

Chapter 6 examines the achievements and shortfalls of international support for violence prevention and recovery. Multilateral, bilateral, and nongovernmental agencies have helped committed national leaders deliver great accomplishments in reducing levels of civil wars. But the international system has not kept pace with the adaptation of violent actors themselves, and it is ill-equipped to navigate repeated cycles of violence or the blurred boundaries between political conflict and criminal violence. International agencies are geared to minimizing domestic reputational and fiduciary risk—increasingly so—rather than supporting “best-fit” institutional solutions that match political realities on the ground. And there are critical gaps: development agencies have long focused on building national capacity, but much less so in the spheres of security and criminal justice. Security agencies operate in those spheres, but with less long-term focus on building national institutions. “Support for job creation is a crucial gap across the international architecture.”





VIOLENCE and FRAGILITY

EXTERNAL STRESS

EXTERNAL SUPPORT AND INCENTIVES

CITIZEN SECURITY, JUSTICE, AND JOBS

## International support to building confidence and transforming institutions

### The promise and peril of outside support

Restoring confidence in societies struggling to prevent or recover from violence generally requires a combination of leadership and international support—normally, neither alone can suffice. The achievements of the global system in supporting such processes have been significant: societies facing diverse stresses—from organized crime and gang violence in Colombia to long-standing, brutal civil war in Mozambique (box 6.1)—used international support to help stop violence, save lives, and rebuild economies. Many of the measures in chapters 4 and 5 that helped restore confidence and transform institutions in situations of criminal and political violence have been supported, financially and technically, by international actors.

As important as these accomplishments are, they are incomplete: repeated and new forms of violence mean that hundreds of millions of people are still trapped in a vicious cycle of legacies of violence, low trust, weak institutions, and continuing risk. This chapter delineates patterns and trends in the international architecture that affect its ability to respond effectively in fragile and violence-prone settings. The analysis includes lessons from international efforts to prevent violence

at multiple transition points, encourage inclusive-enough coalitions, support the delivery of early results, and provide sustained and predictable assistance to help with institutional transformation. This chapter also identifies measures to address the dual accountability dilemma faced by international actors—accountability pressures both from domestic constituencies and shareholders and from the leaders and citizens of recipient states—that often constrains effective international support.

### The evolving international architecture

The international community has made important strides over recent decades in building international institutions and expertise to support a reduction in the incidence of civil war. However, the international system has not been adjusted to keep pace with the emerging analysis of conflict—in particular, recognition of the repetitive and interlinked nature of conflict, and the increasing challenge of organized crime and trafficking. At the same time, the expansion in international assistance efforts has led to overlaps and discontinuities between humanitarian, development, security, and political initiatives.





### BOX 6.1 *The benefits of international support: Mozambique*

<b>Type of violence:</b> Civil conflict	
<b>Transition opportunities:</b> Ceasefire, peace agreement, elections	<b>Key stakeholders:</b> Governments, rebels, civil society, regional and international partners
<b>Key stresses:</b> Social and economic deprivation, human rights abuses, external political and security interference	<b>Institutional challenges:</b> Accountability, inclusion, capacity constraints

After 17 years of violence that killed an estimated 900,000 people and displaced a quarter of the country's people, a General Peace Agreement (GPA) was brokered from June 1990 to October 1992 by the Roman Catholic Community of Sant'Egidio. The final outcome was a full-fledged peace agreement owned by the two parties, the Mozambique Government led by FRELIMO (the Mozambique Liberation Front) and RENAMO (the Mozambique National Resistance). The result was a complex legal and political system that provided institutions and methods for the transition to the 1994 elections. The sustainability of the peace agreement itself was immediately proved by the absence of any fighting in the seven-month vacuum in which Mozambique was left, before the United Nations (UN) operation in Mozambique (ONUMOZ) strengthened its presence in the country to monitor the implementation of the peace agreement, support the resettlement of refugees, and help form a national army. The ONUMOZ mandate brought together for the first time the political, military, electoral, and humanitarian components of the UN intervention, with an emphasis on enhancing coordination.

ONUMOZ acted as a guarantor of the ceasefire, playing a stabilizing role on the basis of its perceived neutrality and helping create trust on both sides. Its role was facilitated by the content and quality of the peace agreement resulting from the 27 months of negotiations in Sant'Egidio, where a full set of guarantees was devised and proved a key element in facilitating a durable peace settlement after the end of fighting. Strong donor engagement and financial contributions also played a key role in demobilizing combatants from both sides, while humanitarian aid during the early years after the GPA helped lessen tensions among displaced populations. Since the GPA, Mozambique has grown rapidly—GDP increased an average of 8 percent a year between 1993 and 2007. Civil liberties and political rights have also increased,<sup>1</sup> reflected in elections held in 1994, 1999, 2004, and 2009.

The readiness of both bilateral and multilateral donors to support the implementation of the peace agreement through large-scale financial support for reconstruction was crucial in the transition process. Mozambique is calculated to have received about US\$500 million a year (in both humanitarian and development aid) on average throughout the 1990s, which was equivalent to about two-thirds of imports and 60 percent of the government budget. This external aid has played a pivotal economic role in supporting private consumption at the outset, and subsequently in providing finance for investment and institutional strengthening that became the driving force behind Mozambique's economic growth.<sup>2</sup>

*Sources:* Quinn 2007; Dobbins and others 2005; Manning and Malbrough 2009; Moran and Pitcher 2004; Jones 2008; Cingranelli and Richards 2010; Brück, Fitzgerald, and Grigsby 2000; Cadeado and Hamela 2009; World Bank 2005b; Hume 1994; Morozzo Della Rocca 2003; Morozzo Della Rocca and Riccardi 2003; Edis 1995; Alden 2001; Bartoli 2005; Walter 1997.

### *The volume of assistance and the number of actors are increasing*

Worldwide, international support to countries affected by violence has increased in the last 15 years. The international community has scaled up peacekeeping missions.

More than 124,000 personnel are currently deployed in the UN peacekeeping missions, with troop contributions from 115 countries.<sup>3</sup> The African Union now has significant peacekeeping capacity. Support for mediation has increased at the United Nations, in regional institutions, and through

civil society actors. Aid to fragile and conflict-affected states has also grown from 29 percent of total aid in 1996–98 to 41 percent in 2006–08. However, much of that shift is due to increases in humanitarian assistance and debt relief, which have become increasingly concentrated in fragile and conflict-affected states. In the period 1996–98, 34 percent of humanitarian assistance and debt relief was to fragile and conflict-affected states—that increased to 75 percent in 2006–08. Once humanitarian assistance and debt relief are taken out, aid to fragile and conflict-affected states was 28 percent of the total in 1996–98, and 30 percent in 2006–08.<sup>4</sup>

Increasing engagement by middle-income countries with a history of solidarity support is also changing the international landscape at a fundamental level in many regions. The past decade has brought with it new energy, resources, and influence from a wider set of players. Middle- and new higher-income countries have become important donors, investors, and diplomatic and trading partners for countries affected by fragility, violence, and conflict. They bring with them additional resources, lessons from their own economic and institutional transitions, and strong regional connections. Consider China's economic investment in and trade with Africa (investment is estimated to have at least tripled since 2002),<sup>5</sup> Brazil's peacekeeping role in Haiti, Indian development assistance to Afghanistan, Saudi Arabia's increased assistance to the World Food Program, and the evolving roles of South Africa, Qatar, and the United Arab Emirates in mediation.<sup>6</sup>

Alongside the increase in support has come a proliferation of humanitarian, development, security, and political actors and initiatives, bringing increased complexity. In 2009–10, there were 14 special envoys to Afghanistan alone.<sup>7</sup> Even security responses are complicated by multiple actors: of 54 peacekeeping or monitoring operations deployed in 2009, 40 involved two or more international or regional organizations—creating coordination, co-management, and accountability challenges.<sup>8</sup> International nongovernmental

organizations (NGOs) have also proliferated. Haiti's Ministry of Planning placed the number of NGOs operating in Haiti following the January 2010 earthquake as high as 10,000. The number of international humanitarian workers has similarly increased at an average annual 6 percent globally over the past decade, with roughly 211,000 in the field in 2009, and humanitarian funding has tripled since the start of the decade.<sup>9</sup>

As a result, and despite continuous policy attention and recommendations for reform, aid management and broader strategic coordination are more daunting today than 20 years ago. In high-profile contexts like Afghanistan, Bosnia and Herzegovina, Haiti, and the West Bank and Gaza, strategic importance, significant funding, and limited local capacity have brought forward a dizzying array of international and bilateral aid and humanitarian agencies, NGOs, and contractors, each competing for a piece of the action—and often displacing local initiatives.

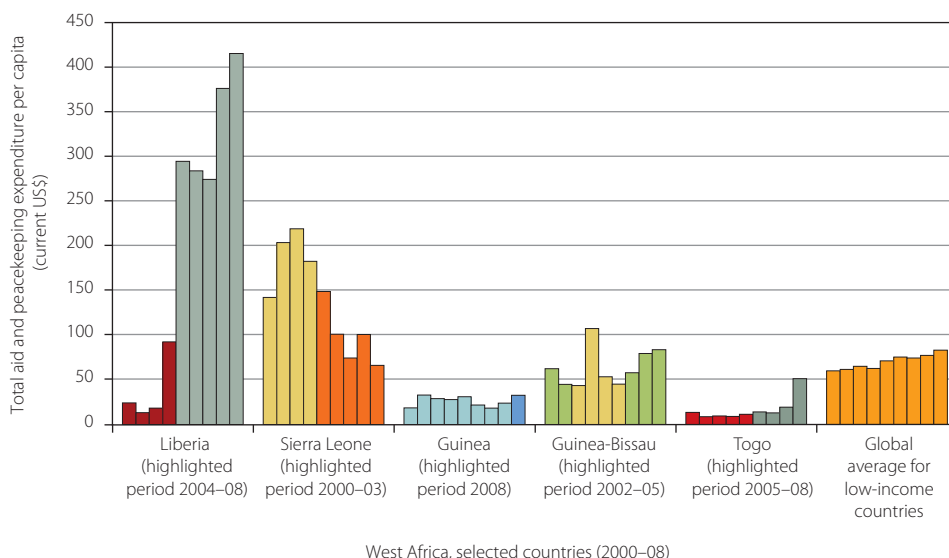
### *Current international assistance focuses on recovery rather than prevention*

The international architecture for cooperation has evolved significantly over the last 60 years, attesting to the ability of the international system to adapt its support to changing circumstances and challenges. It is in need of adaptation again today: its focus on political rather than social protest and criminal violence, its linear view of the transition from violence to peace, its separation of actors across fields of engagement, and the preponderance of high-income Organization for Economic Co-operation and Development (OECD) countries in development policy discourse no longer reflect today's realities.

Since the end of the Cold War, international support has focused on ending civil conflict. There are good reasons for this: at the conclusion of the Cold War, civil war was the dominant form of violence, consuming millions of lives globally and retarding development in the South. Bilateral and multilateral agencies underwent major transformations to adapt their activities to helping end civil

**FIGURE 6.1** *Uneven international support in West Africa—Post-conflict trumps prevention*

*Total aid and peacekeeping assistance per capita to five West African countries during their transition periods over the last decade. Assistance to “post-conflict” Liberia was over US\$415 in 2008 and Sierra Leone’s averaged US\$186 between 2000 and 2003. In contrast, assistance to “fragile” Guinea, Guinea-Bissau, and Togo averaged just US\$42 in each country.*



Source: WDR team calculations based on OECD 2010d.

