

THE POLITICAL ECONOMY OF TRANSITIONS: ANALYSIS FOR CHANGE

Oslo, November 8th–9th 2012

CONFERENCE REPORT



The **Oslo Governance Centre (OGC)** is a unit of the Democratic Governance Group (DGG) in the Bureau for Development Policy (BDP) of UNDP. It was established in 2002 as a centre of excellence designed to provide support to the practical and operational work of UNDP in assisting partner countries in developing more democratic and effective forms of governance for sustainable peace and development. The overarching purpose of the Oslo Governance Centre is to conduct systematic analysis and review of UNDP's governance work around the globe, aimed at learning from experiences in the field and contributing to UNDP's programming and policy advisory services at the national, regional and global levels.

The **Norwegian Peacebuilding Resource Centre (NOREF)** is a resource centre integrating knowledge and experience to strengthen peacebuilding policy and practice. NOREF was established by the Norwegian Ministry of Foreign Affairs in June 2008 as a key resource centre to support Norwegian peacebuilding efforts. The Centre collaborates and promotes collaboration with a wide network of researchers, policy makers and practitioners in Norway and abroad. The Centre provides a range of resources and services on peacebuilding, mediation and humanitarian issues to the Ministry of Foreign Affairs. These include gathering and sharing timely information and analysis, and organizing briefings, seminars and other targeted events. It has a particular focus on ensuring that expertise from the South is included in its work.

UNDP Oslo Governance Centre
Inkognitogata 37
0256 Oslo
Norway
www.undp.org/governance
www.undp.org/oslocentre

Norwegian Peacebuilding
Resource Centre
Borggata 2 B
0650 Oslo
Norway
www.peacebuilding.no

Foreword

Over the past few years, transitions from authoritarian to democratic rule have been high on the agenda for international development agencies, governments and non-governmental organisations (NGOs) in the North and South. The sweeping wave of popular discontent that toppled long-standing autocratic leaders in Tunisia, Egypt, Libya and Yemen has brought to the forefront the fragile nature of seemingly stable countries and the need for transformational change in state–society relations, moving away from rentier states towards developmental states accountable to their citizens. In Asia, Myanmar is experiencing a rapid process of reform and broadening of the democratic space. In just one year or so, during which the long-standing military rule was replaced by a nominally civilian government, the country has undergone significant political change, passing an amnesty law and allowing for peaceful demonstrations and unions, among other measures.

History shows that, where accountable political institutions co-exist with inclusive economic policies, countries prosper and economic inequality is reduced. It is essential that we improve our understanding of the complex dynamics underlying these processes if we want to support countries in a meaningful way. Critical factors in the success of transitions include the management of citizens' expectations, the transformation of institutions, the administration of economic resources and competition for power. Valuable experience can be gained from past transitions in countries such as Brazil, Chile and Indonesia.

Against this background, the UNDP Oslo Governance Centre (OGC) and the Norwegian Peacebuilding Resource Centre (NOREF) brought together policymakers, military leaders, representatives of civil society organisations (CSOs), researchers from North and South and practitioners from development agencies, including senior UN staff, to discuss and reflect on the political economy of transitions. From the vibrant exchange of ideas, both South–South

and South–North, two overarching themes emerged as central to successful transitions: inclusiveness and accountability. Participants agreed that ignored linkages between economic choices and democratic processes needed to be identified and explored, and that transition towards democracy is undermined by growth policies that are not closely tied to explicit goals of social justice and equity.

Stakeholders' experiences in post-transition countries which share a number of features, such as a political economic situation with destabilising social consequences, a military with a major political role and a society fraught with major inequalities both economically and socially, were chosen with a view to identifying key challenges and opportunities for the ongoing transitions. Participants acknowledged that transforming the state and rewriting the social contract is a long-term process that cannot be disconnected from the urgent need for tangible change at the political and economic level. They also discussed the pressing need for nationally based analysis and evidence to inform the reform agenda and support policymaking after the dust of transitions settles.

Finally, the conference discussions confirmed that a multidisciplinary perspective integrating economic, political, social and cultural factors is necessary in supporting democratic transitions from authoritarian regimes, and that fostering sustainable societal dialogue is the key.

It is our hope that this conference will help deepen a global conversation on the way we look at the political economy of transitions and that it has sown the seeds of a network of policymakers and practitioners to continue this exchange. Now that they have engaged in this important discussion, it is up to all involved to take the conference outcomes and recommendations forward. UNDP and NOREF remain committed to this process.



Dr Heba El-Kholy, Director,
UNDP Oslo Governance Centre



Mariano Aguirre, Director,
Norwegian Peacebuilding Resource Centre

Background

UNDP Oslo Governance Centre (OGC) and the Norwegian Peacebuilding Resource Centre (NOREF) jointly organised a conference on the political economy of democratic transitions, with a focus on understanding models, policies and processes underpinning economic transformation and the renegotiation of the social contract. The conference discussed four critical questions related to the political economy of transitions:

1. What are the key challenges of economic transformation in the short, medium and long run, and what can be done to consolidate sustainable political and economic reforms?
2. In countries where there is little tradition of dialogue and where state–society relations have been marred by distrust, what is the role of civil society in renegotiating the social contract, and how can an inclusive dialogue space be created to transform street protests into viable collective action?
3. In countries with a transitional civilian government and *de jure* or *de facto* military tutelage, what strategies can be employed to depoliticize and legitimize state institutions?
4. What are the challenges facing policy-oriented centres and how can these be met in order to (re) build and support the institutionalisation of their strategic advice?

Three countries were chosen as representative of transitions conducted in Latin America and Asia since the mid 1980s – Brazil, Chile and Indonesia – with a view to identifying key challenges and opportunities for the ongoing transitions in Egypt, Tunisia and Myanmar. The choice of these case studies has been informed by the fact that these six countries share a number of features which have determined the transition process and its outcomes – in particular a political economic situation with destabilising social consequences, a military with a major political role and a very unequal society. The time factor has also played a role; comparing experiences that started almost 30 years ago with more recent experiences and ongoing ones makes it possible not only to analyse transitions in their initial stages, but also to take stock of later evolutions and reorientations over time, as the context and actors change.

This report provides an overview of the key points of debate in the different sessions. The main recommendations and suggestions that arose have been summarised in the Executive Summary.

Opening remarks

Mr Olav Kjørven, United Nations Assistant Secretary-General and Director of UNDP's Bureau for Development Policy

Mr Torgeir Larsen, State Secretary, Ministry of Foreign Affairs, Norway

Policy space and economic choices

In his opening remarks, Olav Kjørven, United Nations Assistant Secretary-General and Director of UNDP's Bureau for Development Policy, emphasised the fact that, whereas political change can come about quickly, lasting societal change requires a long-term perspective. One of the main challenges during transitions concerns the creation of space for due reflection on inclusive policy choices, at a time when the pressure to “restart” economic growth is understandably high. Economic choices need to focus on inclusive and sustainable growth, while recognising that the links between equity, growth and environmental sustainability are complex.

Norm-based social dialogue between government authorities, power elites (such as the military and business) and the people can be achieved through institutionalising the role of organised intermediaries – political parties, trade unions workers, farmers' associations, women's groups and youth organisations – in economic and social policymaking. This is an essential component of a revised social contract. Evidence shows that building equal opportunities for women into a new political order can affect the trajectory of economic growth and of social policy. Another priority is corruption and illicit financial flows, which impoverish countries and weaken governance.

Agreement on targets and indicators set through inclusive dialogue can allow all actors to measure progress against the same set of “rules” and, ultimately, leaders can be held accountable. Investing in national and local analytical capacity through think tanks and research facilities will inform policy choices for both civil society and decision makers.

Human rights and democracy

Engagement in transition processes should be predicated on respect for human rights and minorities, as trustbuilding is the key to achieving sustainable change; as Torgeir Larsen, Norway's State Secretary for Foreign Affairs, pointed out, “the ability to support human rights defenders is a real test of democracy. Specifically, women must be included, as no transition can be democratic if half the population is not represented.” Although basic human rights are universal, true democracies develop within the social contexts they reflect; therefore (the terms of) democracy cannot be imposed from outside, and must be locally owned. The international community can play a positive role, but a real understanding of local realities is essential, as transition processes must be based locally.

