros per year while the cost of deploying the EUFOR Chad/CAR military mission for one year (15 March 2008 – 15 March 2009) is estimated to have been four to five times higher.

Lost opportunities

Beyond the issue of cost, there is also the issue of lost political and economic opportunities. Prospects for economic growth are high in developing countries, including in many of the so-called fragile states that still have largely untapped natural resources and economic potential. Natural resource rich countries are indeed more likely to see international

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13 Thomas Carothers, "How Democracies Emerge. The "Sequencing" Fallacy", *Journal of Democracy*, volume 18, Number 1, January 2007, http://www.journalofdemocracy. org/articles/gratis/Carothers-18-1.pdf, accessed 2 May 2011.

14 Direct costs of war include calculating the economic consequences of casualties, disease, internally displaced people, mass migration and post-conflict reconstruction. Indirect costs include the economic consequences of the disruption of local and regional activity, unemployment, shifting public expenditure from basic social services to military matters, food insecurity, crime, etc. Institute for Economics and Peace, *Peace, Wealth and Human Potential*, 2010 discussion paper, Global Peace Index. http://www.visionofhumanity.org/wp-content/uploads/ PDF/2010/2010%20GPI%20Discussion%20Paper.pdf, accessed 2 May 2011. See also United Kingdom Cabinet Office, *Investing in Prevention. An International Strategy to Manage Risks of Instability and Improve Crisis Response*, A Prime Minister's Strategy Unit Report to The Government, February 2005, http://www.sais-jhu.edu/bin/m/d/uk-investing-in-prevention.pdf, accessed 2 May 2011.

actors taking an interest in the fate of their states and being more willing to intervene. Iraq's oil wealth was long suspected to have been a driver in the US administration's decision to intervene there. China's rise as a major trade and business partner in natural resource rich countries in Africa, including in conflict-affected countries such as the Democratic Republic of Congo (DRC) and Sudan, also shows how emerging economies are weighing up opportunities and risks in such contexts.

There is also much debate about the relationship between engagement and political change. Since 9/11 disengagement has largely been seen as a "non-option". Yet recent experiences in Afghanistan or Iraq and, at the opposite end of the spectrum, fairly successful efforts at statebuilding in the absence of international recognition and where international influence is limited, as in the case of Somaliland, are challenging commonly accepted views about engagement in fragile states.

While some believe that remaining engaged increases the chances of seizing windows of opportunity to influence or pressure for positive change (a positive example would be South Africa under apartheid, a negative one Zimbabwe), several different lines of thought are emerging. Critics of liberal reform agendas support more modest and realistic engagement by external actors and a rethink of what kind of engagement is helpful, when and how much. Others argue that external influence stifles endogenous change processes as it swamps local solutions and local empowerment.[15]

Shaping policy thinking on fragile states

Peacebuilding and statebuilding objectives and dilemmas

Whether underpinned by legal or moral obligations, humanitarian or development concerns, regional and international security priorities or purely by national

interests, peacebuilding and statebuilding agendas have come to dominate policies on international intervention in fragile states. Partly overlapping and interdependent, though sometimes also conflicting, especially when it comes to immediate priorities and objectives, both peacebuilding and statebuilding agendas have broadened their focus and increasingly share the same purpose, albeit from different perspectives.[16]

Both agendas combine development, governance and security and appear to be increasingly joined-up. Some examples of this trend include: on-going processes involving members of the OECD and developing countries, such as the International Dialogue on Peacebuilding and Statebuilding[17] facilitated by the International Network on Conflict and Fragility (INCAF) and to which donor and partner countries committed themselves at the High Level Forum on Aid Effectiveness in Accra; the new "State and Peace-Building Fund (SPF)" approved by the World Bank in 2008 to address state and local governance needs, as well as peace-building in fragile and conflict-prone and conflict-affected situations[18]; the EU Action Plan, currently under preparation, on fragility and conflict (which combines what were initially two separate processes for drawing up action plans on fragile situations and security and development respectively); the March 2010 Practice Paper "Building Peaceful States and Societies", published by the United Kingdom's Department for International Department (DfID), which "sets out an integrated approach (…) and brings statebuilding and peacebuilding together into a single framework"

15 For an overview of the different schools of thought on questions of engagement v disengagement, see M. Kahler, "Statebuilding after Afghanistan and Iraq", in Roland Paris and Timothy Sisk (eds), *The Contradictions of State Building: Confronting the Dilemmas of Post-War Peace Operations*, Routledge, London, 2008, as well as Jeremy M. Weinstein, *Autonomous Recovery and International Intervention in Comparative Perspective,* Centre for Global Development, Working Paper Number 57, April 2005, http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1114117, accessed 2 May 2011.

16 J. Grävingholt, S. Gänzle and S. Ziaja, *The Convergence of Peacebuilding and State Building: Addressing a Common Purpose from Different Perspectives*, Briefing Paper, German Development Institute/Deutsches Institut für Entwicklungspolitik (DIE), April 2009, http://www.die-gdi.de/CMS-Homepage/openwebcms3_e.nsf/%28ynDK_contentByKey%29/ANES-7RTFWC/$FILE/BP%204.2009.pdf, accessed 5 July 2011.

17 See International Dialogue on Peacebuilding and Statebuilding (IDPS), *Dili Declaration: a new vision for peacebuilding and statebuilding*, Dili, Timor-Leste, 9 April 2010, http://www.oecd.org/dataoecd/12/30/44927821.pdf, accessed 2 May 2011.

18 The SPF replaces the Post-Conflict Fund (PCF) and the LICUS Trust Fund (LICUS TF), thereby bringing together the bank's strategic approaches to fragility and conflict, and streamlines related procedures. The fact that bilateral donors, such as the Netherlands and Norway, are supporting the new fund also appears to indicate that other international donors agree that linking peacebuilding and statebuilding is necessary and perhaps inevitable.

(p.11); and the Bureau for Crisis Prevention and Recovery project on "State-building for Peace in Countries Emerging from Conflict: Lessons Learned for Capacity Development", launched by the United Nations Development Programme (UNDP).

How peacebuilding and statebuilding have evolved: challenges and criticisms

Peacebuilding

Peacebuilding was initially associated with peacekeeping efforts in conflict and immediate post-conflict contexts but the first generation of peacebuilding missions failed to stop some of those countries from slipping back into violent conflict (eg, Angola, Rwanda and Liberia). The shortcomings of those missions were partly attributed to having too narrow a focus on rapid political and economic reforms and placing too much emphasis on quick gains and a rapid withdrawal.