Note: Total combined aid and peacekeeping assistance. This effect of greater assistance to “post-conflict” countries is not due to small state issues (small states typically receive higher per capita aid): Liberia is larger than Guinea-Bissau, and Sierra Leone is the same size as Togo. Peacekeeping expenditures accounted for roughly 55 percent of the aggregate in Liberia and 63 percent of the aggregate in Sierra Leone.

wars and supporting recovery efforts, with important successes. In the process, though, the international architecture for cooperation has paid less attention to other forms of conflict, including social protest, organized crime, trafficking, and cross-border violence.

This focus on civil war has led aid and security systems to give priority to post-conflict transitions. With some exceptions, countries affected by violence and fragility receive special attention only in post-conflict situations—as West Africa illustrates (figure 6.1). The aid and peacekeeping assistance going to countries after civil conflict ends greatly exceeds what is provided to countries struggling to prevent an escalation of conflict. Of course, countries that have experienced major conflict can have exceptional needs in costly areas such as infrastructure. But societies struggling to prevent violence also have particular needs. Some interventions, such as state-society consultations, are

inexpensive. But tangible financial and security assistance to address rising violence can often make a vital difference, as in the institutional reforms and community programs supported by donors in Colombia. Moreover, assistance to post-conflict countries usually pays little attention to “second generation challenges” in countries that face risks of repeated violence, such as Guatemala and Yemen.

International actors do support violence prevention outside the “post-conflict” countries, but the degree and nature of this engagement varies substantially across types of violence and from state to state. International diplomats and security actors have been less involved in cases of criminal violence; the UN Peacebuilding Commission’s role in Guinea-Bissau is an exception. Bilateral counter-terrorism and counter-crime programs provide operational support but rarely cross over into supporting political dialogue or develop-

ment programs. No bilateral or multilateral agency known to the authors has a specific policy for assisting countries confronted by rising criminal violence or social protest.

The international tools to address violence—diplomacy, defense, and development—were not originally designed to work together. This weakness in the international architecture has long been recognized, and there is a growing international policy consensus that addressing violent conflict and promoting economic development both require deeper understanding of the close relationship among politics, security, and development.<sup>10</sup> UN “integrated missions”<sup>11</sup> and various bilateral and regional “whole-of-government”<sup>12</sup> and “whole-of-system”<sup>13</sup> initiatives have emerged to address the challenge of merging development, diplomatic, and security strategies and operations.<sup>14</sup>

But different disciplines bring with them different goals, planning time frames, decision-making processes, funding streams, and risk calculi. They can also create complexity when each agency in donor countries works through their own national counterparts, making it difficult to set national priorities.<sup>15</sup> Whole-of-system entities also often leave out those departments and ministries that address organized crime and trafficking. And most international actors do not have specific processes to ensure a whole-of-government approach in their representation in multilateral agencies, so that different signals on priority action within the same recipient country can be provided to the international financial institutions and to different parts of the UN system.

A number of governments have been making headway at integrating whole-of-government strategy design and resource allocation. Australia’s experience with mounting a truly cross-governmental operation in the Solomon Islands (Regional Assistance Mission to Solomon Islands, RAMSI) is perhaps the most developed; notably, it relied on the personal involvement of the prime minister and his office to drive deep engagement by AusAID, and the Australian Defense, Treasury, Justice, Federal Police, Foreign Af-

fairs, and other departments.<sup>16</sup> Canada’s Stabilization and Reconstruction Task Force (START) recently finalized interdepartmental guidance that requires joint assessment by the Ministries of Defense, Foreign Affairs, and Development (and other departments where relevant) before a recommendation is made to ministers about whether Canada should engage in a given high-risk setting. The Dutch Ministry of Foreign Affairs approved an approach to its security sector reform work that keeps the question of resources separate from strategy design, so that programs are not hampered—as many are—by issues of ODA eligibility (official development assistance.) The U.K. Department for International Development’s (DFID) Stabilization Unit and the U.S. Office of the Coordinator for Reconstruction and Stabilization have development interagency assessment and planning frameworks to encourage joint action, including for bilateral interventions in Afghanistan, Haiti, and Sudan,<sup>17</sup> and the U.K. Multilateral Agency Review assesses the support provided by multilaterals in fragile situations.

## Building confidence

International actors have supported, or facilitated, “inclusive-enough” coalitions; helped develop leadership capacity across a wide range of responsibilities; undertaken third-party mediation and prevention activities; supported commitment mechanisms; and invoked sanctions when positive incentives did not bring national leaders together. They have also helped deliver early results (see international support for national action in chapter 4). But international interventions have not always been as fast, as flexible, or as responsive to local political conditions as was needed to support early confidence-building efforts.<sup>18</sup>

### *Support to building inclusive-enough coalitions*

Across cases with different attributes and facing different stresses, international actors can

use a range of tools to create incentives for coalitions to avoid violence. These include

- **Providing evidence of a deteriorating situation.** Communications from diplomatic and development actors in Togo and Zimbabwe in the early 2000s, for example, focused on the growing gap between countries that had once led their neighbors in social and economic outcomes but had fallen behind in periods of fragility.
- **Highlighting the potential negative consequences of inaction.** Following the resumption of Israeli-Palestinian violence in the fall of 2000, the World Bank, with assistance from the UN and other donors, prepared a series of reports that addressed the relationship between Israeli security measures and Palestinian socioeconomic development. The parties used this analysis as the basis for a resumption of bilateral negotiations in the context of Israel's disengagement from Gaza in 2005.
- **Jointly signaling the need for governments to address crisis situations.** When Cyclone Nargis hit Myanmar in 2008, the government initially resisted offers of international support. Association of South-east Asian Nations (ASEAN) mediation and a visit by the UN Secretary-General—buttressed by technical support from the UN, the World Bank, and the Asian Development Bank—produced a policy shift that resulted in Myanmar opening its borders to large-scale humanitarian assistance. South-South exchanges with Indian and Indonesian political and technical leaders who had been involved after natural disasters helped to open dialogue.

The cost savings to the international community of avoiding or minimizing violence are potentially considerable—a 1997 Carnegie Commission Report on Preventing Deadly Conflict estimated that seven major international post-conflict interventions in the 1990s cost some US\$200 billion, while prevention would have required only around US\$70 billion.<sup>19</sup> More recent work on six cases concluded that conflict prevention would

have been cost-effective in each instance, even allowing for large margins of error in estimating costs and benefits: every dollar of prevention would have saved the international community US\$4.1.<sup>20</sup> And each time the *Fica Vivo* program in Brazil prevented a homicide, it saved up to US\$82,000.<sup>21</sup> Yet since the probability of successful preventive action in a given case is not known, and since preventive action often requires diplomatic risk-taking, it is difficult to marshal political and financial support resources. For instance, the UN Department of Political Affairs often scrambles to find travel funds for its envoys despite the high return on investment in a successful preventive effort.

External mediation has helped build collaborative coalitions to promote prevention of or recovery from violence—and is economical. Mediation has played a significant role in a range of cases—ECOWAS (Economic Community of West African States) mediation in West Africa (see feature 6), UN facilitation of Afghanistan's Bonn Agreement, Norway's facilitation in Sudan, and NGO efforts such as those of the Crisis Management Initiative and the Centre for Humanitarian Dialogue in Aceh, Indonesia.

It is hard to attribute results conclusively to mediation, or to demonstrate what would have happened without it; but we do know that it is cheap. The UN Department of Political Affairs estimates<sup>22</sup> that the start-up budget for “light mediation support” is US\$330,000 and for “heavy mediation” is US\$1.1 million.<sup>23</sup> However, mediation to manage transitions tends to neglect economic factors and thus faces capacity and personnel constraints (box 6.2). Because mediation support is provided mainly by diplomatic mechanisms, there are few cases of integrated political mediation and economic diagnosis provided to governments grappling with transitions. Routinely lamented, this situation has rarely been addressed.<sup>24</sup> Some exceptions include the World Bank's support during the Dayton negotiations on Bosnia and Herzegovina, final status negotiations for Kosovo, and the Agreement on Movement and Access between Israel and the Palestinian Authority.<sup>25</sup>



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**BOX 6.2** *Investing in long-term mediation as a cost-effective approach to preventing and responding to violence*

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As has often been observed, most armed conflicts today are internal to states, rather than between states. Mediation in these conflicts is rarely preventive. It is also often short-lived. This is partially because mediation is still often seen as interference in the internal affairs of a state, partially because there are few national mediators and there are limited numbers of international officials with the necessary stature and diplomatic skills. Mediation is seen as a last resort, only acceptable when it becomes evident that armed victory is unlikely and when non-state armed groups gain credibility and a degree of international acceptance.

The record, though, varies between regions. In Africa there is a robust tradition of mediation, typically led by former senior statesmen from the continent, assisted by the AU's Peace and Security Commission, which increasingly holds its member states to political account on the basis of a broad consensus. In Asia, the picture is very different. Mediation, especially by neighbors, is extremely rare, and it is no surprise that regional mechanisms are, by comparison with Africa, much less developed. Europe, by further contrast, has been quite open to third-party mediation, but usually by individuals or international NGOs.

The nature of mediators exacerbates the difficulties. Mediators are, on the whole, drawn from the ranks of

serving or former senior politicians and officials. This is a limited pool, and those willing to take on the dubious rewards of mediation are likely to be very busy men. And they are mostly men: there are precious few women mediators, an imbalance which does nothing for the quality of the output.

A further factor that abbreviates mediation efforts is a simple human one: many mediators prefer to avoid involvement in the post-agreement implementation phase, which extends the time of their involvement and is usually messy and complicated. A striking contrary example comes from the AU panel that mediated in Kenya in 2008, where former Secretary-General Kofi Annan was a "prisoner of peace" for 41 straight days of talks. That 41 days of continuous effort is viewed as unprecedented says volumes about the nature of standard mediation efforts.

Agreements intended to initiate a durable peace must deal, if not immediately, with the whole range of issues relevant to social transformation. A political settlement is thus necessary but not sufficient. However, the flaws in today's approach to mediation make such a comprehensive and thoughtful inclusion in the negotiation rather unlikely. Typically, therefore, difficult issues are left for later resolution. It is not by chance, therefore, that peace settlements, aided by the brilliant but passing presence of mediators, often fail the more rigorous tests of implementation.

In peace negotiations, international mediators often pursue inclusive-enough coalitions by encouraging or pressuring for agreements that include key minority rights and human rights provisions, as well as early political participation. As third-party facilitation and mediation in internal conflict and violence have developed, there has been growing emphasis on including core human rights provisions in peace agreements, and in 1999 there was formal guidance for the UN against endorsing agreements that contained amnesties for war crimes.<sup>26</sup> Similarly, external actors have urged that democratic processes or other accountability and voice mechanisms be made a routine part of conflict settlements. The UN Security Council

has included such provisions in most of the 54 operations it has authorized since the end of the Cold War.<sup>27</sup> Such provisions in an initial settlement can create incentives for inclusive social and economic strategies.