Transitions to democracy take time; managing expectations is therefore a daunting challenge, as the economic reality in the wake of political upheaval will not correspond to people's demands. Countries in transition need support to achieve short-term gains while embarking on long-term reforms and processes. National economic growth must be supported, as democracy is not sustainable without economic reforms and employment. Another vital area is education, as social capital and capacities need to be built up.

Transparency and rule of law are essential elements in any effort to build trust in the turbulent period that follows the fall of authoritarian regimes. At the same time, it is important to remember that change will always be fiercely opposed by those with a vested interest in maintaining the status quo.

Session 1: Economic transformation in support of democratic processes

- Chair: **Mrs Geraldine Fraser-Moleketi**, Director of the Democratic Governance Group, UNDP's Bureau for Development Policy
- Panellist 1: **H.E. Dr Kan Zaw**, Minister, Ministry of National Planning and Economic Development, Myanmar
- Panellist 2: **Dr Revrisond Baswir**, Universitas Gadjah Mada, Indonesia
- Panellist 3: **Dr Hassan Youssef Aly**, Economic Adviser to the Minister, Ministry of Planning and International Cooperation, Egypt

Citizen participation and decentralisation in Myanmar's economic reforms

Myanmar is predominantly rural and agriculture is central to the economy, particularly with a view to ensuring food security. The population is young and the current gross domestic product (GDP) growth of 5.8% is projected to rise. With abundant resources and a geostrategic position, Myanmar is implementing economic reforms towards integration in the ASEAN Economic Community. The transition process was initiated by the government, but it is striving to include citizen participation by means of national workshops whose conclusions inform national policy. The minister outlined the four main economic policies: development of industrial agriculture, ensuring balanced regional growth, inclusive development for the whole population and collection of good-quality statistics.

Decentralisation is an important priority, and states and regions have been entrusted with rights and powers, while bottom-up planning and implementation is being encouraged at local and regional levels. People-centred development is at the core of economic reform, and is being supported by the international community. Myanmar's reform process focuses on inclusiveness, with almost all parties and groups taking part in the political process and nation building, including women and ethnic and religious minorities. At the same time, the country is promoting overseas investment, focusing mainly on the power sector, oil and gas, mining, manufacturing and tourism. Inclusive parliamentary elections have been held, and intensified peacemaking efforts have resulted in 10 out of 11 armed groups agreeing to ceasefires. Internationally, Myanmar will participate more actively in the United Nations.

Blurring of public and private interests: Indonesia and Egypt

Indonesia's transition has been evolving over the past 13 years, while Egypt has recently embarked on the

process but, in both countries, one of the most pressing concerns is to remedy income inequality. In this respect, a key question is to determine who benefits from the transition; in Indonesia, the richest 10% now control 90% of national assets. It was stressed that transition must come from inside and cannot be imposed from outside, which is especially relevant because international involvement in Indonesia's economic and political development has been significant.

The 1945 Indonesian constitution embodied democratic principles, and specifically that of economic democracy. This concept provides for the means of production, and also land and water, to be controlled by the state for the benefit of the people. However, in recent times economic democracy has been rarely mentioned, and since 2002 attempts have been made to eliminate these stipulations by means of constitutional amendments focusing on the energy sector and education (with some external support for the oil and gas amendments).

Promising macroeconomic indicators in the case of Egypt concealed darker realities including high youth unemployment, the marriage of wealth and political power, and an economy dominated by income inequality and corruption. These factors either contributed to or stemmed from the paradox of growth without development, whereby the rewards of growth (investment in oil and iron) were hijacked by a wealthy minority, creating little real employment and an increase in poverty.

A trend observed in both countries is that political democracy is increasingly being usurped by business interests, and the line between public and private interest is blurred. In Indonesia, business people are heavily involved in the political sphere, and civil society is largely excluded on account of the high costs

involved in the political process. The same situation is happening in Egypt, where wealthy business owners are being appointed to ministerial posts.

Corruption

Combating corruption was highlighted as a priority in transitions, and it was pointed out that the fight against corruption tends to focus more on the public perception of corruption among government officials rather than on the companies offering the bribes. In this regard, Transparency International's Bribe Payers Index (BPI) was mentioned as a useful tool in assessing the likelihood of firms from the world's wealthiest countries to bribe abroad. It was recommended that international organisations should send clear signals to the elites and business that bribery will not be condoned. In Indonesia, corruption is perhaps most insidious in the area of legislation. It was reported that almost all ministries are in the hands of business people who make laws to suit their own purposes. Privatising resources generates huge returns but there is little accountability, as opposition focuses on repealing the laws rather than suing the proponents of the law.

What role can UN agencies play in helping transitions to stay the course?

International organisations such as the UN have an important role to play. In Myanmar, capacity building and acting as a development partner are significant areas of cooperation. The country has carried out a mapping of the areas where technical assistance is needed, and will be working with the World Bank on a community-driven development strategy. The UN should continue to coordinate financial assistance and, even more importantly, technical and educational assistance. However, it was emphasised that UN organisations should avoid ideological positions and support the people, rather than the rulers, by learning from past mistakes. It was stressed that food security depended on the development of cooperatives and support for farmers, rather than handing over food production to corporations. A further proviso was that management of technical assistance should be carried out by people on the ground, who are the real experts and know what is needed.

Managing expectations

The iron law of transitions, "things are bound to get much worse before they get better", calls for a long-term perspective. It involves striking a balance between

satisfying immediate demands for social justice and the imperative of resisting external pressures, while moving forward the long-term processes of reshaping the economy so that they truly serve the people. Neither populism nor neoliberalism can be the way forward and, as the economy will get worse before progress can be made, managing expectations becomes all the more essential. Military–civilian relations are also very sensitive. In Myanmar, the military, which under the constitution makes up 25% of the parliament, has now returned to its traditional role of defence.

Indigenous economic models

Concern was expressed that the newly elected governments were slow to put forward economic policies to remedy unemployment and increasing poverty. It was pointed out that there tends to be a delay in discussing economic reform, as priority is given to political reforms in transitions. Previous models are failing to satisfy people's needs and rights and there is an urgent need to redefine economic models in terms of economic and social rights, economic democracy and inclusiveness. However, the Scandinavian model is not suitable for the Arab countries, as it demands large resources.

It was suggested that UNDP could bring together the Arab Spring countries to share experiences and try and find an integration model uniquely adapted to local and regional conditions. Myanmar is working on an indigenous model based on inclusive growth, including women, ethnic and religious minorities, and business interests. It was emphasised that, whatever the economic and political model, it must be indigenous and nationally owned.

The dangers of growing foreign debt were underscored, and the phenomenon was likened to neocolonialism. After the fall of Suharto, government debt was "only" \$54 billion, but it has since ballooned to \$195 billion. One expert felt that it was imperative for transition countries not to use foreign debt as an economic tool because conditionalities on loans can hijack the transition process.

Dialogue and policy

Dialogue needs to be strengthened and expanded, as parliament may not include the more marginalised segments of the population. It was important to

empower the voiceless at the grass-roots level so they can organise and claim their rights, and also to ensure that the required policies are implemented. Spaces for dialogue such as the square are needed to develop new models and to learn about comparative models. UNDP could contribute by offering inclusive dialogue platforms where negotiations and bargaining can lead to policy options.

On a more optimistic note, it was recalled that more inclusive and equitable growth is possible, as witnessed by the economies of Brazil, Chile, Indonesia and Turkey, and that these experiences can provide valuable lessons. Major policy issues for transition economies include industrial policies focusing on job creation and investment in agriculture; investment in education and vocational training; financial sector reform; reliable data to support inclusive policies; and reform of the social safety net, including the elimination of inequitable and inefficient subsidies which drain the economy.

Transition from activist to policymaker

Social activists and revolutionaries do not necessarily have the capacity or experience to produce economic policy. The Muslim Brotherhood, for example, comes from the grass-roots and is in touch with the people's needs so it can build from the bottom up, but this does not necessarily mean it is equipped with the knowledge and training to govern a country. This goes some way towards explaining why the leaders in Egypt and Tunisia are not proposing new economic models. At the same time it was stressed that activists must remain alongside the implementers of policies, as this is critical to ensuring accountability to the masses. Constitutional provisions stipulating socioeconomic changes may not be implemented unless popular discontent is mobilised.