During the late 1990s, peacebuilding missions were being reoriented in order to correct some of those perceived mistakes. Missions in Burundi, Kosovo, East Timor and Sierra Leone were given broader mandates and a longer or open timeline and included longer-term statebuilding efforts such as institution-building.[19] The concept of peacebuilding has thus expanded to include both the prevention of violent conflict and efforts to help bring about lasting peace. This wider focus therefore incorporates both long-term transformational processes for building governance institutions and democratisation (as mechanisms that promote inclusive participation and mediate societal relations) and more immediate activities during and after conflict aimed at establishing a positive environment in which such longer-term processes can take place.[20]

This broader understanding of peacebuilding is also espoused by the UN system and has been further reaffirmed with the creation of the Peacebuilding Commission. The 2009 report by the Secretary-General on peacebuilding in the immediate aftermath of conflict lists a number of activities ranging from security and justice to support for political processes and includes advancing

> The first generation of peacebuilding missions failed to stop some of those countries from slipping back into violent conflict.

humanitarian, development and economic growth agendas. Such activities include providing support for: basic safety and security (eg, mine action, protection of civilians, DDR, strengthening the rule of law and initiating SSR), political processes (eg, elections, inclusive dialogue and reconciliation, developing conflict-management capacity at national and sub-national levels), the provision of basic services and the safe and sustainable return and reintegration of internally displaced persons and refugees, restoring core government functions, in particular basic public administration and public finance, at national and sub-national levels, economic revitalisation (eg, employment generation and livelihoods) and the rehabilitation of basic infrastructure.[21]

The broader definition of peacebuilding, however, has its critics. While recognising that legitimate and effective government institutions are crucial for creating the necessary conditions for maintaining peace, some believe that by combining a wide range of security, governance and development assistance and including statebuilding as a central goal of peacebuilding, priorities can become blurred and efforts ultimately counterproductive. Bronwyn Bruton, referring to the role of international actors in Somalia, highlights how launching certain statebuilding agendas (eg, setting up a government) prior to achieving peace by reconciliation is actually fuelling conflict[22], and Somalia is not the only case in which this could be argued. Roland Paris, for instance, considers that defining statebuilding so broadly makes it very

19 Roland Paris and Timothy D. Sisk, *Managing Contradictions: The Inherent Dilemmas of Postwar Statebuilding*, International Peace Institute, 2007, http://www.ipinst.org/publication/ policy-papers/detail/104-managing-contradictions-the- inherent-dilemmas-of-postwar-statebuilding.html, accessed 2 May 2011.

20 OECD, *The DAC Guidelines: Helping Prevent Violent Conflict* (which includes the 1997 guidelines), 2001, http://www.oecd. org/dataoecd/15/54/1886146.pdf, accessed 2 May 2011.

21 UN General Assembly/Security Council, *Report of the Secretary-General on peacebuilding in the immediate aftermath of conflict*, 11 June 2009, A/63/881–S/2009/304, p.6, para. 17, http://www.humansecuritygateway.com/ documents/ UNSC_A63881S2009304_RepSecGen_ PeacebuildingImmediateAftermathConflict.pdf.

22 Chatham House, Meeting summary, *Somalia: A New Approach*, 21 July 2010, United Kingdom, http://www.chathamhouse.org.uk/files/ 17076_210710summary.pdf, accessed 2 May 2011.

difficult to distinguish causes and effects and blurs the fundamental understanding of peacebuilding as a transitional enterprise.[23]

Although the long-term goals of statebuilding should be taken into account when planning peacebuilding missions, such missions are just an early phase of a much longer engagement for statebuilding and sustainable peace.[24] Recent evaluations carried out by the Peacebuilding Fund also hint at the operational usefulness of focusing peacebuilding efforts on more limited short-term and achievable outcomes while applying a peacebuilding lens to long-term activities that contribute to the overall aim of peacebuilding but which can best be served by development programming and funding mechanisms.[25] The greater the ambiguity of the concept, the more difficult it is for the various actors involved to agree on priorities and approaches.

Statebuilding
Similarly, the notion of statebuilding no longer focuses exclusively on the reconstruction of political institutions in the aftermath of conflict and state collapse or on the role of institutional state actors alone. The OECD definition of statebuilding, namely a "process of strengthening the capacity, institutions and legitimacy of the state, driven by state-society relations"[26], places political processes, power relations and all levels of state-society interaction at the core of the statebuilding process. Statebuilding is thus recognised as being primarily an endogenous process that involves a diversity of actors (eg, local administration, civil society organisations, the media, local economic actors) and not just a top-down process, while at the same time acknowledging that state institutions, which are perceived to have all too often been neglected by the international community in their policies towards developing countries, also have a key role.

Many donors now believe that when seeking to provide support to fragile states, international actors must base their priorities on an understanding of the interaction and mediating processes between state and society at their various levels, as well as between social groups. It is also recognised that statebuilding is a complex, lengthy and non-linear process and that donors may need to be in for the long haul.

> State institutions, all too often neglected by the international community in their policies towards developing countries, also have a key role.

How ambitious international actors can or should be in supporting statebuilding in fragile settings continues to be a matter of passionate discussion and the subject of much criticism. External support for statebuilding is perceived by some critics as being dominated by hidden agendas (eg, a new form of "colonial" or "imperial" control over weaker states) or oblivious to the impact of external interventions. Others are sceptical about the possibility of external actors even grasping the internal dynamics and power structures within fragile states, much less effectively influencing such endogenous processes. Some claim that external interference actually subverts the normal course of statebuilding or impedes "autonomous recovery".[27] Many question the international commitment to "stay the course" when outcomes are not immediately visible or donor priorities shift, while others point to the uncertain and short-lived outcomes of external support and whether it is worth the effort and resources.

A less fundamental concern, but perhaps even more debated in policy circles and among practitioners, is whether processes such as capacity-building, strengthening the rule of law, establishing minimum security and promoting democratic transition should be advanced simultaneously or instead sequenced – a similar debate to that of "sequencing" v "gradualism"

23 "Towards more effective peace building: a conversation with Roland Paris", interview conducted by Alina Rocha Menocal and Kate Kilpatrick in *Development in Practice*, volume 15, number 6, November 2005, Routledge, http://www.developmentinpractice.org/journals/towards-more-effective-peace-building-conversation-roland-paris, accessed 2 May 2011.

24 Paris and Sisk, *Managing Contradictions: The Inherent Dilemmas of Postwar Statebuilding*, 2007.

25 See Susanna P. Campbell (with Leonard Kayobera and Justine Nkurunziza), *Independent external evaluation. Peacebuilding Fund projects in Burundi*, March 2010, http://graduateinstitute.ch/webdav/site/ccdp/shared/6305/Evaluation%20Burundi.pdf, accessed 2 May 2011..

26 OECD, *Statebuilding in situations of fragility. Initial findings*, DAC, August 2008, http://www.oecd.org/dataoecd/62/9/41212290.pdf, accessed 3 May 2011.

27 Weinstein, *Autonomous Recovery and International Intervention in Comparative Perspective,* 2005.

in the context of supporting democratisation. The range of views reflects the differing priorities of development, security, human rights and democracy promoters.

Statebuilding too state-centred?

Statebuilding practices supported by the international community have sometimes been criticised for pushing for too many reforms at the same time and too quickly and for being too state-centred, as well as being insufficiently context-sensitive in that they have applied the same "checklists" and "templates" without taking due consideration of or learning about the history and socio-political context in question.

As argued by Kamil Shah in an article on Haiti[28], security and development agendas have tended to give primacy to the state in local and world politics, while ignoring transboundary social, economic and political dynamics which are invisible from a state-centred perspective. Such state-centred statebuilding in Haiti has perpetuated socio-political inequalities and fuelled social struggles that have recurrently marred efforts to address the security and development challenges the country faces.