But international support often swings between "all-inclusive" and "not inclusive enough" options. In some processes there is pressure to treat all political groupings equally and to give everyone a seat at the table—in Timor-Leste in 1999, the National Council for Resistance in Timor was told by international counterparts that it was only one among many political groups, despite almost 80 percent of the Timorese population having voted for independence under its logo. International actors have also pres-



sured national authorities not to engage in dialogue with groups listed as terrorist organizations by the UN, regional organizations, or bilateral donors, even when those groups command substantial domestic followings. Consequently, those actors have withdrawn support when national authorities have taken a different path.

International approaches to coalition building often exclude women, despite international efforts such as UN Security Council Resolution (UNSCR) 1325 and UNSCR 1960.<sup>28</sup> Women bring different issues to the negotiating table—not only gender-related topics but also different visions of how to share power, address security concerns, and promote human rights.<sup>29</sup> According to UNIFEM (United Nations Development Fund for Women), fewer than 7 percent of negotiators on official delegations in peace processes since 2000 have been women. Moreover, women make up just 2.3 percent of military peacekeeping personnel globally.<sup>30</sup> Similarly, in peace support operations, at the end of 2003, women represented only 25 percent of civilian professional staff and 4 percent of civilian police.<sup>31</sup>

Despite the challenges, both international political actors and international development actors have demonstrated their ability to support effective prevention activities in fragile transition moments. Donors have funded diverse interventions in fragile and conflict-affected countries to help support effective leadership and enhance collaborative capacities,<sup>32</sup> coalition-building, and national and local strategy development. In Guyana in 2006, after a period of rising political tension, the first-ever violence-free elections were conducted.<sup>33</sup> The Social Cohesion Program—a joint UNDP-UNDP (UN Development Programme-UN Department of Political Affairs) national initiative that included a national dialogue, a network of local mediators to help ease tensions among communities, and agreements among political parties—contributed much to this result. In Burundi, the World Bank and others financed leadership support, which aided in developing a vision for economic recovery for the transi-

tional period and led to an extension of the program for army and rebel commanders to prepare for the upcoming cease-fire.<sup>34</sup> Another type of program is international support to national efforts to build an institutional infrastructure for conflict prevention and prevention and risk reduction (box 6.3).

### *Commitment mechanisms*

International actors have also helped in providing ongoing monitoring and implementation guarantees—the commitment mechanisms described in chapter 4.<sup>35</sup> In the post-Cold War era, their most significant role has been in helping to implement post-conflict settlements when trust is low. External forces can reassure parties and begin to restore confidence by monitoring and providing credible information about implementation, and thus intent. They can also deploy troops to provide physical security guarantees against a relapse.<sup>36</sup> Cross-country studies repeatedly show that peace settlements with third-party guarantees are more stable than those without.<sup>37</sup> Similarly, IMF (International Monetary Fund) and World Bank programs, including those that carry no financing but simply give an imprimatur of good financial practice, can help governments reassure investors and citizens of their commitment to fiscal responsibility and clean government. Among nongovernment actors, the Extractive Industries Transparency Initiative (EITI)<sup>38</sup> and the new Natural Resource Charter<sup>39</sup> have in effect set new standards for the responsible use of some natural resources in a partnership of civil society, the private sector, and governments. Adherence to these standards and their reporting requirements can also act as a commitment mechanism.

Commitment mechanisms that mix national and international capacity can help shepherd economic recovery and progress on justice. They are particularly appealing because they combine the strength of international guarantees with elements of national institution-building. Liberia's Governance

### BOX 6.3 *Heading off escalation: Dialogue and compromise in Ghana in 2003–04*

<b>Type of violence:</b> Political, local, and intergroup conflict	
<b>Transition opportunity:</b> Preventive actions leading to peace negotiations before a critical national election	<b>Key stakeholders:</b> Local and national government, clans, police, civil society, opposition party, international organizations
<b>Key stresses:</b> Ethnic competition linked to a political contest	<b>Institutional challenges:</b> Capacity and legitimacy of formal and informal governance systems

Ghana, viewed as one of the most stable countries in Sub-Saharan Africa, has experienced its own bouts of local or community violence; a recent study identified more than 200 low-level conflicts between 1994 and 2002. The potential for serious violence threatened to emerge in 2002 over the succession to the Dagbon chieftaincy, after the Andani clan chief of the Dagbon ethnic group and 40 of his followers were murdered by the rival Abudu clan. This had national implications: Ghana's vice president was a Dagomba, and the main opposition party had chosen its vice presidential candidate from a faction contesting the succession. The central government therefore needed to defuse tension before the next national election. A state of emergency was declared in the Dagbon kingdom, and a commission of inquiry established. But the commission failed to bring a settlement: its report was rejected by both sides.

The government then sought UN help to broker a dialogue among youth, women, and labor leaders and state institutions, including the police. A compromise was devised that included a funeral with full state honors for the slain Andani leader and the nomination of an Andani regent. An agreed "roadmap" for succession gave both factions a future chance at providing a successor. The 2004 national elections were peaceful, with chiefs and police cooperating to avoid violence.

Building on this dialogue, the Ministry of the Interior, supported by UNDP and UNDPA, created a National Architecture for Peace, consisting of district, regional, and national councils, which brings together locally respected, politically neutral Ghanaians and provides a platform for community dialogue and consensus-building on divisive issues. The councils also serve as an early warning mechanism, used by state officials to identify problems. The national government now has a Peace Building Support Unit in the Ministry of the Interior to coordinate preventive efforts by national, regional, and district government agencies and to provide mentoring and capacity-building to government and nongovernment actors.

Sources: Ojielo 2007; GhanaWeb 2006; UNDPA 2010a.

and Economic Management Assistance Program<sup>40</sup> (chapter 4) shows the benefits of joint international-national mechanisms in the economic sphere, as does Guatemala's International Commission Against Impunity in the justice sphere (box 6.4).

In the extreme, international actors can threaten a range of sanctions when national actors seem reluctant to take meaningful steps to avoid new cycles of violence.<sup>41</sup> While sanctions are often cited as an important measure in forcing political change in the target state (for example, contributing to the

fall of apartheid in South Africa), their causal effects remain disputed.<sup>42</sup> Critics cite negative humanitarian effects and the creation of illicit economies that can enrich regimes.<sup>43</sup> Efforts to mitigate such effects have emerged in the two decades through the use of "targeted" sanctions—financial and travel restrictions imposed on individual leaders or groups.<sup>44</sup> The European Union imposed travel restrictions, for example, on Zimbabwe's leaders when they failed to deal with a deteriorating economy and suppressed mounting political tensions.

**BOX 6.4** *International-national institutional partnerships—CICIG in Guatemala*

<b>Types of violence:</b> Legacy of civil conflict, rising criminal and gang violence, trafficking	
<b>Transition opportunity:</b> Rising crisis, moderate space for change	<b>Key stakeholders:</b> Government, opposition parties, victims, gangs, international drug networks, citizens, regional partners, wider global partnership
<b>Key stresses:</b> Rising external pressures from drug trafficking, perceptions of injustice and impunity by victims of violence and marginalized groups	<b>Institutional challenges:</b> Low capacity in police and civilian justice system, past problems of accountability

To combat corruption and crime, Guatemala created the International Commission against Impunity, known by its Spanish acronym, CICIG, through an agreement with the UN in 2007. Its mandate is to “support, strengthen, and assist institutions of the State of Guatemala responsible for investigating and prosecuting crimes allegedly committed in connection with the activities of illegal security forces and clandestine security organizations.”<sup>45</sup> It is one of the few instances of an international commitment mechanism deployed to help a state deal with gang-related and criminal violence.

CICIG responds to the reality that Guatemala, after a 36-year civil war, has experienced continuous and mounting stresses of gang-related violence and police and judicial corruption. Studies show that a legacy of failed reintegration of demobilized soldiers at the end of Guatemala’s civil war has contributed to today’s spike in criminal violence and gang activity.

CICIG draws on independent international and local investigative expertise and refers cases to Guatemalan prosecutors in the domestic judicial system. A Special Prosecutor’s Office for CICIG has been established in the Public Prosecutor’s office, and CICIG has also provided technical assistance and capacity-building support to the National Civilian Police, the Ministry of the Interior, and the Public Prosecutor.<sup>46</sup> As of March 2010, CICIG had mounted 1,544 judicial proceedings and arrested 135 individuals, including former President Alfonso Portillo, accused of embezzling funds.

CICIG has been an innovative response to the twin challenges of high external stress and low internal capacity. However, while CICIG has registered successes within Guatemala, larger regional challenges of organized crime and trafficking lie beyond its control.

*Sources:* CICIG 2009; Fernández 2010; Donovan 2008; *The Economist* 2010; UN 2006a; UN General Assembly 2009a; Hudson 2010.

But international and regional norms—and mechanisms for recognition and sanctions—are not always fully aligned. Some regions have developed norms and principles that recognize responsible national leadership. The African Union (AU) and the Organization of American States have norms for dealing with extra-constitutional changes of government, notably *coups d’état*.<sup>47</sup> But even where a region has a strong principle-based standard, international mechanisms do not always reinforce it. For example, there are no structured discussions on international cooperation among non-regional bilateral partners, the UN, and international financial institutions following the imposition of sanctions by the AU on a member.<sup>48</sup>

**Support to delivering early results**

For the leaders of an initial pact to build confidence, they must deliver results quickly; when timely, international assistance can bolster these efforts. Rapid assistance for confidence-building can take many forms (chapter 4). Early results can be achieved when programs are appropriately designed, as the initiatives described in chapters 4 and 5 make clear. However, much of the assistance for priority development tasks remains slow, in particular when best-fit needs on the ground fall outside the regular donor processes (see box 6.5). A critical ingredient for bridging the gap is the mutual involvement of humanitarian and development actors in planning.

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**BOX 6.5** *Quick action? Ghana helps restore electricity in Liberia*

H. E. Ellen Johnson Sirleaf, President of Liberia; WDR Advisory Council Member

After the 2005 election in Liberia, the new government announced a 100-day plan that included the restoration of electricity to certain areas of the capital to help restore confidence in the state and jumpstart recovery in economic activities and basic services. With ECOWAS' support, the Liberian government approached various donors to help, since the new government lacked resources and institutional capacity for implementation. None of the traditional donors, which included the United Nations, the World Bank, the African Development Bank, the European Union, and USAID, were able to provide the generators needed for this endeavor within the desired timeframe under their regular systems. The Liberian government was eventually successful in securing help from the Government of Ghana, which provided two generators that helped restore electricity in some urban areas.

The Liberian experience points to two key lessons. First is the need for early consultation between national governments and international partners on realism in delivering quick results and demonstrating progress to local

populations. Second is the challenge of rigidities in donor systems unable to provide particular types of assistance fast. In fact, the EU, USAID, and the World Bank were able to provide other types of support (fuel, transmission line restoration) for the electricity system within the 100 days, but none of the donors were able to cover the specific need for generators.