Key points and recommendations

- One of the most immediate concerns is to remedy income inequality.
- International organisations need to send clear signals to elites and business that bribery will not be condoned.
- Food security depends on the development of cooperatives and support for farmers, rather than handing over food production to corporations.
- UNDP could bring together the Arab Spring countries to share experiences and try to find an integration model uniquely adapted to local and regional conditions.
- UNDP could contribute by offering inclusive dialogue platforms where negotiations and bargaining can lead to policy options.
- It is imperative for transition countries not to use foreign debt as an economic tool because conditionalities on loans can hijack the transition process.

Session 2: Corruption, illicit financial flows and sustainable development

Chair: **Dr Rathin Roy**, Director, UNDP Asia-Pacific Regional Centre, Thailand
Panellist 1: **Dr David Sogge**, Senior Researcher, Transnational Institute, the Netherlands
Panellist 2: **Mr Mark Taylor**, Senior Researcher, Fafo, Norway
Panellist 3: **Dr Nelia Chaabane**, National Commission on Investigating Corruption and Embezzlement, Tunisia

Multiple causes of corruption

Both internal context features and external drivers enable illicit flows, although it was observed that the boundaries between licit and illicit flows are blurred. In fact some levels of corruption appear to be tolerable and can even become business opportunities.

In order to gain some perspective on the problem it was pointed out that illicit capital flows out of sub-Saharan Africa exceed the official development aid, together with foreign direct investment, received by those countries. Thus, the stereotypical view that sub-Saharan Africa is severely indebted and heavily aid-dependent is not fully consistent with the facts.

Among the features of the context that enable illicit flows, sources of rent can include official development assistance (ODA) and conditionalities tied to structural funds. For example, in the case of eastern Europe, privatisation allowed corrupt owners to strip former public industries of their assets and send the monies abroad. The movement of illicit assets is made possible by both offshore centres and enabler industries, such as transnational law firms and private banking, which all collude to enable capital flight. The figures speak to the vast dimensions of corruption: global illicit flows between 2002 and 2006 totalled \$1 trillion. However, what is perhaps more surprising is that up to 70% of these flows ended up in Western financial bodies and the rest in secrecy jurisdictions.

Economic and political effects of illicit flows

The economic effects of illicit flows include fewer public goods and services, higher taxes on legitimate businesses, and greater reliance on aid and loans with weakened capacity to repay them. On the sociopolitical level, the elites gain more powers of patronage, coercion and violence. Public policies are neglected, with little or no accountability, and this in turn leads to increasing inequality and grievances with the risk of conflict. Furthermore, declining state legitimacy and poor public politics increase the risks of fragility and conflict.

Failure of global governance

Given the complex economic interactions involved, it would appear that focusing on corruption in poor countries is not a practical approach. Perhaps the key lies in the collusion of Western financial bodies that provide the “landing” space for these flows. Countries that have introduced national laws with global reach face strong pushback and evasion. To counter this, whistle-blowers should be rewarded and policy activism encouraged. Money is flowing to the capital-rich countries rather than to capital-starved countries, revealing a failure of global governance. One expert observed that the glaring income inequality in the U.S. is related to the finance industry. Informed opinion considers that political decision making in the U.S. has been taken over by financial sector, which, according to the same expert, in effect amounts to a coup d'état.

Economic dimensions of conflict

The economic dimensions of conflict and the interaction between law, violence and economic activity were also discussed. A key factor is that conflict economies are well integrated in the global economy, in those same economies that provide ODA and peacebuilding assistance. Essentially, private sector activities in developed economies help to create illicit flows, and therefore non-conflict economies are part of the problem.

A coherent approach in dealing with the economic dimensions of conflict should involve a strategy of regulation focused more on the elite networks and less on criminalising the least powerful. While inclusion is a key policy goal, it requires the prior *exclusion* of illicit economic activities which reinforce repressive elites.

In the case of countries such as Tunisia and Egypt, economic transition is a question of policy, as the economic actors have not been displaced by the “guys with the guns”, and economic structures are largely untouched. Regarding sanctions, the OECD Guidance on the responsible sourcing of minerals focuses

on supply chains and goods, and financial flows are covered by anti-laundering laws, but the idea of best practice for accounting firms has not been considered yet. It may be implemented through professional associations, but it is important to recognise this has not been done before.

Corruption in Tunisia

The rejection of corruption was a major driver of the protests that overthrew the regime. Several independent national commissions were set up to investigate different issues including the fight against corruption and the return of assets from overseas. Corruption in Tunisia permeated all levels of society, from petty bribery in daily life to institutionalised corruption led by the head of state, which gave rise to a large-scale informal economy and a parallel market. Supervisory bodies existed but were marginalised.

Officially there is serious engagement but more pressing issues are often given priority (such as security, inequality and unemployment). To dismantle the informal economy and combat corruption, a new constitution is being drafted in which the separation of powers must become a reality. Legislative reform includes a battery of laws to fight corruption including the protection of whistle-blowers. A complementary measure is the reform of supervisory bodies in order to ensure their operational autonomy and effectiveness.

Challenges include a powerful administration which is still prone to corruption, and lack of human and technical resources. Given the multiple levels of corruption, a key question is whether sanctions should mainly target those responsible for major fraud. As the average citizen is more directly affected by petty corruption, the symbolic value of pursuing those involved could be significant. Fundamentally, corruption is at the origin of illicit flows which in the long term slow down economic development and create inequalities between regions. The challenge now is to reverse the trend, and it will be a long haul.

Key points and recommendations

- Technical and material support for fighting corruption in transitions is essential.
- Policy formulas and conditionalities should be closely scrutinised, as neoliberal restructuring can affect transitions adversely, in some cases leading to capital flight.
- Whistle-blowers should be rewarded and policy activism encouraged to counter pushback and evasion.
- Inclusion as a key policy goal requires the prior *exclusion* of illicit economic activities which reinforce repressive elites.
- Regulating the entry of illicit commodities into global value chains, and creating accountability mechanisms which target the elite networks who control illicit economic activities, are a necessary precondition for transforming conflict economies into ones that promote peace, social justice and development.

Session 3: Governance assessments during political transitions

- Chair: **Dr El-Mostafa Benlamlih**, UN Resident Coordinator and UNDP Resident Representative, Indonesia
- Panellist 1: **Mr Indrajaya**, Deputy Director for Political Affairs, National Development Planning Agency (Bappenas), Indonesia
- Panellist 2: **Dr Sahar El Tawila**, Director, Social Contract Center of the Information and Decision Support Center (IDSC), Egypt
- Panellist 3: **Ms Helena Bjuremalm**, Senior Programme Manager, International IDEA (Institute for Democracy and Electoral Assistance), Sweden
-

Indonesia Democracy Index

Over the past decade, Indonesia has made important strides towards deepening democracy. Milestones include democratic elections, constitutional amendments and new political parties. Simultaneously, the country is decentralising services and delegating power to the provincial and district levels. In order to measure the country's 20-year democracy consolidation plan, the government set up the Indonesian Democracy Index (IDI) to support a nationally owned process for assessing and monitoring governance.

The IDI is an inclusive and consultative framework for the systematic assessment and monitoring of democratic governance goals and targets. The IDI started in 2007 with support from UNDP Indonesia and the UNDP Oslo Governance Centre but is now fully funded by the Government of Indonesia. The method used includes newspaper and document reviews, focus group discussions and expert interviews to determine civil liberties and political rights and the scoring of institutions by province. As a sign that the IDI is independent and objective, the 2010 results show that democracy has actually regressed compared with 2009. The IDI has been used as a sectoral target benchmark in planning and budgeting on political development in all provinces.

Sector-based governance assessments in Egypt

Creating a Governance Assessment Unit was a key step in institutionalising governance assessments in Egypt. The unit is supported by UNDP Egypt and the UNDP Oslo Governance Centre, and monitors progress towards the achievement of 55 programmes based on the Millennium Development Goals by developing sector-based governance assessments. The need for governance assessments arose from

the inequities of government failure to deliver on basic services. The unit also tracks progress in democratic governance, including equity and accountability. The purpose of the assessment is to identify systemic gaps and provide policy advice, while also improving social accountability.