Nevertheless, as David Chandler argues, the international community, hiding behind the complexities and dilemmas inherent in peacebuilding and statebuilding, has largely failed to recognise its own difficulties in understanding and taking account of local dynamics and in clearly articulating political and strategic goals. It has shirked its own responsibilities and laid the blame for its failure or inability to effectively engage in statebuilding with the dysfunctional nature and lack of capacity of non-western state governments.[29]

Mixed results

In Afghanistan, despite recognising that historically the Afghan state was never a centralised system of rule, the international approach to statebuilding has been and still is largely state-centred, even though efforts have been made to find other options for

statebuilding in the country. Another question is whether the search for alternative interlocutors (eg, engaging with local militias or "warlords") and the adoption of different approaches to statebuilding within the country (eg, the different "models" followed by the Provincial Reconstruction Teams in Afghanistan) have been guided by a real understanding of the specificities of the context or initiated on grounds of expediency by international actors eager to show some kind of results or progress. Regardless of the motivation, efforts to date all seem to have yielded limited and mixed results. In some cases, they have helped perpetuate or strengthen feuds between "strongmen", regardless of the latter's record or legitimacy with the local population and/or their relationship with the very same central state that international actors are trying to boost.[30]

Importantly, these critical and rather pessimistic views about statebuilding experiences have spurred a review of statebuilding thinking and practices by major donors and international actors. They have not, however, led to less emphasis and attention being given to statebuilding in donor agendas. On the contrary, statebuilding appears to have become the main focus and strategic priority for some major donors and agencies, such as the EU or UNDP, with peace settlements and stabilisation goals (which are only a part of peacebuilding) at the same time becoming more important and visible in their actions (eg, EU military and civilian crisis management missions, support for DDR and SSR).

> Statebuilding appears to have become the main focus and strategic priority for the EU and UNDP.

There is also some recognition that international actors are doing more and better in preventing conflict worldwide, responding to conflict and humanitarian disasters and promoting democracy and development. Some studies point to a global reduction in state fragility as a result of substantive improvements in global trends on conflict, governance and development. Marshall and Cole's Global Report 2009 indicates a decrease in the global magnitude of warfare over the past two decades

28 Kamil Shah, "The Failure of State Building and the Promise of State Failure: reinterpreting the security-development nexus in Haiti", *Third World Quarterly*, Vol. 30, No. 1, 2009, pp 17–34, Routledge, http://www.informaworld.com/smpp/content~db=all~content=a907905354~frm=titlelink, accessed 3 May 2011.

29 David Chandler, *Hollow Hegemony. Rethinking global politics, power and resistance*, Pluto Press, London, 2009, chapter 3.

30 Susanne Schmeidl (with Masood Karokhail) in The Berghof Handbook Dialogue Series, No. 8, April 2009, http://www.berghof-handbook.net/documents/publications/dialogue8_schmeidl_karokhail_comm.pdf, accessed 5 June 2011.

(fewer conflicts and victims) and a significant increase in the number of democracies worldwide, as well as more effective development efforts.

These positive trends are attributed to, among other things, increased and more consistent proactive international engagement (eg, more resources allocated to peacekeeping and conflict prevention, greater assistance to countries coming out of civil war and in transition), coupled with local factors (eg, greater engagement of local civil society actors, regional organisations playing a stronger role and making concerted efforts).[31] However, Marshall and Cole's report also warns that some of these trends (eg, democratisation, violent conflict) are now stagnating and that there is a risk of wavering international commitment in the face of an increasing number of "recovery states" and the inherent fragilities of such situations.

Issues raised by merging peacebuilding and statebuilding

While there is clearly an overlap between peacebuilding and statebuilding objectives, the merging of the two agendas is not without problem. The multitude of actors involved, all with different and sometimes conflicting political agendas, priorities, guiding principles and rules, funding mechanisms, experiences, timeframes and pressures to deliver, renders agreement on a shared strategy and international coordination extremely difficult.

Contradictions and tensions

Based on a wide range of peacebuilding experiences in war-torn societies, Paris and Sisk[32] summarise the intrinsic contradictions and tensions of externally assisted statebuilding and the ensuing policy dilemmas for peacebuilding and statebuilding agendas alike. They identify the following key inter-related tensions and contradictions that stem from the very idea of "statebuilding from the outside":

- *Outside intervention is used to foster self-government*. How can inevitably intrusive policies and interventions actually foster national autonomy and self-government?

- *International control is required to establish local ownership*. The need for local ownership is widely accepted but the implications of international involvement in identifying appropriate local "owners" and the legitimacy and sustainability of ensuing political institutions seem to be less carefully considered.

- *"Universal" values are promoted as a remedy for local problems*. Peacebuilding and statebuilding strategies are implemented in specific and diverse socio-cultural contexts. Yet externally supported peacebuilding policies are predominantly informed by the universal values of the liberal tradition (eg, individual human rights, democratic governance and market-oriented economics) espoused by international organisations and donor governments.

- *Statebuilding requires both a clean break with the past and a reaffirmation of history*. The process of balancing the need for continuity and change is unlikely to go smoothly as deeply engrained patterns of political and economic life will coexist with new approaches and new hybrid forms of societal organisation will emerge.

- *Short-term imperatives often conflict with longer-term objectives*. External actors often face strong pressures to address and deliver on short-term needs, sometimes at the expense of the longer-term effectiveness and legitimacy of the very institutions they are seeking to build or strengthen.

Policy dilemmas

Among these contradictions and tensions, Paris and Sisk highlight several policy dilemmas that policy-makers and practitioners face and which, by definition, mean having to make difficult choices between conflicting imperatives. They call for statebuilding actors to conduct "dilemma analyses" before and during their operations in order to better inform peacebuilding interventions, their likely impact and ensuing policy choices.

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31 See also Human Security Report Project, *Human Security Report 2009/2010. The shrinking costs of war*, 2010.

32 Ronald Paris and Timothy D. Sisk, "Managing Contradictions: The Inherent Dilemmas of Postwar Statebuilding", 2007, and Paris and Sisk (eds), *The Dilemmas of State Building: Confronting the contradcitions of postwar peace operations*, Routledge, London, December 2008, http://www.routledge.com/books/details/9780415776295/, accessed 20 May 2011.

Such policy dilemmas concern:

• The degree of intrusiveness of international support ("footprint dilemmas") reflected in the size of the international presence, the scope of the tasks they perform and how assertive they are in pursuing them. While, for instance, security imperatives may require a "heavier footprint", statebuilding might be best served and sustainable by having a less intrusive international presence.

• The pros and cons of a lengthy international presence in inevitably long-term processes such as statebuilding and even peacebuilding ("duration dilemmas") and how willing and able international actors are to maintain their commitment and resources.

• The thorny issue of who the "owners" should be, whom to engage and how, and the impact of international presence and influence on political participation ("participation dilemmas").

• Related to the previous dilemma is the risk of dependency on resources and guidance from abroad for sustaining the new patterns generated by externally assisted peacebuilding ("dependency dilemmas"), together with other possible ensuing problems (eg, growing resistance to international presence/influence). Although some degree of dependency may be unavoidable, the extent of it and the possible implications need to be factored into external intervention and support.

• The coherence of international support, involving coordination between international actors as well as consistency in their policies and actions ("coherence dilemmas"). Efforts to pursue international coordination often risk becoming a goal in themselves and shift attention from content to process. Values and principles that underpin international intervention/support are often compromised by pragmatic imperatives.

"Coupled arenas"

Schlichte and Veit[33] argue that statebuilding difficulties derive not so much from the complexities and recalcitrance of the targeted societies but mostly from the clash of differing social and political logics at work in interventions in what they call "coupled arenas". The "coupled arenas" are: western capitals (governments and the headquarters of donor agencies, international organisations, and international NGOs) where political actors and public opinion wield influence; "national base camps" or country offices (generally in the capital of the host country); and local offices "in the bush". These arenas are interconnected and interdependent.