Indeed, there is a need to rethink existing policies and processes, to modify what I call *procedural conformism* for countries in crisis situations. Another case in point is the rebuilding of two primary roads in Liberia. The World Bank, joined by other donors, made significant commitments to this project. However, a new procedure was to be adopted which calls for a multiyear construction and maintenance arrangement. This represented an innovative new process, but one which required a long gestation period for implementation. Liberia gained when the Bank agreed to proceed with one of the roads under more flexible procedures, but the other will likely experience a two-year delay under the new process. This case in point is a clear demonstration of both the problems of procedural conformism and the possibility of more flexible thinking.

Humanitarian assistance, the main tool the global system has for rapid relief, can provide vital life-saving and stabilizing assistance. There is evidence that “indirect deaths”—those caused by disease and malnutrition in violent environments—have declined faster than deaths caused directly by war. This is in part a testament to the increasing effectiveness of humanitarian aid—but humanitarian assistance alone cannot deliver on priority political, security, and development needs.<sup>49</sup>

As domestic pressure on donors to demonstrate results has increased, so has the appeal of branding as a communications tool. For example, the United States Agency for International Development's (USAID) policy is that all programs and commodities funded by USAID are marked with the USAID logo. However, there is some flexibility—where needed, a partner country symbol or ministry logo may be added, while branding may be avoided altogether if it can be shown to

threaten the neutrality of a program.<sup>50</sup> Other donors, such as the European Commission, have similar practices.<sup>51</sup> Where the population sees all assistance marked with logos of international agencies, the opportunity to boost confidence in the ability of national reformers and institutions to lead the country out of violence may be lost. In some circumstances, “joint branding,” as was adopted in Aceh, Indonesia, between the Indonesian Government and donors, can help maintain donor visibility while boosting the legitimacy of national institutions.

When protracted, humanitarian assistance confronts a dilemma: because it does not, for the most part, deliver through national institutions, it can undermine national institutional capacity. Yet international agencies and NGOs that have both humanitarian and development mandates can build bridges from relief to early results and institutional transformation. For instance, the United Nations Children's Fund (UNICEF) has been



developing the capacity of national and local actors to protect the rights of disadvantaged groups. Most successful are activities that support individuals (such as teachers), improve organizational capacities (such as school management structures), and address state and civil society capacities simultaneously. In Sri Lanka, UNICEF has worked with the Ministry of Education and communities to adopt a child-friendly-schools approach, even in conflict-affected areas, increasing student and teacher attendance and reducing dropout rates. Similarly, the World Food Programme has increased its uses of local purchase of food to support domestic agricultural capacity.

The potential gap between humanitarian and development assistance has long been recognized.<sup>52</sup> As the examples above demonstrate, UN agencies and international NGOs with humanitarian and development mandates can do much in the critical early phase of transitions to provide quick support while paying attention to longer-term institution-building. Another example is recovery in the health sector in Timor-Leste: the government drew on the capacity of humanitarian NGOs for immediate service provision as an integral part of a program that gradually transferred management and service delivery to national institutions (see chapters 5 and 8).<sup>53</sup>

Even when citizen security is acknowledged as a priority, responses can still be slow. In 2005, the UN Mission in Sudan took more than nine months to deploy 3,600 troops, just 40 percent of its mandated level. The UN Department of Peacekeeping Operations took 12 months to achieve the authorized troop levels for MONUC, the UN Peacekeeping Force in the Democratic Republic of Congo.<sup>54</sup> Overcoming barriers to rapid contracting and recruitment would make a difference in the ability of the UN and regional institutions to deploy peacekeeping operations to confront violence in a timely manner. The adoption of the UN global support package in Spring 2010 is an important step in this direction.

Similar delays have affected bilateral security cooperation. Between 2008 and 2010, the United States pledged US\$1.6 billion to the Mérida Initiative, which aims to provide law enforcement support to Mexico and Central American countries. By July 2010, only 9 percent of the funds had been spent.<sup>55</sup>

Global funds for peacebuilding and statebuilding have also increased in recent years to fill financing support gaps in transition settings. For example, the UN Peacebuilding Fund (PBF) plays a catalytic role bridging the humanitarian and the transitional and development phases, while the World Bank's Statebuilding and Peacebuilding Fund (SPF) is able to mobilize technical and financial resources and foster coherence with longer-term development planning.<sup>56</sup> In Nepal, for example, the PBF has provided US\$2.2 million in catalytic funding to discharge and rehabilitate minors, post-cease-fire recruits, and discharged women back to civilian life. The discharge process was completed across the seven principle cantonments in some of the most inaccessible areas of the country over a four-week period; this initial funding was followed by investments by the Governments of Norway and the United Kingdom to finance the reintegration efforts that have followed.<sup>57</sup>

Collaborative tools for national-international strategy development have emerged in recent years to set goals, financing priorities, and progress indicators in conflict-affected countries. Commonly focusing on early results, they may also contain measures to aid institutional transformation. The tools range from Post Conflict Needs Assessments (PCNAs)<sup>58</sup> to international compacts and strategic peacebuilding frameworks.<sup>59</sup> Effectively implemented, they can galvanize national and international stakeholders in support of a jointly agreed-upon and well-coordinated program of priority actions sensitive to the underlying drivers of conflict.

In practice, however, joint planning and assessment tools have not generally been used to their full potential. Among the recognized shortcomings is a lack of real integration of economic, security, humanitarian,

and political programs—and thus a focus on economic or technical development issues to the detriment of attention to political and security concerns, as well as a near complete neglect of transitional justice.<sup>60</sup> Some bilateral governments—such as the United Kingdom and the United States<sup>61</sup>—have integrated diplomatic, development, and security assessment tools, but these are rarely coordinated with other international or, more importantly, national assessment and planning processes. In only two PCNA cases, Georgia and Liberia, did humanitarian and development partners fully coordinate the humanitarian appeal and needs assessment processes to ensure consistency among the humanitarian and the transitional and development actions and promote the necessary continuum from humanitarian response to development.<sup>62</sup>

International assessment and planning processes have also registered mixed results in engaging national actors and linking strategy development processes. They are typically structured around discrete one-off transitions from conflict to post-conflict that ignore the multiple transitions required for progress. They often omit attention to the security and justice sectors. Although adaptable to a wide range of situations, they have rarely been used for prevention or for the analysis of interlinked and cross-border forms of violence (such as organized crime and trafficking)—nor do they generally focus on external stresses.<sup>63</sup>

International planning processes in the early stages of transition have proliferated.<sup>64</sup> Burundi has had, in addition to its own poverty reduction strategy, 13 international or joint national-international strategies and plans, on different timetables and with different priorities identified, between 2008 and 2010.<sup>65</sup> In some countries, this kind of risk has been minimized by strong support to government planning and a close dialogue with donors over results. Timor-Leste's transition benchmarks in 2001–02 and Liberia's results-focused transition framework in 2002

both used a simple matrix planning format to lay out expected results—from both government and donors.<sup>66</sup> These plans have the effect of a “double compact” (an idea first proposed by Ashraf Ghani and Clare Lockhart).<sup>67</sup> Double compacts describe in a simple form the results that governments are aiming to provide to their own citizens, and can be used to facilitate cross-government action in weak institutional environments. They can also be designed to make donor commitments explicit, and to monitor whether these commitments have been met. In practice, donor reporting inside recipient countries on how much of their own funds have been disbursed, and in what activities, has often been weak, complicating national reformers' efforts to report on public promises.<sup>68</sup>

### Supporting institutional transformation

Essential building blocks of international support to successful institutional transformation are time and patience, best-fit approaches appropriate to the local political context, and supporting capacity for critical institutional reform in the areas of citizen security, justice, and jobs. The international community's track record in supporting these building blocks is mixed.

#### *Time and patience*

International assistance needs to be sustained for a minimum of 15 years to support most long-term institutional transformations. Longevity is something that some international NGOs have understood for some time (box 6.6), while bilateral and multilateral donors have started to adopt longer time frames. Witness the U.K. DFID's 10-year partnership agreements, the recent Dutch agreement with Burundi on a 10-year security-sector reform plan, and the 10-year exceptional assistance to post-conflict countries from the World Bank. But most strategic donor and financing frameworks cover from three to

### **BOX 6.6** *The Aga Khan Development Network: Local knowledge, longevity, realistic expectations*

For decades the Aga Khan has supported local initiatives in Northern Afghanistan, Northern Pakistan, and Eastern Tajikistan—areas geographically and economically isolated, environmentally marginal, and marked by interethnic tensions. The Aga Khan Development Network (AKDN) approach was forged in self-help traditions to “facilitate change that is . . . long-lasting in consequence and sustainable into the future.”<sup>69</sup> In Afghanistan, Tajikistan, and Pakistan, the AKDN cements its commitment in protocols, agreements, and treaties with local, district, and national governments. It builds a diverse donor base, including local, national, and international contributions; invests heavily in local management and implementation capacity; develops approaches and services that can be sustained by local partners and institutions if donor interest declines; and adopts a cautious approach to area and program expansion unless driven by local demands, priorities, and readiness.<sup>70</sup> Typical engagements exceed 20 years.

Working closely with communities, local institutions, and government entities, the AKDN bases its development approach on trust earned through demonstrated long-term commitment to these regions and their peoples. That commitment is reflected in its staff: some 95 percent are nationals or regional expatriates who work in beneficiary communities for many years.

*Sources:* Aga Khan Development Network 2003, 2010; Agence Française de Développement and others 2005; Commission on Growth and Development 2008.

five years, with many projects having an even shorter life cycle. Foundational reforms can rarely be achieved within such time frames, and so are subject to renegotiation whenever a strategy or project ends.

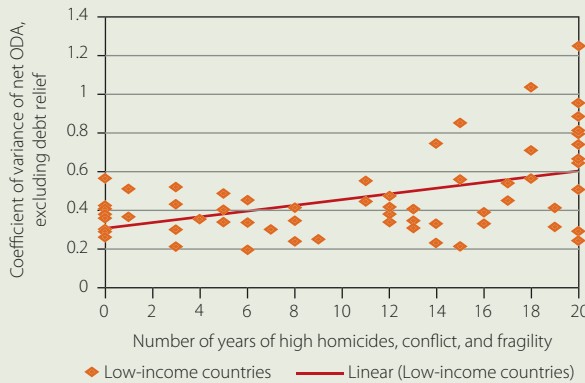
Long-term security commitments are also rare. The majority of peacekeeping missions run from two to six years—for understandable reasons. A long-term presence on the ground would be both exceedingly costly and unwelcome by host communities and states. UN missions do exist that have been present for decades—such as the UN Military Observer Group in India and Pakistan (since 1949) and the UN Peacekeeping Force in Cyprus (since 1964)—but these are small in size and mandate. Over-the-horizon forces or longer-term security commitments are alternatives to too short or too long deployments. But the use of such devices to provide long-term security support has been rare. An exception is the European Union’s Congo force, which provided MONUC with rapid and strategic support during the national elections of 2006.<sup>71</sup>

Despite the need for sustained support for institution building, volatility of aid flows is a major problem, especially in fragile states. Practitioners have long argued that fluctuations in donor aid destabilize the budget and fiscal deficit, and that predictable assistance is needed to enhance a government’s capacity to plan expenditures rationally.<sup>72</sup> Insecure situations are in particular need of consistent support because of the high potential that interrupted reforms will be reversed. Yet aid to fragile and conflict-affected states is much more volatile than that to other developing countries—indeed, more than twice as volatile, with the efficiency costs of volatility much more profound in fragile states than in those with stronger institutions (see box 6.7). In a recent study, the economic losses associated with volatile net official development assistance were more than twice as high for weak states as for strong states (2.54 percent versus 1.19 percent of GDP).<sup>73</sup> These estimates suggest that from 30 to 50 percent of volatility is donor-driven, independent of events in or actions by the recipient country.