The assessments focus on three sectors (water, basic education and primary health) and measures nine dimensions, including effectiveness, equity, corruption, transparency and accountability. Assessments can create space for dialogue with decision-makers and influence policy. Even though equity scored high (e.g. in water), presenting local officials with the results allowed them to acknowledge that service provision was not as equitable as citizens thought because water quality differed from one area to another but not within an area. Presenting the data created willingness on the part of local council officials to bring water quality issues to higher policymakers. Furthermore, these assessments can empower citizens to hold service providers accountable.

Governance assessments can contribute to awareness raising, capacity building (both in civil society and government) and a baseline databank. Policy impact depends on outputs (policy briefs, roundtables) and access to decision-makers. Outreach will consist of national and local campaigns and the challenge will be how to reach all stakeholders. New-found liberties in Egypt will make it impossible to suppress citizen feedback, and the Egyptian people are determined to participate and hold those in power accountable.

Lessons identified

Assessments can create space for dialogue with decision-makers and lead to policy changes, thus empowering citizens to hold service providers

accountable, but it is essential they are conducted correctly. They can bring stakeholders together for constructive engagement, although timing is critical, as environments need to be open and stable. Assessments must be relevant and cover specific areas of interest. It is also important that survey tools suit the context and encourage real dialogue and participation.

Indigenous assessments can create greater buy-in and ownership, and the process of an assessment is often more important than results, as involving local facilitators creates participation and awareness. In the case of a national think tank, it is important to ask whether it is inclusive and open to all groups, and whether it has the capacity to carry out high-quality assessments. It was recommended that donors should provide technical assistance and training to national think tanks in carrying out high-quality assessments. Lessons learned indicate that it is necessary to engage with audiences who will use the findings, to manage expectations and transform assessments into strategic communication.

Key points and recommendations

- Assessments can create space for dialogue with decision-makers and influence policy, if they are conducted correctly.
- Assessments can thus empower citizens to hold service providers accountable.
- Indigenous assessments can create greater buy-in and ownership but, in the case of a national think tank, it is important to ask whether it is inclusive and open to all groups.
- Donors should provide technical assistance and training to national think tanks in carrying out high-quality assessments.
- The process of an assessment is often more important than the report or results.
- Assessment should (a) engage with audiences who will use findings, (b) manage expectations and (c) transform assessment into strategic communication.

Session 4: The role of civil society in renegotiating the social contract

- Chair: **Mrs Alia Al-Dali**, Director, UNDP Regional Centre in Cairo, Egypt
- Panellist 1: **Mr Marzuki Darusman**, founding member of the Board of the Partnership for Governance Reform (Kemitraan), Indonesia
- Panellist 2: **Mr Amine Ghali**, Director, Al Kawakibi Democracy Transition Centre, Tunisia
- Panellist 3: **Mr Myat Ko**, Yangon School of Political Science, Myanmar
- Panellist 4: **Dr Philipe Schmitter**, Emeritus Professor, European University Institute, Italy
-

Contrasting experiences were presented from Indonesia, Tunisia and Myanmar on the role of civil society in renegotiating the social contract. The session opened with a number of reflections and open questions about civil society and its role in transition: How does the increase in organised society impact transformational processes? Is civil society leadership, as well as its relationships to authorities, sufficient to influence decision-making?

The case of Kemitraan in Indonesia

Kemitraan was set up to be a multi-stakeholder intermediary organisation consisting of government, private sector and civil society actors, and it has played an important role in the Indonesian transition. It continues to facilitate partnerships and engagement with donors and international society, based on the concept of co-governance, whereby citizens and elected public officials share political roles. From the start, Kemitraan has engaged in direct policy discussions on the need for strong legal basis to combat corruption.

Reflecting on the nature of transitions, it was stressed that reforms need to be organised, and appropriate vehicles created to reconstitute the nation. Renegotiating the social contract can be achieved by amending the constitution, but there is no guarantee that democracy will come out of transition. Lessons from Indonesia indicate that, in the early stages, the priority is to restore a functioning governance. However, if historic injustices are not subsequently addressed, the transition may stall.

Populism vs the oligarchy

Indonesia is currently at a crossroads as political and business groupings tied to international interests have produced a political gridlock. Indonesia could move from a coalition of entrenched rent-seeking interests towards an alliance of democratic reformist

forces, but there is a risk that the growing influence of the oligarchy could prevail over market forces and roll back democratic transition. The reorganisation of political power has seen a resurgence of populism, but the media remains an extension of the oligarchy and tends to reinforce the status quo. The process of transition takes time, and international practice can provide a framework for consolidation by upholding best practice in international norms, raising awareness among all sectors of the population and providing technical support.

Opening spaces

The issue of minority and indigenous rights in Indonesia is sensitive (with over 500 ethnic groups). Minorities have been attacked in the past and under the current secularisation process Muslims may feel threatened, even though they are a majority. Ethnic diversity exists but the system is moving towards political pluralism and the party system is being consolidated.

The notion of fear in transition is important because violence closes the space for reflection. The deep trauma of upheaval remains close to the surface. Therefore searching for forms of collaboration is necessary to open spaces for dialogue. National but internationally supported multi-stakeholder organisations such as Kemitraan will continue to be needed and there is also a need to monitor and evaluate progress at all levels.

Tunisia

In the Tunisian revolution, people initially took to the streets seeking social justice, food and jobs rather than individual freedoms. The post-uprising and post-election phases have been managed by civil society (broadly defined as trade unions, lawyers, the media, academics, intellectuals, local and international NGOs and, in some instances, opposition parties).

A transitional government was set up after the elections and, at the same time, independent national commissions were working on different issues including human rights abuses, political reforms, fighting corruption, and the return of assets from overseas. The main objectives are drafting a new constitution and establishing a transitional justice process.

In Tunisia, the country's current leaders are intellectuals who formed part of the elite under Ben Ali. They advocate equity before growth but, under the former regime, private individuals amassed vast wealth and this oligarchy became a social phenomenon. The challenge now is to move from the entrenched rent-seeking oligarchy to a reforming alliance.

The roles of civil society in Tunisia

Civil society plays the role of a human resource hub, forming and presiding over the national commissions, and many activists have become political figures. Civil society also provides the expertise needed in decision-making centres, and CSOs have channelled international expertise to decision-makers when necessary. In effect, a laboratory of new ideas has been created, as the challenges in Tunisia needed indigenous solutions. An important point is that Tunisian civil society can also reach the voiceless, providing a connection to government that had never existed previously. In many instances, CSOs have complemented the obligations of the state in service delivery including education, health care, disaster relief and care of migrants. In the post-elections phase, civil society has taken up the role of monitoring government decisions, and partnerships between the government and civil society have declined greatly compared with the pre-election period.

It was emphasised that national civil society should not replace the state but empower local actors. Given that civil society is now entering the phase of becoming an opposition force, its strongest allies will be among the international community and national CSOs. However, international organisations should not replace national civil society, but support the voice of local actors. Since the revolution, UNDP has been able to expand; new experts have arrived,

new projects are starting and the organisation can partner with CSOs to support the democratisation process.

The government continues to see civil society in a complementary role with regard to service delivery. The government would like to see international civil society in the role of donors, working on issues selected by the government, thus allowing it to become a rentier state. By contrast, in the transitional justice process, the Ministry of Human Rights and Transitional Justice is playing an intermediary role and a commission has been set up with civil society groups which may lead to a draft law elaborated by civil society.

Myanmar

A number of important dilemmas for civil society in Myanmar were pointed out. The extent to which issue-based or rights-based groups may influence state policy depends on their legal or formal status and recognition by the state. Another issue is whether civil society has the capacity to negotiate with the government, leading to the question: is the social contract in Myanmar negotiable?

Myanmar has gone through a planned transition, an exit strategy designed by the former military junta for the benefit of interest groups rather than for the people. This "pacted agreement" among the elites was not made public, and affords few legal guarantees of a genuine transition. Agreements have been made with the main opposition party (Daw Aung San Suu Kyi NLD), armed ethnic groups, business people and foreign powers. However, there has been little formal engagement with grass-roots groups such as farmers contesting illegal land grabbing, labour activists, peace movements and student unions. International accountability prevails over accountability to the people of Myanmar, and the government has little or no contact with grass-roots movements.