Personnel and financial resources, along with decisions and orders, flow to local level (country and "bush" offices); the latter provide the headquarters with the necessary information and knowledge to decide on interventions, planning and resource allocation. While each is a source of legitimacy or "symbolic capital" to the other, the social, political and organisational logics at work in each arena are different.

In western headquarters, bureaucratic logics and moral politics dominate the discourse and interpretation of what constitutes a problem, as well as the kind of intervention or solution that is required; bureaucracy tends to determine what is possible and what is not. The national base camp, tasked with translating often abstract objectives into projects or concrete interventions, mediates between the political, cultural and social logics of the other two arenas while at the same time muddling through complex local political relationships it often struggles to fully comprehend. In the "bush office", decisions and plans taken elsewhere face different socio-political logics, agendas, time-horizons and patterns of organisation.

The country and "bush offices" are often at odds with headquarters' drive to streamline objectives, policies and strategies for the sake of bureaucratic efficiency, which, as Schlichte and Veit put it, "often results in omissions, policy slippage and policy

33 Klaus Schlichte and Alex Veit (2007), *Coupled Arenas: Why state-building is so difficult,* Working Papers Micropolitics, Humboldt University, Berlin, 2007, http://www.ipw.ovgu.de/inipw_media/schlichte/mikropolitik/03_07_Coupled_Arenas-view_image-1-called_by-unimagdeburg-original_page-3480.pdf, accessed 3 May 2011.

bending". Contradictions in the production process of knowledge (the perception of reality) and the varying nature of power structures in these connected and mutually dependent arenas thus result in intervention efforts having unintended outcomes. These stem largely from built-in organisational problems and the variety of logics at work, both of which are often overlooked in international interventions.

International policy responses and their shortcomings

Such policy dilemmas are not new to the policy-making community or to the practitioners implementing international assistance. Contradictions and tensions have been increasingly acknowledged and now feature in the policy guidance and strategies for working in fragile states developed by major donors, including the EU, the OECD Development Assistance Committee (DAC) and multilateral organisations such as the World Bank and the UN.

> Donors are generally reluctant to change their own organisational norms for the sake of a wider political strategy.

While some progress has been made in addressing and minimising some of these contradictions and tensions, the focus of international efforts, or what are seen as "the problems" to be addressed, and what is measured as success still indicate a predominantly technical approach. The fact that donors are generally reluctant to change their own organisational norms and principles for the sake of a wider political strategy or goal (when there is one!)[34] illustrates the challenges involved in going beyond policy guidance. In this connection, Schlichte and Veit's "coupled arenas" model may be a useful tool for understanding why there is such resistance to changing international policies and practice.

The primacy of the political?

It is widely recognised in current policy thinking, for example, within DfID[35], that peacebuilding and

statebuilding are primarily internal and essentially political processes, and that external engagement and support have implications for those processes. Channeling financial aid through the State or directly to non-state actors or to a military mission can strengthen certain actors or shift the balance of power between elites. A high level of political awareness and a thorough understanding of how politics and legitimacy operate within each context are therefore essential.

Decisions about whether or how much to engage, which methods to use, what to prioritise and how to coordinate with other local/international actors are ultimately political too, not always in terms of their motivation but most certainly as far as their direct or indirect outcomes or impact are concerned. However, the political nature and impact of such decisions are not always acknowledged. There seems to be a general lack of political guidance and direction in most donor activities and international interventions in fragile states. In the words of Alex de Waal, "no intervention can be apolitical, and humanitarian action cannot substitute for political strategy".[36] Although he was referring to military interventions for humanitarian purposes, the same can be said for other (non-military) forms of "intervention", particularly when there is a significant imbalance in resource (and capacity) levels between donor and recipient, as is generally the case in fragile states.

International actors, whether engaged in development, humanitarian or security activities, tend to agree that it is important and necessary for their planning and programming, as well as their dialogue with local governments and international partners, to be informed by context-based political and conflict analysis. Political economy analysis[37] is praised and

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34 See, for instance, Dan Smith's blog on this and other related matters: http://www.dansmithsblog.com, accessed 2 May 2011.

35 Department for International Development (DfID), *Building Peaceful States and Societies. A DFID Practice Paper*, 2010, London, http://www.dfid.gov.uk/Documents/publications1/governance/Building-peaceful-states-and-societies.pdf, accessed 2 May 2011.

36 Alex de Waal, "No Such Thing as Humanitarian Intervention – Why We Need to Rethink How to Realize the "Responsibility to Protect" in Wartime", *The Harvard International Review*, 21 March 2007, http://hir.harvard.edu/index.php?page=article&id=1482&p=1, accessed 3 May 2011.

37 Political economy analysis explores the many underlying factors that shape formal and informal state-society relationships, including the historical trajectories of state formation, underlying drivers of conflict, the interaction of political and economic processes within the state, relationships between communities and between state and society, sources of legitimacy that the state may lay claim to (and competitors for those sources), informal methods of distributing rights and resources and settling disputes, and capacities for peace that exist within and outside the state. It also involves analysing key actors and their values, interests, strategies, incentives and relationships of power, and the impact that external influence can have on those dynamics.

widely seen as a fundamental tool for anchoring conflict-sensitive and sustainable peacebuilding and statebuilding policies in the specificities of the context, and for facilitating ownership by building on local institutions, practices and social networks. But how much priority or attention is actually given to political economy analysis? And how much does such political analysis, when undertaken, actually inform political decisions and aid programmes and processes?

Donor approaches tend to be highly rule-based, technocratic and compartmentalised.

Political analysis – an optional add-on?

Notwithstanding the evidence that political context and process play a fundamental role in shaping incentives for change among political elites, many in the development community still seem to see political analysis as "an optional add-on" rather than as crucial to the whole development process. As Sue Unsworth notes, although political analysis is influencing specific aspects of donor activity and helping to shape project design and aid modalities, "it is not prompting a more fundamental reappraisal of the implicit model of how development happens".[38]

Operational, institutional and intellectual barriers are standing in the way of changes to a donor approach that tends to be highly rule-based, technocratic and compartmentalised. The World Bank, for instance, took the lead in much of the work to review current thinking, institutional approaches, and financing in fragile states and recognises that political issues have a fundamental impact on the bank's main goal of reducing poverty. However, it is reluctant to work on political issues and has not substantially changed the way it operates in such contexts. It still focuses mainly if not exclusively on formal institutions and policies and its approach to economic reform, project activities and the way it measures success in fragile states remains overly technical and risk-averse and gives insufficient attention to informal institutions, power relations and the impact of its own policies and push for reforms in such contexts.[39]

Despite the increasing acceptance of development as a political enterprise, the donor-recipient relationship is still predominantly a technical one. As stated in a 2008 World Bank study, "development practitioners engaged in policy dialogue often have in-depth knowledge about the political economy of the contexts where they work, but their expertise tends to remain "hidden" due to the sensitivity of such issues in an ostensibly technical relationship with the client government".[40] Problems in developing countries thus appear to still be viewed and dealt with as being primarily technical (eg, weak capacity) and financial. Is it a matter of wanting to avoid being seen as political? Or is it because there is a lack of political clarity and leadership about how to address them?