**BOX 6.7 Stop-go aid: Volatility in selected fragile states**

Over the last 20 years, countries that experienced longer periods of fragility, violence, or conflict experienced more volatility in their aid. Figure A shows that the coefficient of variance (CV) of net official development assistance (ODA), excluding debt relief, is higher for countries that have experienced more violence since 1990. This relationship, reflected by the upward trend line, is statistically significant and suggests that, on average, a country that experienced 20 years of violence experienced twice the volatility in aid of a country that did not experience violence. Volatility of revenues has considerable costs for all governments, but particularly so in fragile situations where it may derail reform efforts and disrupt institution-building.

**FIGURE A** Aid volatility higher for countries that have experienced violence

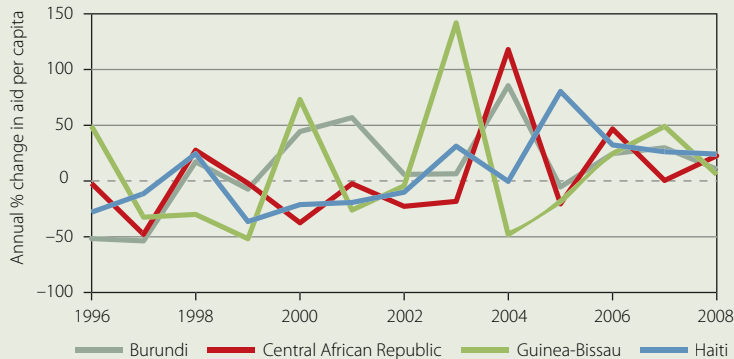


Source: WDR team calculations based on OECD 2010d.

This volatility is illustrated by figure B—it was not uncommon for total aid to Burundi, the Central African Republic, Guinea-Bissau, and Haiti to drop by 20 or 30 percent in one year and increase by up to 50 percent the following year (humanitarian aid and debt relief, excluded from these statistics, would further increase the volatility).

**FIGURE B** Annual percentage change in disbursed aid per capita, net of debt relief and humanitarian assistance

*Aid to these four fragile countries has been extremely volatile over the past 15 years. Aid to Guinea-Bissau more than doubled in 2003, only to be cut in half the following year. Likewise, the Central African Republic experienced a doubling of aid in 2004 and a 25 percent cut in 2005. This applies in all fragile states, for which variance in aid is 0.7 compared to 0.3 in other developing contexts.*



Source: WDR team calculations based on OECD 2010d.



Using methodology developed in Kharas and adopting conservative assumptions, a reduction in volatility of 30 percent by donors would deliver a value to each recipient fragile or conflict-affected country of US\$27–39 million a year.<sup>74</sup>

Short project duration and small project size compound the problem. While the median IDA (International Development Association, the World Bank’s “fund for the poorest”) operation is US\$22.7 million, it is as little as US\$116,000 and US\$65,000 for some bilateral donors.<sup>75</sup> According to a European Commission study, 63 percent of all donor projects in Cambodia have a duration of less than three years, and over one-third, a duration of less than a year.<sup>76</sup> A performance review of aid partners in Mozambique indicates that while the number of multiyear aid projects has increased, most of them are still only for two years.<sup>77</sup> Longer project life cycles is vital, given the timelines for institutional transformations, even under the most accelerated conditions.

### *Approaches adapted to the local context*

The international community remains tempted to emphasize form rather than the function to be accomplished.<sup>78</sup> Within a year of its creation, for example, the Coalition Provisional Authority (CPA) in Iraq promulgated more than 100 separate regulations and orders covering a wide range of security, economic, and administrative matters. Although the international drafters tried to improvise in a complex and volatile setting, they were hampered by their lack of knowledge of Arabic, local sociopolitical realities, and Iraq’s broader jurisprudential principles. As the United States Special Inspector-General for Iraq Reconstruction reported, “The CPA—and the U.S. government agencies that supported it—demonstrated an inadequate understanding of both Iraqi culture and the complicated internal political relationships that existed among and within various Iraqi groups.”<sup>79</sup>

The general response of the international community to the pervasive capacity deficits in fragile situations is technical assistance. Because they are constrained by short contracts and under pressure to deliver reports, technical advisers often bring with them a focus on transplanted best practices from other country experiences, which can undermine the search for tailored and context-specific, best-fit approaches. In fragile states, technical assistance works best in the turnaround period, when leaders and reformers are looking for help in well-specified areas.<sup>80</sup> The attributes of effective technical assistance in fragile environments have long been established.<sup>81</sup> Yet, despite a general understanding of the elements of good design, much technical assistance has not been well prepared or effectively implemented. Some critiques include the following:

- A quarter of international aid to Afghanistan goes for technical assistance, intended to support government capacity-building, with minimal impact.<sup>82</sup>
- More than 80 cents of every dollar of aid Kosovo receives is delivered as technical assistance, but this has not produced lasting capacity within government institutions.<sup>83</sup>
- Despite there being only five donors involved in technical cooperation in Sierra Leone in 2007, a mere 22 percent of aid dollars was coordinated with country programs.<sup>84</sup>
- Donor technical assistance services have been between 11 and 30 percent more expensive than those available from other vendors.<sup>85</sup>

Bilateral and regional actors<sup>86</sup> have also created civilian surge capabilities with rosters of experts who can be deployed at short notice to countries affected by violence.<sup>87</sup> But large numbers of expatriate personnel, particularly if deployed for short periods without knowledge of the country context, are, as with “normal” technical assistance,

unlikely to build sustainable capacity. The UN Independent Review of Civilian Capacities recently reached a similar conclusion, stressing national ownership and partnership as key principles for the UN's civilian response.<sup>88</sup> Providing capacity to deliver donor-designed projects is very different in both philosophy and approach to supporting national institutional capacities to deliver good-quality public services.<sup>89</sup>

South-South learning offers promise for effective capacity development and best-fit approaches because it can draw on knowledge from countries that have more recently experienced transitions or share regional political, economic, or sociocultural characteristics.<sup>90</sup> The African Development Bank (AfDB), UNDP, and the World Bank all now have specific South-South facilities, the AfDB's being notable for its size and focus on fragile states.<sup>91</sup>

Learning from recent transformations in middle-income countries can be particularly valuable. The Brazilian NGO Viva Rio works in Haiti's slum Bel Air to reduce armed violence, using its experience of working in Brazilian favelas.<sup>92</sup> Triangular cooperation to support South-South cooperation, involving a financing donor and a southern partner providing technical assistance, has also shown some success in peacebuilding.<sup>93</sup> The Republic of Ireland engaged in a triangular learning partnership with Liberia and Timor-Leste on the role of women in conflict prevention, management, and resolution.<sup>94</sup> South-South cooperation might prove particularly relevant in supporting executive management.<sup>95</sup> Another important area for South-South cooperation is peer learning for effective leadership and the successful management of conflict.<sup>96</sup>

### *Internal international agency systems*

Responsiveness to the local context in fragile situations is also hampered by internal processes that were originally developed for more stable environments. For example, the international financial institutions' procure-

ment procedures were based on the assumption of ongoing security, a reasonable level of state institutional capacity, and competitive markets. They thus have difficulty adapting to situations where security conditions change between the design and the tendering of a project, where a small number of qualified government counterparts struggle to manage complex procurement documentation, and where the number of qualified contractors prepared to compete and mobilize is very limited.

Similarly, the UN Secretariat originally developed procurement systems designed to support its function as a headquarters-based advisory service and secretariat to the General Assembly. When peacekeeping operations were launched, these systems were extended with relatively little adaptation to all the requirements of a peacekeeping operation, despite the difference in contexts and objectives. Most bilateral aid agencies do not have "risk policies" specific to fragile and conflict-affected situations—instead, they apply their normal criteria. Some donors have approaches or instruments that recognize the problem, but these have not yet been mainstreamed across country strategies or in the criteria for project funding decisions.<sup>97</sup>

When the environment is insecure, these standard procedures (*procedural conformism*, as Liberia's President Ellen Johnson Sirleaf calls them in box 6.4) often do not produce the results intended. Frequently complex and time-consuming, they can be difficult to manage for weak institutional counterparts and can cause delays. In environments such as Cambodia, Liberia, and Sudan, it has often been difficult to find qualified international contractors to bid on projects, and their mobilization has been slow.<sup>98</sup> Standard procedures can also undermine best-fit institutional approaches to develop capacity or they can have difficulties in meeting objectives of transparency and anti-corruption in environments with difficult political economy considerations (box 6.8). The g7+ group of

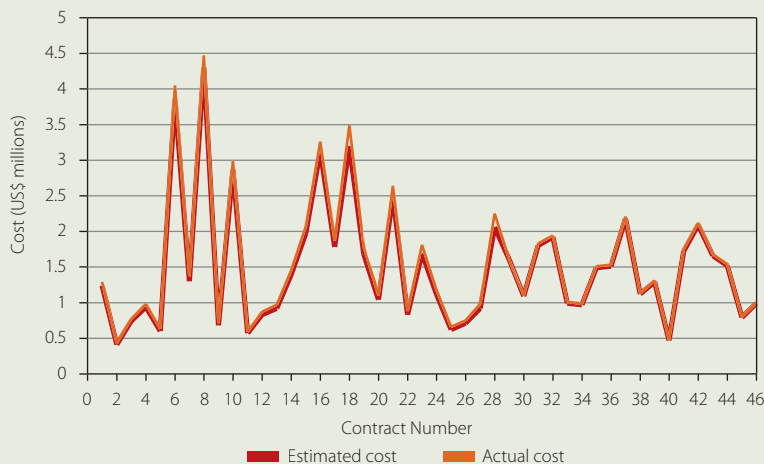
**BOX 6.8** *Publishing cost estimates as best practice? Trade-offs between transparency and collusion*

<b>Transition opportunity:</b> Pressure for speed of action in fragile situations	<b>Key stakeholders:</b> Government agency tendering, domestic citizens, domestic companies, international donors and companies
<b>Key stresses:</b> Perceptions of cronyism toward contractors from particular political, ethnic, regional groupings in contracting that can exacerbate risks of violence	<b>Institutional challenges:</b> High insecurity, low institutional capacity, shallow competition, legacy of past corrupt practice
<b>Dual accountability dilemma:</b> Conducting processes acceptable to international donors and investors while achieving speed and legitimacy in local context	

In its loan agreements, the World Bank often requires the publication of partner countries' engineering estimates of the costs of building a road. When the market is competitive, publishing the estimates can produce lower bids. Such publication also ensures a procurement norm of transparency and equity—that all bidders are on equal footing and companies with close ties to the roads authority cannot obtain the estimates “under the table.”