Nature of civil society in Myanmar

Although the new constitution provides for the freedom to protest, permission must be sought from the authorities, and this can be denied with no explanation. Perhaps an even greater problem is that the nature of Myanmar's civil society will not allow it

to negotiate a new social contract effectively. There are many NGOs in the country but few are legally constituted and they lack trained personnel. Civil society has been providing basic services, through agreements with the local authorities, rather than engaging with the causes of the deficiencies. No formal channels are apparent for civil society to influence decision making and consequently civil society is seen to be politically ineffective. A culture of negotiation and cooperation is notably lacking. Distrust in the public sector has become a way of life because of the prevalence of informers and political prisoners.

In Myanmar there are also “uncivil” society groups as evidenced by sectarian violence perpetrated by Buddhists (80% of the population) against Muslims, with no attempts made to seek justice. This can be traced back to a culture of intolerance under the junta, which is also reflected in civil society. Given that a social contract belongs to a liberal tradition, how can such a contract exist with illiberal groups in society? This situation will take time to improve and change.

To achieve a negotiable contract in Myanmar the following measures are recommended: freedom of association should be stipulated in the constitution and upheld in policy; CSOs must learn how to enhance their bargaining power through cooperation; the education system must be rebuilt to nurture a democratic culture; the judiciary must be independent and impartial; and the international community must empower non-state actors and not vest all resources in the government.

Pacted transitions

Pacted or “signed” negotiations, in which there is an actual negotiation among stakeholders, are relatively new. This type of negotiation tended to be a secret agreement between political parties concerning the rules of engagement during and after the transition. In the social contracts negotiated in Latin America, the most important element was the civil–military agreement, whereby the military ceded power and its role in democracy was defined. These pacted transitions were usually imposed transitions. Transitional justice was sidestepped, and human rights abuses under the previous regimes were not

addressed. It must be remembered, however, that, while these transitions display less violence and create viable political institutions, the results leave a lot to be desired and that pacting does not necessarily guarantee democracy.

Transitions bring a decline in performance, as the release from repression can trigger an increase in crime. A positive feature of pacted agreements is that the tensions are not serious enough to undermine democracy, as evidenced by the cases of Chile, Spain and Uruguay. However, if social problems are not effectively addressed, then a second revolution will happen which could be more violent. The importance of ratifying constitutions by a national referendum was stressed, as the large voter turnout offers some guarantees that the needs of those who are not formally organised will be incorporated.

The renegotiation of the social contract can be ambiguous, particularly when theories exist about possible “under the table” deals. The main sign of a secret pact is when certain things are not happening; for example, the military in Egypt could have resisted the removal of its senior leadership, but it has not. The suspicion of the existence of these secret pacts contributes to the ambiguity of social and political contracts.

Limitations of civil society

Civil society is generally marginal in negotiating a social contract for a number of reasons: competing organisations try to represent the same groups; in the democratisation process, many civil society leaders become party politicians, so civil society loses key figures; most CSOs are not democratic, tending to be oligarchic and technocratic; unlike trade unions and business organisations, most civil society groups cannot ensure the behaviour of the members they represent. In addition, many CSOs receive foreign funding, and the intersection between foreign funding and technical support means that CSOs have to be accountable under terms imposed by international donors which privileges certain sub-sets of expertise, for example English-speaking and educated. Finally, there is the issue of the “un-organised” or less organised groups in society. To sum up, because of their nature, CSOs are a difficult partner in negotiating a social contract.

It was pointed out that definitions of civil society vary in donor countries according to the culture of each country and its political setting. Therefore, when international organisations support local civil society, they bring their own definitions of what is appropriate. It was noted too that new social media tools are pushing civil society towards individual and collective actions but, in the opinion of one participant, activists will not be able to push the barriers if they are institutionalised.

Key points and recommendations

- Reforms need to be organised, and appropriate vehicles created to reconstitute the nation. Historic injustices need to be addressed in order for states and societies to move forward. Establishing a platform for collaboration, even between those with competing ideological views, is necessary to address the trauma and injustices of transition.
- Re-establishing the connection between grass-roots interests and governing structures in transition is important in reforging the social contract; civil society can facilitate this. The social contract needs to be renegotiated and to that effect 20% of the national budget should be spent on education.
- International community should support the voices of local civil society rather than replacing their role.
- The role of civil society is closely tied to political will. The extent to which issue-based or rights-based groups may influence state policy depends on their legal or formal status and therefore they depend on the mercy of the state.
- The restoration of governance in transition can be brought to a halt and reforms reversed through the interests of political-business groupings tied to international interests. The vested interests of oligarchy should not be allowed to trump market forces.
- Establishing liberal values in illiberal societies takes time and requires support and investment.
- Inclusive constitution building focused on people rather than international preferences is a way to secure human rights.
- Education reform is essential to building local capacity, knowledge and skills to continue transition (and prevent too much international intervention).
- The rule of law and its enforcement – on all actors equally, including the state – is essential to moving forward.

Session 5: Transitional civilian governments and legitimisation of state institutions: the Chilean experience

- Chair: **H.E. Juan Anibal Barria**, Ambassador of the Republic of Chile to Norway
- Panellist 1: **Dr/General Juan Emilio Cheyre**, former Commander in Chief of the Army, Chile
- Panellist 2: **Prof. Paula Quintana**, University of Valparaíso, former Minister of National Planning and Cooperation, Chile
- Panellist 3: **Prof. Joaquín Fernandois**, historian and professor at the Universidad Católica de Chile
-

Chile's pacted transition

Chile provides an example of a pacted transition which followed the Spanish model. The military regime needed international recognition to achieve legitimacy and the new business class knew that without a transition there would not be a legitimate market. The Chilean experience suggests that transitions are not linear and it is not easy to determine when the process has concluded. The protest movement, which brought together a whole range of political actors, forced the government to open the political debate. However, for the first ten years, the Chilean transition can be seen as a transaction, involving a struggle for control of the transition.

The end of the Cold War had a significant influence on the political climate. In August 1985, moderate actors from left and right subscribed to a pact, an *acuerdo*, which was a political, social and economic framework for limited change. There was a strong external influence on the transition, including pressure from Europe and the U.S. Although the transition has been criticised in some quarters, generally there is still a lot of support for it. Democracy is evidently a political phenomenon, but there is no political consolidation of democracy without modernisation of economic and social policies and structures, and many challenges remain in Chile.

Addressing human rights abuses and transitional justice

An integral part of the transition process is dealing with the emotional responses of society. The perception existed that the government had not accepted responsibility for human rights abuses under the military regime. As a first step in 1990, President Aylwin established Chile's National Commission for Truth and Reconciliation to document human rights abuses resulting in death or disappearance. Significantly, torture was outside the Commission's mandate. The second step was

a series of roundtables on human rights held in 1999 which brought together the military, human rights lawyers, academics and religious leaders. In 2003, the then president appointed a second commission, the National Commission on Political Imprisonment and Torture, to document these types of abuses committed under the military dictatorship. Civil society played a very significant role in initiating and moving forward these processes during the transition.

Transformation of civil-military relations in transitions

In 2001 the Commander-in-Chief of the Chilean army commenced the military transition, emphasising the army's acceptance of its responsibility in human rights violations and the need to establish an education system within the army to ensure that such abuses were never repeated. The need for a transitional civilian government to control and depoliticise the military institutions of the previous regime was stressed. Political power should not be exercised by the Army, nor is it part of its constitutional role.

The transformation was a lengthy process and required coordinated work between the government and the armed forces. The Chilean Constitution established the role and mission of the armed forces, which is to defend democracy and provide security to all citizens. Security sector reform comprised major changes which were accepted by all sectors: civilians are now in the majority on the National Security Council and the president has the power to dismiss the armed forces' commander, before informing Parliament. The Ministry of Defence has been reorganised and the Joint Chiefs of Staff recently established. There has also been a reform in planning and budgeting, in which parliament played an important role. Finally, the education programme in the army continues.

Transparency and truth

The full support of civil society is needed to legitimise the armed forces and, to achieve this, it was necessary to educate the army on the need for a transitional justice process which, while offering some guarantees to the military, was fully committed to a thorough search for justice and accountability.