According to a 2010 study by the International Peace Institute (IPI)[41], which evaluates the use of assessment tools by major multilateral and bilateral actors and how they inform their work in conflict-affected and other fragile environments, although such tools (including political analysis) have attracted considerable attention and investment, it is other factors that apparently determine how much impact they have on decision-making, policy and programming. Those factors include: clarity of purpose, timing and timeframes, individual and institutional interests and incentives, the skills and competencies of those conducting assessments and the extent to which assessment and planning processes are linked.

The IPI study further stresses that good analysis does not always point to solutions and that even when it does, if strategic priorities and political imperatives point in another direction, then the latter is more likely to determine political decisions than the conclusions of the analysis. In such cases it would thus appear to be less a question of an absence

38 Sue Unsworth, *Is political analysis changing donor behaviour?*, paper prepared for the annual conference of the Development Studies Association, London, 29 September 2008, http://www.gsdrc.org/go/display&type=Document&id=3191&source=rss, accessed 2 May 2011.

39 International Alert, *The World Bank in fragile and conflict-affected countries - 'How', Not 'How Much',* International Alert, London, 2008, http://www.international-alert.org/sites/

default/files/library/042008WorldBankExecutiveSum.pdf, accessed 3 May 2011.

40 World Bank, *The Political Economy of Policy Reform: Issues and Implications for Policy Dialogue and Development Operations*, Report No. – 44288-GLB, 2008, http://www.capacity4dev.eu/political-economy/document/world-bank, accessed 3 May 2011.

41 Jenna Slotin, Vanessa Wyeth, and Paul Romita, *Power, Politics, and Change: How International Actors Assess Local Context*, New York, International Peace Institute, June 2010, http://www.ipinst.org/media/pdf/publications/ipi_rpt_power_politics_pdf_epub.pdf, accessed 2 May 2011.

of political guidance (at least when political and strategic interests are clear) and more one of whose politics has the most important role in the decision-making process, in other words, which actors are the most influential.

Formal v informal patterns of authority

A growing appreciation of the fundamentally political nature of peacebuilding and statebuilding processes can also be seen in the current emphasis on notions of legitimacy, especially in fragile states where acceptance and recognition of authority is very fragmented, and the need to understand the prevailing sources of legitimacy in each context. External assistance tends to emphasise democratic representation, accountability, justice, the rule of law and the capacity to deliver on basic social services as being the main sources of legitimacy, in keeping with the western model of the state. However, in fragile states informal patterns of acceptance and recognition of authority are often the most dominant and international actors seem to have great difficulty in understanding them.

Even when political analysis sheds some light on the inner workings of legitimacy in "hybrid political orders", there is still a tendency to revert to technical approaches and favour institutional solutions that resemble one's own.[42] In other words, there is always an attempt to "correct state trajectories". Local elites may also find it easier and in their interest to push for externally supported solutions, particularly if other actors/institutions are competing with the state for legitimacy. Afghanistan is a telling example but the argument applies to many other situations also. In East Timor, for instance, both local political elites and the international community focused on central government institutions and overlooked the important role played by customary culture and institutions in local governance. This meant that local populations felt left out of the statebuilding effort and do not identify with the state model they now inhabit.[43]

In recognition of the mixed and, in many cases, inadequate results to date, there is undoubtedly an effort to adapt donor approaches, policy and financial tools and organisational structures to meet the challenges of working in fragile states. In the Solomon Islands, for instance, in the context of the rule of law, it would appear that donors are currently attempting to quickly understand and strategically incorporate local practices into state institutions in a way that is coherent and logical in policy terms, while local actors appear to be working to retain those practices that make most sense to them.[44] Country consultations undertaken to inform the International Dialogue on Peacebuilding and Statebuilding have also identified some "good practices" in this regard.[45]

The development of new donor structures and approaches

As far as donor organisational structures and capacity are concerned, bilateral donors and multinational institutions have been setting up new structures to deal with issues related to peacebuilding and statebuilding. The EU, for instance, is boosting its human resource capacities by bringing in dedicated expertise to both the field and headquarters. It has also completed a "deconcentration" process to its delegations and pledged to further improve its instruments in order to develop more rapid, flexible and better responses. DfID has decentralised some key decisions to its field offices and is training staff on how to carry out political analysis.

The Australian aid agency (AusAID), too, is devolving development programme management to its country offices, increasing staff numbers and seniority with a view to improving its responsiveness to changing contexts and co-ordination with other actors, and strengthening its relationships with local partners. These changes have enabled it to have more flexible financing

42 Schlichte and Veit, *Coupled Arenas: Why state-building is so difficult*, 2007, p.14.

43 For a discussion on statebuilding in light of this and other examples, see Martina Fischer and Beatrix Schmelzle (eds), *Building Peace in the Absence of States: Challenging the Discourse on State Failure,* The Berghof Handbook Dialogue Series, No. 8, Berghof Research Center for Constructive Conflict Management, Berlin, 2009, http://www.berghof-handbook.net/dialogue-series/no.-8-building-peace-in-the-absence-of-states/, accessed 2 May 2011.

44 See Morgan Brigg and Jodie Curth's presentation on "Policy Disorder or Evolving Hybridity? Post-conflict Capacity Development in Solomon Islands", http://www.peace-building.de/71-0-strongPanel-1-strongbrHybrid-Political-Orders-Peace-Building-and-State-Formation-Experiences-from-Africa-the-Pacific-and-Asia.html, accessed 2 May 2011.

45 International Dialogue on Peacebuilding and Statebuilding, "Synthesis Report. Key findings from country consultations in Burundi, Central African Republic, Democratic Republic of Congo, Liberia, Sierra Leone, South Sudan, and Timor-Leste", Dili, Timor-Leste, 9-10 April 2010, http://www.oecd.org/dataoecd/12/9/44927964.pdf , accessed 5 July 2011.

and programming, including the ability to move funding between humanitarian, development and transitional activities.

Other donors are also experimenting with merging competencies. Sweden, for instance, has recently set up joint development-humanitarian teams in countries in conflict with a view to facilitating a quicker and easier transition from emergency to rehabilitation and development.[46]

Donors are also engaging much more in non-traditional development areas by experimenting with holistic and comprehensive approaches to complex situations. In some cases, they have demonstrated a willingness to take risks in supporting fledgling initiatives that might bolster peacemaking efforts in the short-term, and have shown that they can be opportunistic in creating and seizing entry points through which to act.[47]

An over-emphasis on security?

However, some development actors, concerned that development funds are being diverted to pay for costly security activities, say that too much focus is being put on such initiatives and that long-term peacebuilding is being subordinated to immediate stabilisation objectives. A recent estimate showed that international military forces receive around 60-70% of the overall funding devoted to peacebuilding, compared to 15-25% of that devoted to economic measures and only 4-5% of that allocated to politically-related initiatives, such as support for elections, justice, police reform, etc.[48] These figures contrast with the political rhetoric on the importance of politics and political processes in fragile

situations and statebuilding processes. Instead they indicate that there is a tendency to replace or offset the "technical" development approach with one of a different kind (ie, a "technical" military one) and that the international community is still reluctant to support and engage in more overtly political activities.

Institutional reorganisation and capacity-building, improved knowledge and understanding of the political economy of the context, greater awareness of and sensitivity to deeply contextual issues such as legitimacy, and greater attention to governance and security-related issues are all positive steps. However, they do not constitute a miracle cure for the fragmentation of the actors, mandates and objectives involved in peacebuilding and statebuilding efforts.