Set against these benefits is the risk that this procurement practice will facilitate the opposite of its intent—collusion. When firms are negotiating an agreement on a collusive price, the cost estimate provides a target or focal point for their agreement. This effect is dramatically illustrated in a World Bank Institutional Integrity comparison of the estimated price against the winning bid on 46 contracts for road construction and repair let during 2009 and 2010 under a Bank-financed project in an Eastern European country. The closeness of the two is inconceivable without collusion (see figure). As a result, a procurement norm has achieved neither the goal of quick support—delays are created in publishing the estimate, nor fostering a legitimate and transparent process—due to real or perceived collusion.

**FIGURE A** Closeness of bids inconceivable without collusion



Source: Adapted from discussion with the World Bank Integrity Vice Presidency in 2010.

fragile states' Dili Declaration of May 2010 states: “Although we all accept international standards, the donor community must be aware of our conditions and needs. That is

why we must give ourselves a transitional period to reinforce our capabilities and systems and not have complex and slow procedural requirements and conditions imposed upon

us.”<sup>99</sup> Responsible leaders appreciate the ability of well-functioning fiduciary systems to significantly reduce opportunistic rent-seeking and reinforce rule-based behavior—but they need processes adapted to the reality of local conditions.<sup>100</sup>

Suggestions for “best-fit” procurement arrangements are not hard to come by. Country experience points to the need for contracting processes that allow direct negotiations with knowledge of regional markets, a focus on speed of mobilization and track record in operating in insecure environments in contracting, better information to the local private sector about procurement procedures, subcontracting to local contractors to build their capacity, pre-tendering internationally under variable quantity contracts, civil society monitoring of procurement to build trust, simplifying processes and documentation consistent with existing donor guidelines, and decentralizing donor decision-making to the country office.<sup>101</sup> But the search for best-fit procurement practices has proceeded further in some donors than others, and multilateral systems have not caught up with innovations in bilateral procurement.

The fragmentation of international aid efforts also acts against the provision of institutional support at sufficient scale. Not only have the number of donors and vertical programs grown to more than the number of recipient countries,<sup>102</sup> but aid has itself also become more fragmented. In the Democratic Republic of Congo, 30 active donors are financing 362 projects in the health sector, 262 for less than US\$1 million, and 305 projects in the justice sector, 199 for less than US\$1 million.<sup>103</sup> A recent OECD study identified 32 countries receiving aid from 15 or more donors.<sup>104</sup> In contrast, studies on Botswana and the Republic of Korea argue that development successes in these cases can be at least partly attributed to the presence of a single or dominant donor.<sup>105</sup> Fragmented assistance places a huge administrative burden on weak capacities, draining rather than building them.

### *Focus on citizen security, justice, and jobs*

Assistance to countries struggling to develop well-governed police, justice, and corrections systems in the face of fluid violent threats is much more limited than assistance available to build military capacity. The supply of personnel is constrained, since states do not have the kinds of reserve capacities in police or criminal justice that they do in their militaries. For justice, the UN’s Independent Review on Civilian Capacities found that it was one of the largest lacunae in international civilian mechanisms, despite efforts to fill gaps.<sup>106</sup> The UN Department of Peacekeeping Operations (UNDPKO), bilateral donors, the Inter-American Development Bank (IADB), the UNDP, and others have each deepened their delivery capacity related to citizen security and justice, and the World Bank has expanded somewhat assistance for legal and judicial issues—but major gaps in personnel and delivery remain.

Support to the criminal justice system is frequently more challenging to provide than support to military reform and capacity building because of the great disparities in policies, legal frameworks, and organizational structures between different nation-state providers.<sup>107</sup> These disparities have historically caused tensions in international support to policing and civilian justice, from Bosnia to Timor-Leste.<sup>108</sup> Regional organizations like the European Union have focused on training to bridge differences in national practices. The UN’s 50-person-strong Standing Police Capacity and its Office of Rule of Law and Security Institutions have also begun to make headway in developing standard doctrine and training packages for police units willing to deploy into UN operations, but this is still a small capacity to manage the current growth in police deployments, let alone support a broader international capacity.<sup>109</sup> There is no similar mechanism for joint training of national judicial personnel to expose them to different systems and practices,



and less of a body of knowledge on approaching institution-building in fragile settings.

Structural constraints in the international architecture also limit international support to security and justice. The UN's peacekeeping budget can support the deployment of police forces, but only if a country is under a Security Council mandate. This poses a major political obstacle to countries that might seek international support for their police sector but are hesitant to agree to being on the Security Council's agenda. Without a peacekeeping operation, national authorities can seek civilian or advisory support from the UN and operational support from bilateral actors. But the former does not include the actual deployment of police units, while the latter lacks the legitimacy of support provided by a multilateral organization to which the national authority belongs.

Chapter 5 described the common problems arising at a country level from disconnects between support to the military and police and support to the civilian justice system. The lack of a clear focal point for criminal justice as a whole in the international system may underpin this problem—remarkably, there are international agencies for a wide range of functions, but no agency charged with taking the lead on criminal justice issues. Fragmentation of financial support for the security sectors and civilian justice functions, due to the current division in what can be counted as “Official Development Assistance under DAC rules” and to the differing financial rules applying under peacekeeping missions and voluntary support in these areas, also exacerbates disconnected approaches on the ground.

With regard to employment creation, understandable shifts by donors to focus support on the MDGs have led many to dedicate significant parts of their development assistance to health, education, and basic services like water and sanitation—with relatively little emphasis on job creation. International economic policy advisory services have generally focused on growth rather than jobs. This has included consideration of labor-intensive growth paths as central to poverty reduction, but has placed

relatively little emphasis on the value of employment in terms of violence prevention, and the type and quality of employment that can strengthen social cohesion and promote a positive role for youth in the community. As a result, there is little consensus on the type of employment-related interventions that can systematically make a difference in fragile environments. An exception is the use of community-based public works: while having very different designs, programs supported by bilateral donors, UN agencies, and international financial institutions in Afghanistan, Indonesia, Nepal, Burundi, Rwanda, and various Latin American countries have generated considerable transitional employment. Some bilateral donors, such as the United States and India, have also dedicated a significant proportion of their assistance in fragile states to income-generating activities.

The role of the private sector in mitigating and recovering from the effects of violence at both the local and national level is now widely recognized,<sup>110</sup> especially if creating jobs and incomes is to outlast donor-funded, short-term emergency works. Various innovative schemes, including some supported by the International Finance Corporation and by several bilateral donors, have proven effective in building up private sector and entrepreneurship capacity; examples include linking local entrepreneurs to larger national or international businesses and linking education to entrepreneurship development.<sup>111</sup> Donors such as the Multilateral Development Banks, Japan, and China provide significant investments in infrastructure that supports private sector development.<sup>112</sup> However, the international community has not paid as much attention to labor-intensive private sector development as is warranted by the importance of equitable growth and job creation for violence prevention.<sup>113</sup>

### **Dual accountability and managing the risks of action**

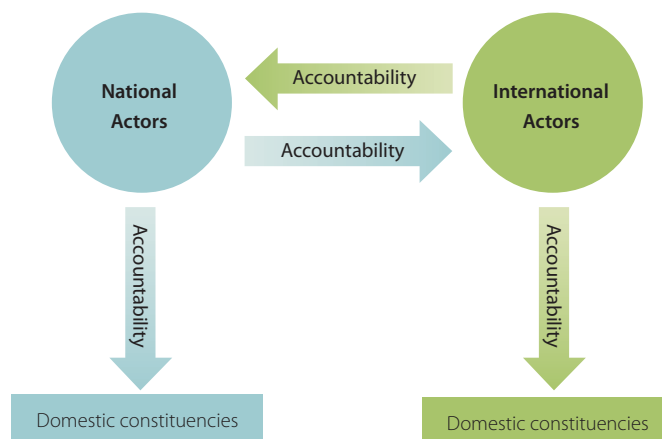
International actors know that fast engagement, long-term commitments, and support

to national institutions are central to preventing repeated cycles of violence.<sup>114</sup> Why then is international practice slow to change? We argue that this is because of the “dual accountability dilemma”—international actors, whether bilateral or multilateral, are accountable first to their domestic constituencies and shareholders, and only second to their counterparts or to the citizens of recipient states. This leads them to emphasize one set of risks—the risks of action and of engagement with weak counterpart institutions—at the expense of the risks of inaction or lack of long-term institution-building outcomes, for which there is less accountability (figure 6.2). The consequences are twofold: privileging the reputational risks of action over the consequential risks of delay and hesitation to channel financing and assistance through the budget of fragile national institutions.

Working in fragile states necessarily involves uncertainty, fluidity, and high risk—but there are risks of action and risks of inaction. A highly simplified example illustrates the problem: A community of 100,000 people faces a dire humanitarian threat. The external world is willing to help and has two broad options to do so. Both are estimated to cost US\$50 million. Under option A, external donors can wait six months to ensure that all the funds will be used appropriately, but this will mean that only 20 percent of the people will be saved. Under option B, donors can be confident of saving all the people, but can only be confident that 80 percent of the funds can be properly accounted for. Which option to choose? Most people would say that option B *should* be chosen. Indeed, sensitivity to the risk of inaction and a tolerance for a certain degree of fiduciary risk underpins humanitarian interventions—and most humanitarian actors *would* adopt option B.

Now consider this for developmental or peacekeeping interventions: airlift support for troops; financing to pay salaries of police, education, and health workers and to keep the electricity system functioning; and a program to reopen schools are deemed highly

**FIGURE 6.2** *International support to nation-states—The dual accountability dilemma*



Source: WDR team.

likely to prevent the spread of violence. The same options are available—option A, wait six months to be confident that the funds will be used properly, but at the cost of averting an estimated 20 percent of the risk, or option B, act immediately with a high degree of confidence that violence can be averted, but with confidence that only 80 percent of the funds can be satisfactorily accounted for. Again, most people would say option B should be chosen.

There is no certainty that development interventions will save lives and prevent the spread of violence—while hasty interventions often are less likely to succeed. But what if the risk is differentiated? One can probably judge that delays in the arrival of peacekeeping troops and the financing for salaries and the electricity system are likely to spur violence if no action is taken—80 percent likely, for the sake of illustration. For the schools program, however, one might judge this risk to be lower and that spending a few months working on the design of the program would deliver better results. Most people would then say pay for the airlift, the salaries, and the electricity—but wait for the schools program. Yet, in practice, the development community *would* likely treat the issues of electricity and schooling in the same manner; and while the UN Security Council sometimes takes deci-

sions rapidly, the supporting infrastructure for peacekeeping deployments results in option A outcomes. The strategic challenge is to move from *should* to *would*—in other words, to rework risk-management systems to better align risk measurement and risk-taking to optimal outcomes.

A further example of the impact of dual accountability is donor reluctance to channel assistance through the national budget and national institutions in a violence-affected and fragile state despite its impact on transforming institutions. In addition to avoiding the negative effects of parallel systems, aid through the budget supports institutional mechanisms of political decision-making on priorities and trade-offs, leverages the development of public financial management and accountability systems, and creates a tool for coordinating international assistance.<sup>115</sup> However, donors confront a dilemma—assistance to weak institutions is needed if they are ever to become strong, but their weakness in itself poses political and fiduciary risks.<sup>116</sup> In these high-risk engagements, the international community is therefore prone to rely on bilateral and multilateral organizations to perform functions normally performed by the state,<sup>117</sup> in order to avoid being associated with the corrupt use of resources or the violence or human rights abuses by the parties being supported.