The first step was to assess the army's situation in Chile. This led to the conclusion that while the military was subordinated to political power, and was functioning effectively both nationally and internationally, the issue of human rights violations perpetrated during the military regime had to be resolved if the armed forces were to be accepted by society. Army commanders drafted a new vision of the army, but they avoided imposing this on the army's generals. Instead they argued that a consensus was necessary, which was contrary to the usual form of decision-making in the military. Six months later, a shared vision was agreed and signed, and four- and ten-year plans were drawn up. Subsequently, all the army's units were informed of the plan, and an educational process was undertaken.

All files containing important information on human rights violations were handed over to the courts and the army has accepted indictments of its officers. The military has also made a formal commitment not to repeat violations of the law leading to the deaths of citizens. With respect to the military regime, a decision was made that the army should not assume its defence or comment on its political actions. It was specifically stated that this government constituted an exception, since political action is not the army's duty in democracy.

The following steps are necessary to transform civil-military relations in the transition to democracy:

- There must be genuine willingness on the part of the military to hand over power and to remain out of all political decisions in the new democratic context.
- External influence should be avoided, as the measures seeking to establish democracy must stem from and be controlled by national institutions.
- A timeframe should be defined and a body to guide the process created.
- Recognition of responsibility for human rights violations during the military government is of the utmost importance in order to consolidate the democratic process.
- Education within the armed forces, regardless of rank, is essential so that the forces act according to the norms of discipline in a democratic system that assumes military subordination to the civilian power.
- A positive relationship between the military and the civilian society should be cultivated.
- The armed forces should modernise, strengthen discipline, reinforce military values and, most importantly, fully comply with their military functions, providing security and defence for the country as required by the Constitution.

Twenty years of social policies in Chile

In the 1980s, state reforms aimed to privatise public services, such as health care and education, as well as state enterprises and, fundamentally, to reduce the size of government. In the 1990s, under the Coalition of Parties for Democracy, the focus was on improving the efficiency of public management and attempting to implement a culture of transparency, with the objective of fighting corruption. The coalition designed social policies and new institutions to implement them, including the Ministry of Planning (Mideplan), the National Service for Women and the National Corporation for Indigenous Development. Social indicators over the 20 years of democracy have shown improvements in reducing poverty, infant mortality, malnutrition and maternal death.

The first steps taken towards creating a social policy were to identify needs, develop a social promotion strategy and strengthen community organisations. Political priorities centred on dealing with social debt and improving the education, health and housing networks. During the first half of the 1990s, tax reform was carried out to finance the increase in social assistance. In the following 15 years, decentralisation was promoted and the National Plan to Overcome Poverty was begun. Policies focused on the family, specifically to combat extreme poverty. The most important initiatives include a social protection system for the poor: Chile Solidario. Value-added tax was raised a percentage point to finance these social policy initiatives.

Poverty reduction in the 1990s was mainly due to the country's economic growth but, since 2000, state spending has been the main driver in reducing poverty. Progress has been made in moving from a targeted approach to universalisation, but the process is incomplete as the human rights approach has not been fully translated into policy.

The challenge of income inequality

The most pressing problem in Chile is income inequality and this demands profound changes in the social, economic and political structure. Wealth distribution and inequality in Chile have been tackled using several mechanisms: high-quality education is important, particularly in early childhood; and labour and tax reforms were combined with social and political inclusion policies. Civic and political education form part of these policies, as social transformation must be carried out with the participation of citizens, granting them the power to approve or veto legislation. It was pointed out that the neoliberal economic models of the Chicago school, which were applied in Chile, were the same models which provoked the Arab spring protests.

Current dilemmas

The transition in Chile has resulted in a restricted democracy with the outward appearance of stability, but which faces a legitimacy crisis with regard to its citizens. Confidence in the democratic process is at its lowest; greater openness and dialogue are needed and strengthening social policy will consolidate democracy. The protests in 2011 demanding free and universal education demonstrated that Chilean civil society can express itself and wishes to participate in policy making, but the institutional framework must change and advance towards a more equitable distribution of wealth and political power.

Key points and recommendations

- Transitions are not linear and it is not easy to draw the line and determine when the process has concluded.
- It is vital for a transitional civilian government to control and depoliticise the military institutions.
- Recognition of responsibility for human rights violations during the military government is of the utmost importance in order to consolidate the democratic process.
- Education within the armed forces, regardless of rank, is essential.
- A balance of civilian and military power must be achieved on the institutional level, and budget and planning reforms implemented.
- Income inequality is the most pressing problem and this demands profound changes in the social, economic and political structure: high-quality education is important, particularly in early childhood; labour and tax reforms combined with social and political inclusion policies are needed. Civic and political education form part of these policies, as social transformation must be carried out with the participation of citizens.
- The first steps towards creating a social policy are to identify needs, develop a social promotion strategy and strengthen community organisations.
- It is necessary to reorient social policies from a targeted approach to universalisation.

Session 6: Policy support facilities and the creation of reform-oriented knowledge

- Chair: **Mr Marco Mezzera**, Senior Advisor, NOREF, Norway
- Panellist 1: **Dr Alexandre de Ávila Gomide**, Director of Studies and Policies on State, Institute for Applied Economic Research (IPEA), Brazil
- Panellist 2: **Dr Nabila Hamza**, President, Foundation for the Future, Jordan
- Panellist 3: **Dr Virginie Collombier**, former Arab Reform Initiative (ARI) researcher and currently with the European University Institute, Italy
-

Economic research in Brazil

IPEA's mission is "to produce, coordinate and disseminate knowledge to improve public policy and to contribute to Brazilian development planning". The institute's work is currently focusing on areas such as macroeconomics for development, strengthening state capacities, social protection and environmental sustainability.

When the institute was created in 1964, it was conceived as a planning agency. In the mid 1990s, IPEA became an economic research institute. In this period, some of the institute's researchers started to produce new knowledge on income inequality and poverty. This knowledge contributed to the design and evaluation of conditional cash transfer policies adopted by the federal government, specially the *Bolsa Família* programme – currently the largest conditional cash transfer programme in the world. In that period, IPEA also supported the creation of national policies for fighting hunger, which involved cooperation between the state and civil society.

IPEA has been engaging in studies related to the deepening of direct democracy and the involvement of civil society actors in the policy-making process; participatory democracy is considered one of the key subjects for ongoing applied research.

Challenges for policy-oriented institutions in the Arab region

Speakers focused on the role of policy-oriented institutions, the challenges they are facing and the role of the international community. In comparing the situation in the U.S. with the Arab region, it was noted that think tanks play a vital role in the U.S., at both local and national levels. They provide public policy research and advice, they can operate independently and their primary function is to help the government make informed choices. In the Arab region, by contrast, while think tanks have proliferated, and the

transition is boosting this trend, they are limited by financial and human resources and have restricted means of influencing politics and policymaking. Most states remain undemocratic and there is no tradition of this type of lobbying.

Academic freedom remains a big concern and some researchers have suffered the consequences of publishing critical research. Under these conditions, a shift to a proactive role is difficult. There are issues of access to information, as researchers have little access to the "grey literature". What is new is that there is a vibrant civil society which takes initiatives to improve access to information; for example, OpenGov in Tunisia took the government to court to contest access to information (minutes from parliamentary sessions, voting records etc.).

International donors can contribute to important areas such as technical and financial assistance to independent think tanks, as they are a core area of support to democratic transitions; training for researchers in academic methods and standards to improve the quality of their output; support for partnerships between think tanks and the media; and diversified financing both nationally and internationally, in order to maintain independence. There is a need for home-grown knowledge, focusing on building bridges between North and South and within the South, and the link between think tanks and government bodies must be developed so that research can inform policy decisions.

It is important that think tanks help governments to develop a model to overcome the crisis and find solutions to poverty and job creation in the region. The region also needs a social contract and to establish a *modus vivendi*. Think tanks can contribute through debate and conferences, and by establishing dialogue.

The experience of the Arab Reform Initiative

The Arab Reform Initiative (ARI) promotes research through discussion among people in the region. ARI is made up of ten institutes in the region and operates in partnership with institutes from Europe and North America. Over the past couple of years, ARI has worked mainly on security sector reform, constitutional drafting, diversity in society and the Arab democracy index and barometer. There is now a real demand for both foreign and local researchers to provide information and analysis, and ARI has assumed a convening role in this context. It is important not only to involve CSOs, but also to include government representatives and security sector officials.