To counter this fragmentation there needs to be a shared understanding of the political context and a political strategy on how to achieve common objectives and priorities. This is a common conclusion reached by a variety of analyses of international engagement in fragile states, including an EC-commissioned study, carried out by the international development consultancy HTSPE in 2008, which looked at the links between security and development in six countries with differing security and development situations and types of EU involvement (Chad, Central Africa Republic, Colombia, Afghanistan, South Africa and Aceh in Indonesia).

> International military forces receive around 60-70% of the overall funding devoted to peacebuilding, compared to 15-25% for economic measures and only 4-5% allocated to politically-related initiatives.

Refocusing on the state

Refocusing on the state, and thus institution building, good governance and legitimacy to bring about a more responsible and responsive state, is now seen as the strategy which offers the best prospects for sustainability and resilience and yet one that international actors are struggling to implement. When state institutions are weak, donors often see no alternative to working through NGOs in order to ensure the swift delivery of basic needs, either because state capacity is poor and financial

46 OECD, *Transition Financing. Building a better response*, 2010, Section 4.

47 See, for instance, "The State of the Debate on Conflict Prevention and Peacebuilding" in Annex 5 of the *Thematic Evaluation of the European Commission Support to Conflict Prevention and Peace Building – Concept Study*, September 2010, p 75 of pdf, http://ec.europa.eu/transparency/regdoc/rep/eims/AIDCO/136925/CPPB%20Evaluation%20-%20Concept%20Study%20Final%20Report%20-%20Annexes.pdf, accessed 5 July 2011.

48 Cedric de Coning, Johanna Jansson, Walter Lotze and Stina Torjesen, *Critical Perspectives on Contemporary Peacebuilding: Towards Change in Concepts and Approaches*, Conference Proceedings, 24–25 March 2010, Norwegian Institute of International Affairs (NUPI), Oslo, http://english.nupi.no/Publikasjoner/Boeker-Rapporter/2010/Conference-Proceedings-Critical-Perspectives-on-Contemporary-Peacebuilding-Towards-Change-in-Concepts-and-Approachess, accessed 2 May 2011.

management systems unreliable and unaccountable or because they lack knowledge or understanding of how to support existing local systems to enable them to address social needs. Relying on weak state institutions to manage and channel substantial amounts of external aid would risk feeding corrupt elites and civil servants and in fact act as a disincentive to reform and change.

It is, however, recognised that "institutional substitution", in other words establishing parallel structures to the state, particularly with regard to basic functions, can further weaken state-society linkages and hence the very same statebuilding objectives international policies claim to promote.[49] As a result, the provision of international support to government administrations is becoming more common in peacebuilding and statebuilding programmes in post-conflict or transition states, and has been a very important component of aid in Iraq and Afghanistan (but less so in other fragile States).

Budget support
Different ways of strengthening states' capacity and legitimacy to make them more inclusive and responsive to society and of involving them in policy decisions about aid are being explored. There is an on-going debate among donors about the potential benefits and risks of providing budget support in fragile states. Real concerns over management capacity, oversight and accountability exist and should not be ignored (as has happened all too often during half a century of development aid). Equal attention needs to be given to the impact of donor decisions to stop or drastically reduce budget support. Though still a very divisive issue among donors, coordination is being sought between the EC, the WB, the IMF and the African Development Bank (AfDB) and some bilateral donors[50]. Used in

some fragile states alongside efforts to strengthen public finance accountability, budget support is seen as a tool for addressing urgent financial needs, consolidating key state functions (public financial management, basic social services) and maintaining social stability (payment of salaries, financing of imports).[51]

Independent service authorities
In cases where there is no realistic alternative to working through NGOs or other non-state actors in order to provide basic services, new approaches are being proposed to enable governments to have closer involvement in and control over NGO/private sector service provision, for example, through the setting up of an independent service authority (ISA), a quasi-independent public agency, to coordinate and co-fund NGO and private sector provision. Placed outside the civil service, the ISA would implement government policy but not define the policy in question, which would still be the prerogative of the relevant ministry, and could later be incorporated into the civil service when conditions are considered to be right. Variants of ISAs are already in operation. However, they could be refined and taken further along the lines of the proposals made by Bold, Collier and Zeitlin[52] in order to minimise some of the drawbacks of NGO/private sector provision (eg, variable quality, absence of coordination in terms of geographic coverage, undersupply in some areas) and some of the contradictions inherent in peacebuilding and statebuilding policies (eg, too detached from government and therefore not enhancing citizen-state relations and confidence in the state).

49 In hybrid forms of governance, where the state has never been a strong presence or guarantor of basic services, state legitimacy and linkages with society are unlikely to rely on the state's capacity to deliver on basic services. Yet a sense of identification with the state and national belonging can exist (the DRC being an example) despite the "absence" of a state that conforms to western expectations of a modern state. Nevertheless, in many fragile states, including those in which the "state" has only recently been created or has never properly functioned as such, the idea of the state as guarantor and provider of certain basic needs and rights often still exists.

50 AfDB, EC and WB, *Common Approach Paper for the Provision of Budget Aid in Situations of Fragility*, Discussion paper, 9 June 2010, http://web.worldbank.org/WBSITE/EXTERNAL/PROJECTS/STRATEGIES/EXTLICUS/0,,contentMDK:2223257

4~pagePK:64171531~menuPK:699007~piPK:64171507~theSitePK:511778,00.html, accessed 5 July 2011.

51 European Commission, *Towards an EU response to situations of fragility - Engaging in difficult environments for sustainable development, stability and peace*, Communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions, Brussels, 25 October 2007, COM(2007) 643 final, http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2007:0643:FIN:EN:PDF, accessed 2 May 2011.

52 Tessa Bold, Paul Collier and Andrew Zeitlin, *Independent Service Authorities as a New Modality*, Centre for the Study of African Economies, University of Oxford, May 2009, http://users.ox.ac.uk/~econpco/research/pdfs/ProvisionOfSocialServicesInFragileStates.pdf, accessed 3 May 2011.

Engaging with other actors

One of the main dilemmas of peacebuilding and statebuilding is how to strengthen the state without actually shoring up regimes that have little legitimacy. Relying solely on the government is not viable or desirable in many fragile states. Engaging with other actors (including NGOs, the private sector, trade unions, religious associations, etc) is seen as a way of improving governance and accountability. The issue is how to link these actors and the state.

> One of the main dilemmas of peacebuilding and statebuilding is how to strengthen the state without actually shoring up regimes that have little legitimacy.

Approaches such as inclusive dialogue initiatives, participatory consultations, public-private partnerships and attempts to bring in informal processes and institutions (eg, traditional leaders) are not new but are now framed within a broader governance support approach, at least within policy discourse. Still, this does not resolve one of main problems international donors face in engaging meaningfully and adequately with non-state actors, and especially with local traditional actors and processes: these are very dispersed, time-consuming and resource-intensive tasks that require long-term commitment, local knowledge, flexibility and a strong presence in the field[53] – none of which are the strongest aspects of international donors' engagement! – and may even further exacerbate the "footprint dilemma".

It is therefore not surprising that the only perceived realistic and viable long-term and sustainable option is to embark on institution-building, so that it is possible to work with and through the state as far as possible while at the same time filling any gaps with alternative and complementary strategies designed to help with statebuilding.

Coherence, consistency, and coordination in international responses

The search for effective international responses to fragile states has led to a greater focus on the coherence and consistency of international policies and action, especially when international actors are playing a "substituting" role in policy-making. It is widely recognised that there is an interconnection between the political, security, governance, economic and development dimensions of such responses, and actions in one area can offset progress or produce unintended outcomes in other areas.