### *Available options for risk management*

A range of approaches that deal with differing levels of fiduciary and reputational risk exist to engage with national institutions. They include greater independent oversight and monitoring of government-executed programs. For instance, in Afghanistan and the West Bank and Gaza under World Bank-administered multidonor trust funds, independent monitors have been employed to scrutinize procurement and expenditures by both national institutions and international contractors.<sup>118</sup> A related example is releasing donor funds only upon unqualified monthly or quarterly audits by a certified external auditing firm, as undertaken for the Uganda

Veterans Assistance Program.<sup>119</sup> A third is in external financial management and procurement agencies, where international firms have overall responsibility for program financial management and procurement and maintain a program's consolidated budget and accounts, as was carried out in demobilization and reintegration in Angola, Guinea-Bissau, and Sierra Leone.<sup>120</sup> A fourth is “dual key” programs, where both national and international actors sign off on critical, high-risk transactions, such as the Liberia Governance and Economic Management Assistance Program described in chapter 4. And a fifth is in-kind support to items in the national budget, as in Zimbabwe, where a bilateral donor has directly financed, procured, and provided such items through contractors, as with the provision of medicines to state-run clinics.

These approaches can manage donor fiduciary risk and provide space to establish and strengthen national systems. But since they use international expertise, they are generally expensive. A range of more localized options is also available to engage with national institutions while dealing with differing levels of fiduciary and reputational risk. They include community-driven development programs (chapter 4) and contracting to NGOs using results-based financing and output-based aid in key sectors. Direct support to subnational administrations and assistance through nongovernment agencies that employ local staff are other ways of managing assistance outside government budget systems in situations of weak governance, maintaining a focus on local institutional capacity and skilled personnel.

Pooling funds also provides a way to manage risk. Multi-Donor Trust Funds (MDTFs) have increasingly been used in fragile and conflict-affected situations—for example, in Afghanistan and Southern Sudan (box 6.9), Iraq, Indonesia, West Bank and Gaza, and Haiti. MDTFs can help to bridge the dual accountability dilemma. For national actors, they improve the transparency of donor investments, ensure greater coherence with national planning, and provide a platform for resource mobilization. For donors, MDTFs

**BOX 6.9** *Multidonor trust funds: Afghanistan and Southern Sudan*

<b>Types of violence:</b> Intergroup, ethnic, and political violence; organized crime and trafficking; cross-border; transnational; ideological	
<b>Transition opportunity:</b> Initial large space for change; Bonn Accord/Comprehensive Peace Agreement; elections; national development budget	<b>Key stakeholders:</b> Federal and local government, security forces, militias, community leaders, civil society groups, citizens, women, international partners, armed transnational groups
<b>Key stresses:</b> Legacies of violence and trauma, cross-border violence, criminal networks, low incomes, youth unemployment, corruption, gender discrimination	<b>Institutional challenges:</b> Severe accountability and capacity constraints in public administration, security, judicial, and political institutions; lack of representation of women
<b>Dual accountability dilemma:</b> Accountability and capacity constraints at the national level made multidonor trust funds an attractive solution; trust fund arrangements took advantage of the mandates and competencies of the UN and the World Bank.	

**Afghanistan**

UNDP established the Afghan Interim Authority Fund (AIAF), supported by 24 donors and valued at US\$73 million for a limited period of six months, to pay for the most pressing needs of reestablishing the civil service: paying salaries, rehabilitating government buildings, and procuring equipment. This support bolstered government capability and legitimacy in the early phases of transition and bridged the gap until such time as a subsequent MDTF could provide long-term budget support and finance investment programs.

The Afghanistan Reconstruction Trust Fund (ARTF), supported by 32 donors, disburses funds through a “recurrent window” to finance the budget (salaries of civil servants and facility costs, particularly in education and health) and an “investment window” to support the government’s National Priority Programmes. The ARTF is intended to coordinate funding and reduce the burden on the government, promote transparency and accountability, and reinforce the role of the national budget in promoting national objectives. Since its inception in 2002, donors have committed US\$4 billion (as of December 2010), the largest contribution to the Afghan budget. The ARTF moved quickly, disbursing 99 percent of committed funds in 2003–04 and 75 percent in 2005–06, serving as the main vehicle for financing payment of government salaries, as well as key projects such as the Salang Tunnel and the National Solidarity Program. UNDP administers the complementary Law and Order Trust Fund for Afghanistan (LOTFA), which largely funds police salaries. The current phase of LOTFA was funded by 15 donors providing around US\$306 million.

**Southern Sudan**

A US\$545 million Southern Sudan Multidonor Trust Fund was established in 2005, with financing from 14 donors and with the World Bank appointed as trust fund administrator.

The government of Southern Sudan, donors, NGOs, and civil society have criticized the MDTF for slowness and inefficiency, lagging disbursements, and inflexibility. Reviews have pointed to the World Bank’s underestimation of logistical difficulties, institutional deficiencies, and communication challenges—and to inconsistent managerial oversight, especially in the critical early phase. Part of the explanation for this was the dilemma faced by the World Bank in trying to balance the risk posed by swift action (possible misuse of the funds) with the risks of inaction (failing to disburse funds and not achieving goals).

The World Bank has taken steps to improve the fund’s management—disbursements in 2010 amounted to US\$188 million and reached a total of US\$400 million by December 2010 (almost three-quarters of the funds committed).

*Source:* Scanteam 2007; Fenton and Phillips 2009; Randel 2010; Atos Consulting 2009; Scanteam 2010; OECD 2010c; Government of Afghanistan and UNDP 2010; World Bank 2005a, 2009a, 2010b, 2010j; Randel and Mowjee 2006.

can reduce transaction costs and provide a forum for donor collaboration and dialogue with national authorities, while MDTF secretariats can provide information to capitals that donors may not be able to generate on their own.<sup>121</sup> MDTFs can enable donors to adopt a collective approach to the risks inherent in transition situations.<sup>122</sup> In the humanitarian context, pooled mechanisms may increase funding levels because they enable donors to disburse larger sums than they can manage directly.

MDTFs, however, are rarely the most important financing instrument in conflict settings—total funding through some 18 operative MDTFs in 2007 amounted to US\$1.2 billion, still a small fraction of international financing for fragile and conflict-affected states.<sup>123</sup> Moreover, MDTF performance has been uneven across country examples in speed and delivery of outputs, in quality of processes, and in stakeholder perceptions of success. Recent evaluations of MDTFs have pointed to inconsistency of MDTF management processes within and across agencies, the need for better management of expectations, more robust monitoring and impact evaluation, quicker delivery of funds to support national confidence building, and more emphasis on support through national systems for institution building.<sup>124</sup> Balancing the competing demands of providing short-term financing and building longer-term institutional capacity is illustrated in the experience of the Southern Sudan MDTF.

Because of their high-profile nature and complex governance system, MDTFs can also increase risk aversion within their hosting agency. Bilateral donors, in effect, transfer their risk to multilateral MDTF administrators.<sup>125</sup> There can also be micromanagement by donors of MDTF portfolios and earmarking of funds, undermining alignment with nationally driven strategy and budgeting.<sup>126</sup>

### *Monitoring progress out of fragility*

Making the dual accountability dilemma even worse is a lack of systems to monitor

progress out of fragility. The only agreed global framework for measuring the results of development assistance is the MDGs and their associated indicators. No global measures exist to assess progress in efforts to improve human and citizen security. So a simple agreed set of indicators to measure progress in reducing violence and creating better institutions would allow both the international community and national leaders to track progress on violence risk management alongside the MDGs.

Nor do reliable global data exist on levels or patterns of insecurity. Basic data on war battle deaths are poor—best estimates are missing in 36 percent of the cases, and low and high estimates are often separated by an order of magnitude.<sup>127</sup> The quality of data on indirect deaths due to war is significantly worse—estimates of casualties in Iraq for 2003 to 2006 range from 50,000 to 600,000.<sup>128</sup> Homicide data are similarly inadequate for monitoring violence. While every OECD country reports homicide statistics for every year of the past five, only 62 percent of developing countries have one or more observations for the past five years, and only 29 percent of fragile or conflict-affected states in Sub-Saharan Africa report a single homicide rate.

An innovative approach that tracks conflict and violence reported in the local press is being used in Aceh since the signing of the peace accord in August 2005.<sup>129</sup> Another source of information on attitudes toward domestic violence is UNICEF's periodic Multiple Indicator Cluster Surveys, which cover around 100 countries, many of them fragile and violence-affected. On the whole, however, there are few agreed baselines for measuring reductions in violence. Better data collection is an easy win for improving international responses (chapter 9).

Polling to measure citizen confidence and expectations over time is rarely used in fragile states. Perception-based polling could be an important part of measuring citizen priorities and citizen trust in government. Such data have rarely been collected consistently in fragile states,<sup>130</sup> for reasons that range from



poor communications and underfunded organizations to fears of how the information will be used.<sup>131</sup> But technological advances make collecting survey data easier—this WDR, for example, carried out rapid SMS (short message service) surveys in the Democratic Republic of Congo.<sup>132</sup>

### Lessons of international engagement

The paradox of dual accountability is well understood by actors on the ground—the question is how to do better. Any number of major reports on international assistance that have to do with conflict-affected countries in the last decade have underlined the limits to what international support can do to reduce conflict and bring about institutional transformation in fragile conditions. This chapter calls for the consistent application of best-fit practices that have already

proved their usefulness, and reaches the following three conclusions:

- First, there are serious gaps in support for citizen security, justice, and jobs for countries struggling to prevent violence.
- Second, “procedural conformism” in international agencies is unsuited to the challenges of rapid confidence-building and best-fit approaches to institutional transformation. Better ways to manage accountability to domestic taxpayers and local counterparts are needed.
- Third, new challenges and the changing landscape of international assistance require new efforts to work together. Complex problems of political and criminal violence require the combined capacities of diplomatic, security, and development actors—and better understanding between OECD, low-income, middle-income, and regional partners.

## FEATURE 6 *A tale of two assistance programs—Liberia and Guinea-Bissau*

### Liberia: Strong leadership, critical recovery assistance

<b>Types of violence:</b> Civil conflict, political violence, criminal and gang-related violence, trafficking	
<b>Transition opportunity:</b> Significant space for change following the Comprehensive Peace Agreement in September 2003	<b>Key stakeholders:</b> Ex-combatants, victims, government, opposition parties, international partners and peacekeepers
<b>Key stresses:</b> Legacy of abuse, violence, trauma grievances and mistrust, corruption, unemployment, ethnic competition	<b>Institutional challenges:</b> Accountability and capacity constraints in economic, security, judicial, and political spheres
<b>Dual accountability dilemma:</b> Need to increase capacity in national institutions in an environment of extreme fiduciary risk	

The international community can provide critical assistance to fragile states during difficult transitions. When done well, this support can make a major difference to countries trying to avoid or recover from violent conflict, but only when domestic processes are headed in a positive direction. The recent history of international support to Liberia and Guinea-Bissau offer two starkly contrasting stories (see box 6.10).