The following challenges must be addressed to establish dialogue and knowledge exchange in the region. Financing must be sustainable over time, as some donors are very eager in the initial stage but think tanks need to think in the medium term. Arab researchers are sometimes offered political positions and their credibility may be compromised as questions about their neutrality arise. There is also a need to provide training opportunities for young researchers. When organising meetings, it must be clear to funding organisation that the participants will define the agenda. Another issue is the relation between policy-oriented research centres and governments. Specifically, it was pointed out that policy research has not managed to find the right formula for communicating with government; either reports are too long or, if there is not enough detail, policymakers become sceptical about where data came from. Another issue is that think tanks tend to act and think like government institutions, restricting their participation to narrow areas.

Key points and recommendations

- Donors should provide technical and financial assistance to independent think tanks and policy-oriented centres, as they can provide vital support to democratic transitions.
- Financing needs to be diversified, both nationally and internationally, in order to maintain independence, and it must also be sustainable over time. When think tanks organise meetings, it must be clear to the funding organisation that the participants will define the agenda.
- Researchers need training opportunities in academic methods and standards to improve the quality of their output.
- There is a need for home-grown knowledge and the link between think tanks and government bodies must be developed so that research can inform policy decisions. Policy-oriented centres need access to information and, in particular, “grey literature”.
- Donors can support partnerships between think tanks and the media.

Closing session

The conference discussions confirmed that a multidisciplinary perspective integrating economic, political, social and cultural factors is necessary in supporting democratic transitions from authoritarian regimes, and that fostering sustainable dialogue is a core component of such an approach.

Following these guiding principles, the UNDP Oslo Governance Centre and NOREF have discussed the best means to take the conference outcomes forward. Three potential areas of joint activities have been identified:

- Support for the organisation of small-scale local seminars to help actors in transitions, particularly by facilitating dialogue among key stakeholders from one country around a specific topic. These meetings could be held under the Chatham House rule and would consider the involvement of leading international experts (from the South in particular) on the topics under consideration.
- The organisation of regional events to facilitate the exchange of South–South experiences in political transitions.
- The development of a policy-oriented research agenda around key thematic issues, to deepen the understanding of the political economy of transitions. This can be achieved by drawing on existing and new networks. Three such key issues could be civilian–military relations, gender equality and the position of minorities in countries in transition. An important objective is to work with policy research centres, policymakers, academics and other partners, in the countries and regions concerned.

Conference Agenda

Day 1 (8 November 2012)

- 08:15 – 09:00 **Registration**
- 09:00 – 09:10 **Welcome**
Mr Mariano Aguirre, Director, Norwegian Peacebuilding Resource Centre (NOREF)
Dr Heba El-Kholy, Director, UNDP Oslo Governance Centre
- 09:10 – 09:45 **Introductory Speeches**
Mr Torgeir Larsen, State Secretary, Ministry of Foreign Affairs, Norway
Mr Olav Kjørven, United Nations Assistant Secretary-General and Director of UNDP's Bureau for Development Policy
- 09:45 – 10:15 **Coffee/Tea break**
- 10:15 – 12:30 **Session 1: Economic Transformation in Support of Democratic Processes**
Panellist 1: H.E. Dr Kan Zaw , Minister, Ministry of National Planning and Economic Development, Myanmar
Panellist 2: Dr Revrisond Baswir, Universitas Gadjah Mada, Indonesia
Panellist 3: Dr Hassan Youssef Aly, Economic Adviser to the Minister, Minister of Planning and International Co-operation, Egypt

Chair: Mrs Geraldine Fraser-Moleketi,
Director of the Democratic Governance Group, UNDP's Bureau for Development Policy
- 12:30 – 13:30 **Lunch**
- 13:30 – 15:00 **Session 2: Corruption, Illicit Financial Flows and Sustainable Development**
Panellist 1: Dr David Sogge, Senior Researcher, Transnational Institute
Panellist 2: Mr Mark Taylor, Senior Researcher, FAFO
Panellist 3: Dr Nelia Chaabane, National Commission on Investigating Corruption and Embezzlement, Tunisia

Chair: Dr Rathin Roy, Director, UNDP Asia-Pacific Regional Center
- 15:00 – 15:30 **Coffee/Tea break**
- 15:30 – 17:00 **Session 3: Governance Assessments during Political Transitions**
Panellist 1: Mr Indrajaya, Deputy Director for Political Affairs, National Development Planning Agency (Bappenas), Indonesia
Panellist 2: Dr Sahar El Tawila, Director, Social Contract Center of the Information Decision Support Center (IDSC), Egypt
Panellist 3: Ms Helena Bjuremalm, Senior Program Manager, International IDEA

Chair: Dr El-Mostafa Benlamlih, UNDP Resident Representative in Indonesia
- 17:00 – 17:15 **Wrap-up and closing for the day**
Mr Paolo Lembo, UNDP
- 18:00 **Reception**

Day 2 (9 November 2012)

- 09:00 – 09:10 **Introduction to Day 2**
Mr Mariano Aguirre, Director, Norwegian Peacebuilding Resource Centre (NOREF)
- 09:10 – 10:30 **Session 4: The Role of Civil Society in Re-negotiating the Social Contract**
Panellist 1: Mr Marzuki Darusman, founding member of the Board of the Partnership for Governance Reform in Indonesia
Panellist 2: Mr Amine Ghali, Director, Al Kawakibi Democracy Transition Center, Tunisia
Panellist 3: Mr Myat Ko, Yangon School of Political Science
Panellist 4: Dr Phillipe Schmitter, Emeritus Professor, European University Institute, Italy

Chair: Mrs Alia Al-Dali, Director, UNDP Regional Center in Cairo
- 10:30 – 11:00 **Coffee/ Tea break**
- 11:00 – 12:30 **Session 4: The Role of Civil Society in Re-negotiating the Social Contract**
Plenary discussion
- 12:30 – 13:30 **Lunch**
- 13:30 – 15:00 **Session 5: Transitional civilian governments and legitimization of State institutions-the Chilean experience**
Panellist 1: Dr / Gen., Juan Emilio Cheyre, Pontifical Universidad Católica; former Commander in Chief of the Army, Chile
Panellist 2: Prof. Paula Quintana, University of Valparaíso; former Minister of National Planning and Cooperation, Chile
Panellist 3: Prof. Joaquin Fernandois, historian and professor at the Universidad Catolica de Chile

Chair: H.E. Juan Anibal Barria, Ambassador of the Republic of Chile to Norway
- 15:00 – 15:30 **Coffee / Tea break**
- 15:30 – 17:00 **Session 6: Policy Support Facilities and the Creation of Reform-oriented Knowledge**
Panellist 1: Dr Alexandre de Ávila Gomide, Director of Studies and Policies on State, Institute for Applied Economic Research, Brazil
Panellist 2: Dr Nabila Hamza, President, Foundation for the Future, Jordan
Panellist 3: Dr Virginie Collombier, former ARI researcher and currently with the European University Institute, Italy

Chair: Mr Marco Mezzera, Senior Advisor, NOREF
- 17:00 – 17:30 **Key reflections and closing**
NOREF and UNDP