The centrality of the security/development nexus in the policy discourse on fragile states reflects that concern for coherence. Development actors recognise that their policies cannot ignore or fail to take account of the political and security contexts they are operating in and seeking to transform, and that development aid is just one part of the international support that can or should be provided to fragile states.

New funding mechanisms

New funding mechanisms have been set up to promote collaboration across donor government departments and make donor responses more flexible, rapid and adapted to the needs and challenges of fragile states (eg, the EU's Stability Instrument and the Africa Peace Facility, the UK's Conflict Prevention Pools, the World Bank's State and Peacebuilding Fund, the Netherlands' Stability Fund, among others). The Netherlands' Stability Fund, for instance, was created in 2004 to allow for faster and more flexible funding for peace, security and development activities in situations of conflict or fragility, regardless of whether such activities were eligible for ODA. It is interesting to note that non-ODA elements accounted for nearly 40% of the total funding in 2008, compared to only 10% in 2005.

The financial resources allocated to fragile states have also increased but are largely focused on a few countries. According to OECD data, 51% of the ODA granted to 43 fragile states in 2008 went to just six countries (Afghanistan, Ethiopia, Iraq, West Bank and Gaza, Sudan and Uganda), which account for only 23% of the population of the total fragile states group. Despite claims that support is being given to transition policies in fragile states,

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53 See, among others, Alina Rocha Menocal, "State-Building for Peace – A New Paradigm for International Engagement in Post-Conflict Fragile States?", *European Report on Development*, EUI Working Paper RSCAS2010/34, April 2010, http://erd.eui.eu/media/2010/RSCAS_2010_34.pdf, accessed 3 May 2011.

especially in post-conflict settings, over half of the aid to fragile states goes on debt relief and humanitarian assistance (compared to an average 10% of total ODA). Nonetheless, in some of the fragile states that receive the largest amounts of aid, a large percentage is in the form of longer-term development assistance, thus indicating some willingness to take risks and invest over the longer term despite the volatile situation in such countries.[54]

Comprehensive or integrated approaches

Regional organisations, such as the EU and the North Atlantic Treaty Organisation (NATO), are developing a comprehensive approach to crisis management by improving their own instruments, capabilities and policy coherence, as well as their dialogue and coordination with other actors. Within the UN family, the Peacebuilding Commission is meant to bring international and local actors together in an integrated strategy for peacebuilding and recovery in the countries in which it is engaged. The concepts of "integrated approach", "integrated missions" and "integrated planning" that are integral to UN peacekeeping also stem from a concern to maximise the overall impact of UN support to countries emerging from conflict, which depends also on a clear and shared understanding of priorities and a willingness on the part of all UN actors involved to contribute to common objectives.[55]

> International actors usually see security as one of the main priorities, while local populations consider governance to be essential.

The UN recognises, however, that the integrated approach adopted by its peacekeeping missions may be highly problematic when there is little or no peace to build and when external intervention means engaging in warfare. For humanitarian actors, in particular, it is problematic to be seen to be associated with political and security objectives that may

jeopardise the humanitarian principles of neutrality and impartiality. Also, in the case of development actors, the focus on short-term objectives and "quick wins" and having to subordinate their efforts to such goals is problematic and inconsistent, particularly when the overall objective is statebuilding. This remains one of the main criticisms and reasons why development actors are reluctant to see the merging of security and development agendas.

For their part, security and defence actors generally consider longer-term development objectives in situations of conflict or instability to be a distraction from the immediate priority. In fragile states, international actors (and often also local elites) usually see security as one of the main priorities and a necessary condition for the provision and success of international support. However, that view is not necessarily shared by local populations not directly affected by conflict or insecurity (often the vast majority of the population) who often see governance as the main priority (eg, Somalia or the Central African Republic).

Whole-of-government approaches

At the level of individual states, coherence and coordination efforts translate into whole-of-government approaches and national thematic or country strategies encompassing security, development, governance and economic policies. Several donors have drafted government-wide fragile states strategies (namely Australia, Canada, France, Portugal, Germany, Sweden, the United Kingdom and the United States). The EU, as a collective body, is also pursuing a "whole of EU" approach, and it is one of the four areas covered by the Fragility and Conflict Action Plan which the European Commission is planning to propose to EU member states. In principle, it could be facilitated by the new European External Action Service (EEAS).

However, the EU case and the setting up of the EEAS is in itself an example of the difficulties and turf battles similar such processes are likely to encounter. Some donors have also created dedicated units to bring together the various aspects of the work they do in fragile contexts, supported by joined-up budget lines and more flexible funding mechanisms to facilitate inter-departmental cooperation and joint work. Analysis of whole-of-government efforts has shown that even when

54 OECD, *Annual Report on Resource Flows to Fragile and Conflict-Affected States 2010*, http://www.oecd.org/document/13/0,3746,en_2649_33693550_45789965_1_1_1_1,00.html, accessed 5 July 2011.

55 UN, *UN Peacekeeping Operations: Principles and Guidelines*, Department of Peacekeeping Operations (DPKO), January 2008, updated January 2010, http://www.peacekeeping bestpractices.unlb.org/Pbps/Library/Capstone_Doctrine_ENG.pdf, accessed 3 May 2011.

dedicated units and coordinating bodies have been set up, they have lacked strong political backing and the recognition and capacity to play a coordinating role, leaving room for reluctant departments to carry on doing "business as usual".[56] Where government-wide strategies for specific countries have been drawn up (eg, by the UK for some crisis countries), they have failed to clearly prioritise goals and tasks and amounted more to a compilation of objectives pursued by the different actors rather than a collective vision of the government's engagement and purpose.

International coordination

Similar problems apply to international coordination. External aid and support to peacebuilding and statebuilding is governed by different and sometimes conflicting agendas, depending on which agency or donor manages it, each of whom has its own rules and regulations, funding cycles, targets and indicators. There is also a financial dimension to such fragmentation as direct transaction costs are thought to be around US$ 5 billion or more a year.[57] Major donors are trying to reduce transaction costs and the administrative burden on fragile states' administrations, in particular by improving information sharing, joint analysis and financing, and the coordination of activities.

Other than pooled funds, multilateral exercises, such as the Post-Conflict Needs Assessment (PCNA) undertaken by the UN Development Group (comprised of UN bodies working on development), the EC, the WB and Regional Development Banks in collaboration with national governments, appear to be increasingly used by national and international actors as an entry point for conceptualising, negotiating and financing a shared strategy for recovery and development in fragile, post-conflict settings.

Coordination attempts also extend to issues such as the provision of budget support in situations of fragility (eg, the EU-WB-AfDB work to develop a common approach). However, international coordination and division of labour has been hampered by competition for donors' funds, lack of clarity over roles and mandates between the parties, and administrative problems stemming from the fact that organisations employ substantially different internal procedures. As a recent report on fragile states by the Danish Institute of International Studies (DIIS) puts it, "successful coordination is not merely a matter of sharing information and agreeing on who does what and where, but is essentially a matter of prioritizing different objectives and deciding what matters most right now. Coordination is political".[58]

The risk of "turf battles"

The difficulties with both domestic and international coordination agendas thus stem from issues of power, "interpretation" and resources. They are both a cause and a consequence of the absence of a clear political strategy and leadership, which are difficult to achieve and sustain when faced with often competing agendas and priorities within governments or international organisations, between headquarters and field offices, and between the political and operational levels. The result is frequent "turf battles" over who sets the agenda and hence determines resource allocation, and who gets to manage it.