List of Participants

Mr Olivier Adam	Director, UNDP Regional Centre, Bratislava
Mr Mariano Aguirre	Director, NOREF
Ms Alia Al-Dalli	Director, UNDP Regional Centre, Cairo
Dr Hassan Youssef Aly	Economic Advisor to the Minister, Ministry of Planning and International Co-operation, Egypt
Mrs Naglaa Arafa	Assistant Resident Representative, Democratic Governance Team Leader, UNDP Egypt
H.E. Juan Anibal Barria	Ambassador, Embassy of Chile, Norway
Dr Revisond Baswir	Center for Economic Democracy Studies, Gadjah Mada University
Mr Mohammed Belhocine	United Nations Resident Coordinator, Tunisia
Mr El-Mostafa Benlamlih	United Nations Resident Coordinator, UNDP Resident Representative, Indonesia
Ms Riselia Duarte Bezerra	Researcher, FAFO
Ms Helena Bjuremalm	Senior Program Manager, International IDEA
Mr Gonzalo Blumel	Head, Studies Division, Ministry Secretariat General of the Presidency, Chile
Mr Nils Boesen	Director, Knowledge, Innovation and Capacity Group, UNDP's Bureau for Development Policy
Ms Camilla Bruckner	Director, UNDP Nordic Representation Office
Ms Mar Cabeceras	Intern, NOREF
Dr Nelia Chaabane	National Commission on Investigating Corruption and Embezzlement, Tunisia
Mr U Aung Moe Chai	Deputy Director, Ministry of National Planning and Economic Development, Myanmar
Mr Jorge Chediek	United Nations Resident Coordinator, Brazil
Dr/Gen. Juan Emilio Cheyre	Director, Center for International Studies, Pontifical Universidad Catolica
Ms Niamh Collier	Special Assistant to the Director, UNDP's Bureau for Development Policy
Dr Virginie Collombier	Former Arab Reform Initiative (ARI) researcher and currently with the European University Institute, Italy; author, conference background paper
Mr Marzuki Darusman	Founding member of the Board of the Partnership for Governance Reform in Indonesia
Dr Imed Drine	Research Fellow, UNU-WIDER
Ms Fionnuala Ni Eigearthaigh	Editor and conference rapporteur
Dr Heba El-Kholy	Director, UNDP Oslo Governance Centre
Mr Tom Edvard Eriksen	Section for Multilateral Development Finance and Global Economic Issues, Norwegian Ministry of Foreign Affairs
Dr Stein Sundstøl Eriksen	Research Professor, NUPI
Dr Javier Fabra-Mata	Programme Associate, UNDP Oslo Governance Centre
Prof. Joaquin Fernandois	Professor, Chilean Academy of History
Ms Berit Fladby	Policy Director, Section for Multilateral Development Finance, Norwegian Ministry of Foreign Affairs
Mrs Geraldine Fraser-Moleketi	Director, Democratic Governance Group, UNDP's Bureau for Development Policy
Ms June Fylkesnes	Admin Associate, UNDP Oslo Governance Centre
Mr David Gairdner	Senior Researcher, FAFO
Ms Dafina Gercheva	Deputy Assistant Administrator and Deputy Director, UNDP's Bureau of Management

Mr Amine Ghali	Director, Al Kawakibi Democracy Transition Center, Tunisia
Mr Arne Gjermundsen	Senior Adviser, Middle-East Section, Norwegian Ministry of Foreign Affairs
Dr Alexandre de Ávila Gomide	Director of Studies and Policies on State, Institutions and Democracy, Institute for Applied Economic Research, Brazil
Ms Tina Hageberg	Programme Officer UN-REDD, UNDP Oslo Governance Centre
Ms Elisabeth Hallenstvedt	Senior Adviser, Section for East-Asia and Oceania, Norwegian Ministry of Foreign Affairs
Dr Nabila Hamza	President, Foundation for the Future, Jordan
Mr Indrajaya	Deputy Director for Political Affairs, BAPPENAS, Indonesia
Ms Torni Iren Johansen	Admin Associate, UNDP Oslo Governance Centre
Mr Freddy Justiniano	Director, UNDP Regional Centre, Panama
Prof. Karim Ben Kahla	Head, The High Institute of Accounting and Business Administration, Tunisia
Mr Olav Kjørven	United Nations Assistant Secretary-General and Director of UNDP's Bureau for Development Policy
Mr Myat Ko	Yangon School of Political Science
Mr Torgeir Larsen	State Secretary, Norwegian Ministry of Foreign Affairs
Mr Paolo Lembo	United Nations Resident Coordinator a.i. United Arab Emirates
Mr Espen Lindbæck	Senior Adviser, Section for Peace and Reconciliation, Norwegian Ministry of Foreign Affairs
Ms Florence Mandelik	Project Coordinator, NOREF
Ms Simona Marinescu	Director, UNDP Istanbul International Centre for Private Sector in Development
Mr Axel Martin-Aronsson	Coordinator, NOREF
Dr John-Andrew McNeish	Senior Researcher, NORAGRIC
Ms Claudia Melim-McLeod	Democratic Governance Advisor, UNDP Oslo Governance Centre
Mr Marco Mezzera	Senior Advisor, NOREF
Ms Laura Mitchell	Senior Advisor, NOREF
Ms Eli Moen	Senior Advisor, Norad
Mr Antonio Molpeceres	United Nations Resident Coordinator / UNDP Resident Representative, Chile
Dr Nefissa Naguib	Senior Researcher, CMI
Mr Joachim Nahem	Programme Manager, UNDP Oslo Governance Centre
Mr Gerardo Noto	Programme Specialist, Democratic Governance Cluster, UNDP's Regional Bureau for Latin America and the Caribbean
Ms Nicola Palmer	Policy Advisor, Democratic Governance Group, UNDP's Bureau for Development Policy
Mr Darko Pavlovic	Programme Manager, UNDP Oslo Governance Centre
Mr Alvaro Pinto	Democratic Governance Practice Team Leader, UNDP Regional Centre, Bratislava
Mr Jason Pronyk	Advisor, UNDP's Bureau for Development Policy
Prof. Paula Quintana	Professor of Sociology, University of Valparaiso, Chile
Ms Monica Rafael	Political Analyst, NOREF
Ms Helene Revhaug	Communications advisor, NOREF

Mr Nicholas Rosellini	Deputy Assistant Administrator and Deputy Regional Director, UNDP's Regional Bureau for Asia and the Pacific
Dr Rathin Roy	Director, UNDP Asia-Pacific Regional Centre, Bangkok
Ms Marta Ruedas	Deputy Assistant Administrator and Deputy Director, UNDP's Bureau for Crisis Prevention and Recovery
Mr John Samuel	Democratic Governance Advisor, UNDP Oslo Governance Centre
Mr Sanaka Kumara Samarasinha	UNDP Global Centre for Public Service Excellence, Singapore
Mr Wicak Sarosa	Executive Director, Partnership for Governance Reform in Indonesia
Prof. Phillipe Schmitter	Emeritus Professor of Political Science, European University Institute, Italy
Mr Henri Schumacher	Democratic Governance Specialist, UNDP Oslo Governance Centre
Mr Swe Set	Policy Coordinator, ActionAid, Myanmar
Ms Herdis Sigurgrimsdottir	Communications advisor, NOREF
Ms Heather Simpson	Special Advisor to the UNDP Administrator
Mr Petter Skjæveland	Advisor, Norad
Mr David Sogge	Senior researcher, Transnational Institute, the Netherlands
Ms Sheelagh Stewart	Coordinator of Rule of Law and Governance Team, UNDP's Bureau for Crisis Prevention and Recovery
Prof. Kristian Stokke	Professor of Sociology and Human Geography, University of Oslo
Mr Gjermund Sæther	Senior adviser, Section for UN Policy and Gender Equality, Norwegian Ministry of Foreign Affairs
Mr Geir Moe Sørensen	Senior Adviser, Section for Multilateral Development Finance, Norwegian Ministry of Foreign Affairs
Mr Mounir Tabet	Country Director, UNDP Egypt
Mr Solomon Tadese	Intern, UNDP Oslo Governance Centre
Dr Sahar El Tawila	Director, Social Contract Center of the Information Decision Support Center (IDSC)
Mr Mark Taylor	Senior Researcher, FAFO
Mr Gerd Trogemann	Director, UNDP Regional Centre, Johannesburg
Dr Olle Törnquist	Professor of Political Science and Development Research, University of Oslo
Mr Alf Håvard Vestheim	Senior Adviser, Section for Multilateral Development Finance and Global Economy, Norwegian Ministry of Foreign Affairs
Ms Gita Welch	Director, UNDP Regional Centre, Dakar
Ms Jennie Westlund	Office Manager, NOREF
Mr Christopher Wilson	Communications Associate, UNDP Oslo Governance Centre
Mr Khin Maung Win	Deputy Executive Director/Deputy Chief Editor, Democratic Voice of Burma
Ms Nora Younis	Al-Masry Al-Youm Daily Independent
H.E. Dr Kan Zaw	Minister of National Planning and Economic Development, Myanmar