These problems are evident among the heterogeneous group of international actors involved in peacebuilding and statebuilding activities, all of whom are competing for resources and have different interests and views on general policies as well as on where and how to intervene. The development of guidelines or a general strategy on how to operate in certain fragile contexts may be of help in defining some basic principles and rules of engagement, but it is the shared understanding of what should and can be the main objectives and priorities in each specific context that matters most.

The closest thing to a shared strategy and joint work is most likely to happen either in situations of extreme crisis (but for how long?) or "at the request" of recipient countries rather than "on offer" from the donor side. This would, however, require the existence of shared national objectives and

56 Stewart Patrick and Kaysie Brown, *Greater than the Sum of Its Parts? Assessing "Whole of Government" Approaches to Fragile States*, Center for Global Development, CGD Brief, June 2007, http://www.cgdev.org/doc/weakstates/Fragile_States.pdf, accessed 3 May 2011.

57 OECD, *Transition Financing. Building a better response*, 2010.

58 Lars Engberg-Pedersen, Louise Andersen and Finn Stepputat, *Fragile Situations: Current Debates and Central Dilemmas*, DIIS Report 2008:9, Danish Institute for International Studies, Copenhagen, 2008, http://www.diis.dk/graphics/Publications/Reports%202008/R2008-9_Fragile_Situations.pdf, accessed 3 May 2011.

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priorities in the recipient country combined with significant local leadership, something which is not often the case in most so-called fragile states. Recipient countries would welcome (and want) a reduction in the burden imposed on their weak and overloaded state capacities by multiple requests from donors for consultations, the development of strategies/projects, and reporting and accountability requirements, which are all the more onerous when each donor comes with a different set of systems and procedures. However, recipient countries may not see any other benefits in the existence of greater coordination and joined-up work by international actors (rare as it is) since it would leave less room for manoeuvre for states that are already in a dependent position.

Conclusions

It has been widely acknowledged and emphasised that peacebuilding and statebuilding are local and context-related political processes that cannot be made to work from the outside. External actors and factors can play a role but are hardly the main drivers of change, as the popular revolutions in Tunisia and Egypt have so clearly demonstrated.

As the "do no harm" debate has highlighted, focusing on the role of international players is, nevertheless, important, not least because: "Donors can inadvertently do harm when the resources they deliver or the policy reforms they advocate exacerbate rather than mitigate the conditions for violent conflict, or they weaken rather than strengthen the state as a site of decision making and policy formation over the deployment of public resources. They can do harm when aid is delivered in such a way as to act as a disincentive to states to consolidate their own revenue base. By not understanding the history and power dynamics in a partner country, donor actions can disrupt the political settlement that underpins the state, weakening the incentives for powerful elites to 'buy in' to statebuilding processes and increasing their incentives to 'opt out'".[59]

59 OECD, *Conflict and Fragility: Do No Harm. International support for statebuilding*, 2010, http://www.oecd.org/dataoecd/8/32/44409926.pdf, accessed 3 May 2011. See also Mary B. Anderson , *Do No Harm: how can aid support peace – or war*, Boulder, Lynne Rienner Publishers Inc, 1999.

International actors' technical and resource capacities

The issue for international actors is therefore "how" they should engage in peacebuilding and statebuilding in fragile states. Although failed or mixed results of experiences in Afghanistan, Iraq, Somalia, Kosovo and elsewhere have prompted a rethink and review of engagement in fragile states, the main focus of international actors' efforts seems to be mainly on internal organisational aspects (eg, the means, knowledge, capacity and delivery mechanisms at the disposal of international actors) and, to some extent, the interconnectedness of policies and programming, as well as on international coordination (at headquarters level and in the field).

These efforts are undoubtedly positive and can make some difference but they are unlikely to adequately address the fragmentation of external support (particularly when numerous international actors are involved and there is no shared political strategy) and the sometimes conflicting political and strategic goals (when it is clear what these are). International actors' priorities, interests or capacities/expertise tend to prevail over considerations of the political impact they may have on local dynamics and state trajectories. Donors and international NGOs tend to behave as if the technicalities of delivering international assistance could be separated out from local political processes and thrive independently of the latter, thus maintaining the illusion of the neutrality of their actions. While adopting a technical focus may at times be helpful in bypassing political blockages and power struggles, it is unlikely to provide the basis for a long-term and sustainable process.

> Peacebuilding and statebuilding are local political processes that cannot be made to work from the outside.

The "fear" of politics

Technical inadequacies and diverging organisational motivations/agendas may explain some of the gaps and limitations international actors face when seeking to provide external support to peacebuilding and statebuilding processes in fragile states but, ultimately, the missing link seems to be not having a thorough understanding of the context in which they are intervening and of the impact of their

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actions and policy prescriptions, underestimating the complexities and timescale of such processes and lacking clear political strategies for guiding and framing their interventions.

Donors are, however, generally reluctant to become involved in local political processes for fear they will be accused of "interference" or "neo-colonialism". Furthermore, it is particularly difficult, given the differing agendas and priorities, sometimes even within the same international organisation, for international donors to agree on a clear and meaningful political strategy that can be shared across the many actors involved in the planning, programming, decision-making and implementation of external support in fragile states.

Agreement on a shared political strategy would be easier to reach if guided by a strong and responsive local leadership. However, that is hardly ever the case in fragile states, whose governments often fail, or are too weak, to take into account and mediate between the diversity of situations, perceptions, needs and priorities within the country.[60] Because many fragile states are dependent on international assistance and external actors' capacity to design and implement policies, domestic solutions and legitimacy are not prioritised.

A change in policy thinking: will practice follow?

Despite the political rhetoric around ownership, alignment and context-based solutions and the recognition that diverse forms of state organisation exist, there has yet to be a substantial change in the way international actors operate in fragile states. The "liberal universalism" found in peacebuilding and statebuilding agendas tends to prevail and legitimise international action, regardless of how meaningful, adequate and wanted it may or may not be in each specific context.[61] Besides, such interventions occur when states are perceived to be fragile and hence when state trajectories "need to be corrected", even though the limited role and ability of external actors to actually "correct" state trajectories outside of endogenous processes has been recognised.

For international assistance to produce better results within these limitations, it must be based on an in-depth understanding of those realities and clearly articulate a political strategy that is more suited to the requirements of the local situation and local actors' commitment and possibilities than to the fragmented "technical" approaches or short-term political interests of the international actors providing assistance.

60 IDPS, *Synthesis Report. Key findings from country consultations in Burundi, Central African Republic, Democratic Republic of Congo, Liberia, Sierra Leone, South Sudan, and Timor-Leste,* 2010.

61 See, among others, Ole Jacob Sending, *Why Peacebuilders Fail to Secure Ownership and be Sensitive to Context*, Security in Practice 1 – 2009, NUPI working Paper 755, Oslo, 2009, http://www.nupi.no/Publikasjoner/Notater/2009/Why-Peacebuilders-Fail-to-Secure-Ownership-and-be-Sensitive-to-Context, accessed 3 May 2011, and Stein Sundstøl Eriksen, "The Liberal Peace Is Neither: Peacebuilding, State building and the Reproduction of Conflict in the Democratic Republic of Congo", *International Peacekeeping*, Vol.16, No.5, Routledge, November 2009, pp.652–666.

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