The international community played a key role in supporting the Accra Comprehensive Peace Agreement (CPA), signed in Accra, Ghana, in September 2003, which brought an end to two civil wars that had devastated Liberia. The UN mobilized a peacekeeping mission of 25,000 troops. The highest troop-to-population ratio in the history of peacekeeping, it provided a credible deterrent against opponents of the peace process and third-party assurances that peace would be maintained.

Liberia's transition government, however, experienced serious governance and corruption problems (see below). Yet, with a peace agreement and international security guarantees in place, Liberia's GDP grew at a healthy 6.4 percent a year between 2004 and 2008 (having contracted by almost a third in 2003). In the same period, the international aid community provided US\$2.6 billion to Liberia, an average of US\$146 per capita per year (total international spending, including security, was considerably higher at US\$415 per capita in 2008—the highest to date in Africa).

That was not all. International actors such as the UN and the World Bank worked with the government of Liberia to lift public confidence through an innovative program to provide jobs, restart the economy, and provide tangible evidence of the peace process. "Roads with UNMIL" restored hundreds of kilometers of roads, reconnecting areas of the country long isolated from one another by the war, enabling trade to resume, and facilitating humanitarian relief efforts. Drawing on the resources and expertise of different agencies in the political, security, and development fields, the project delivered results in the short term, while facilitating reform in the transport sector in the medium term. Going beyond the confines of in-

frastructure development, it offered short-term employment opportunities for many ex-combatants and non-combatants.

Liberia's recovery trajectory also shows how regional organizations can help. The ECOWAS worked with donors on confidence building tailored to the Liberian milieu. The Governance and Economic Management Assistance Program (GEMAP, see box 4.2), introduced in the run-up to the 2005 elections, provides "dual key" authority in the areas of revenue earning and expenditure. Jointly managed by the government and the international community, it was designed specifically to reassure a skeptical population and donors that years of official looting and corruption were over and that services would be reliably delivered. Economic governance has improved under GEMAP and, with consistent international commitment and willingness to share risk, it has helped reinforce confidence in state institutions. While noting these positives, critics point out that the slow transfer of knowledge and capacity to local authorities and stakeholders may have created dependency—highlighting the importance of integrated and sustained external engagement with national institutions.

Seven years after signing the CPA, Liberia qualified for the World Bank/IMF Heavily Indebted Poor Countries initiative, setting in motion the largest per-capita debt write-off in history. The peace process has since been consolidated, driven by determined, output-oriented national leadership and pragmatic international support. Today, Liberia has initiated a process of stabilization that few dared imagine a few years earlier. The challenge now is to ensure that this extraordinary and successful episode in international support is not ended prematurely, that emerging stresses continue to be clearly identified, and that legitimate, accountable institutions receive sustained support.

In contrast to the coordinated international support for Liberia, no comparable international effort was made in nearby Guinea-Bissau. This in part reflects a lack of international confidence in national governance and country leadership—but similar conditions existed in Liberia before the 2005 elections.

## Guinea-Bissau: Weak national processes, uneven international support

<b>Types of violence:</b> Civil conflict, political violence, organized crime and trafficking, transnational crime	
<b>Transition opportunity:</b> Repeated and brief opportunities for change: multiparty elections, peace agreements after civil war, National Stability Pact	<b>Key stakeholders:</b> Federal and local government, military, citizens, regional institutions, international partners, international drug cartels
<b>Key stresses:</b> Legacies of violence and trauma, ethnic competition, external support for domestic rebels, international criminal networks, low incomes, youth unemployment, corruption	<b>Institutional challenge:</b> Severe accountability and capacity constraints in public administration, security, judicial, and political institutions; lack of access to services; lack of inclusion of different groups
<b>Dual accountability dilemma:</b> International community that viewed preventive action as too risky; national actors that needed early and sustained support to combat domestic violence and the influence of international trafficking	

Over the past 15 years, there have been sporadic windows of opportunity, but with leadership commitment to overcoming the rifts in society largely found wanting, they received scant support from the international community. Today Guinea-Bissau remains one of the world's most impoverished nations and an "aid orphan," with a human development index rank of 164 among 169 countries in 2010.

Since independence in the 1960s, Guinea-Bissau has been ruled mainly as a one-party regime interrupted by coups and a civil war (1998–99). International pressures for democracy as a condition for aid led to a tentative move toward a multiparty political system in 1991. A moment of opportunity came in 1994 with the first multiparty elections. But aside from proclaiming the elections to be "transparent, free, and fair," the international community remained largely absent. Similarly, during the civil war, the international community kept its distance, while regional institutions such as ECOWAS and the African Union attempted to mediate and enforce peacekeeping.

Peace and elections in 1999–2000 gave rise to new hopes, and the UN set up its Peacebuilding Support Office in Guinea-Bissau (UNOBGIS). A donor conference was organized to support post-war recovery and reconstruction, and the IMF and World Bank provided emergency assistance. Hopes were undermined by continued poor governance—without the supporting mechanisms in place in Liberia.

The response of the international community: further isolation. In what looked like an increasingly risky environment, the IMF suspended assistance while the African Development Bank and the World Bank cut back their programs. Without budgetary support, civil servant salaries went unpaid. Real GDP contracted by 4.1 percent in 2002 and 0.6 percent in 2003. A *coup d'état* soon followed.

Elections were held in 2005, a new government was formed, and the international community slowly reengaged. The UN strengthened UNOBGIS' mandate to include supporting political dialogue and national reconciliation and upholding the rule of law and human rights. There was agreement between the new government and the few donors present in the coun-

try on strategic priorities—reforming the security sector, paying salaries to the military and civil service, and restoring some electrical service to the capital.

The IMF resumed assistance and a donor meeting was held in Lisbon in February 2005. But only €1.5 million was pledged. A donors' roundtable in 2006 was more successful—amid growing concerns about the influence of the drug trade and criminal networks, some US\$280 million was pledged, though continuing political instability remained an obstacle to delivering funds.

In 2007, in reaction to the president's unconstitutional dismissal of the prime minister, parliamentarians formed a majority coalition. They committed the three largest parties in the assembly to a national stability pact and, after months of negotiations, passed a vote of no confidence that forced the president to appoint a new prime minister. Hopes were dashed when the pact collapsed, triggering a new political crisis and the fall of the government. In 2008, another round of elections, which received some limited international assistance to ensure the electoral staff was paid, produced another new government.

Guinea-Bissau remains deeply fragile and insecure. In 2009, it was thrown into further turmoil with the assassination of the president, a top general, and two ministers. Drug trafficking has become a major concern. Security sector reforms remain integral in addressing this rising violence, but so far have received limited backing from international actors. The EU and ECOWAS have helped settle some salary arrears, and Angola and South Africa have modest programs in place. But the international community is largely absent—without responsible national leadership, it is unwilling or unable to take the risk and provide the kind of sustained support that could have helped Guinea-Bissau back on its feet.

*Sources:* AllAfrica 2009; Andersen 2010; Atkinson 2008; Bøås 2009; Dwan and Bailey 2006; Jahr 2010; Government of the Republic of Liberia Executive Mansion 2009; Giovine and others 2010; UNDP 2010b; International Crisis Group 2008a, 2009b; Gberie 2003b; Economist Intelligence Unit 2008b; IRIN 2005; Vulliamy 2008.

## REFLECTIONS FROM ADVISORY COUNCIL MEMBERS: 2011 WORLD DEVELOPMENT REPORT

**BOX 6.10** *Uneven international support to violence prevention and recovery in West Africa*

Mohamed Ibn Chambas, Secretary-General of the African, Caribbean, and Pacific Group of States (ACP), Former President of the Economic Community of West African States; *WDR Advisory Council Member*

We assumed the successes chalked up in Liberia would be enough justification to see similar quick and strong responses from the international community in Guinea-Bissau to avoid recurrence of violence and conflict. That was not to be. Consequently, the country still totters on the brink of instability, violence, conflict, or state disintegration, given the real threat posed by drug trafficking.

The neglect of the international community made it difficult for a number of regional initiatives to put the country on a path of steady recovery and eventual takeoff. A donor conference in Geneva in 2006 to raise funds for a security sector and national reconstruction plan was poorly attended; ECOWAS ended up pledging the most funding. Nor was the national strategy for combating drug trafficking adequately funded, even though its destabiliz-

ing impact on the country and the region was and still is evident.

Above all, the failure to provide funding for the much needed security sector reform has been particularly disappointing and baffling. The impunity and persistent incursion into the political domain by the military can only be tackled through a comprehensive security sector reform that addresses the legal, institutional, and capacity weaknesses of various security agencies (military, police, immigration, prisons, customs) and the judicial system. ECOWAS did not succeed in obtaining for Guinea-Bissau the requisite resources to embark on the urgently needed reforms in this strategic sector.

The contrast in international support to Liberia as compared to Guinea or Guinea-Bissau was quite noticeable and a source of great frustration to us at ECOWAS.

**Notes**

1. In 1990, Freedom House gave civil liberties in Mozambique the worst possible score and political rights the second-worst on a scale of 1 to 7, whereas the scores had both improved to 3 in 2009. Freedom House uses a 1 to 7 scale, where 7 indicates the lowest level of freedom, with few or no political rights because of severe government oppression, sometimes in combination with civil war. At the other end of the scale, countries and territories with a rating of 1 enjoy a wide range of political rights, including free and fair elections.
2. The megaprojects include the Mozal aluminum smelter, the Cahora Bassa hydroelectric plant, and Sasol gas project. See Cadeado and Hamela 2009; World Bank 2005b.
3. UNDPKO 2010b, 2010c.
4. WDR team calculations based on OECD 2010d.
5. Davies and others 2008; Meidan 2006.
6. South-South bilateral aid increased by some 68 percent, from 2004 to 2008, to an estimated US\$626 million. Data for several major non-DAC development partners, such as China and India, are not included in this estimate (see OECD-DAC 2010b).
7. The following multilateral organizations and governments had special envoys or representatives to Afghanistan or Afghanistan and Pakistan in 2009–10: United Kingdom, United States, United Nations, European Union, Netherlands, Sweden, Norway, France, Australia, Belgium, China, Germany, Japan, Denmark.
8. New York University Center on International Cooperation 2009.
9. Harvey and others 2010.
10. This interdependence has been recognized explicitly in, for instance, in the World Bank's framework for rapid response to crisis and emergencies, which enables it to participate in integrated international support efforts for programs that include important linkages to areas outside the Bank's core competencies, while maintaining its engagement in areas of core competencies (World Bank 2007d, 2008b; Stewart and Brown 2007).
11. UN integrated missions are an instrument through which the UN seeks to help countries in the transition from war to lasting peace, or address a similarly complex situation that requires a system-

wide UN response, through subsuming various actors and approaches within an overall political-strategic crisis management framework. See Eide and others 2005; Campbell, Kaspersen, and Weir 2007.

12. “Whole-of-government approaches” refers to how agencies and ministries within a government administration can work coherently together in order to develop a comprehensive response to fragile states in crisis. See DFID 2010, Stewart and Brown 2007; OECD-DAC 2006.
13. “Whole-of-system approaches” specifically refers to how regional and international organizations and the international architecture in general can best develop policy coherence and a comprehensive response to fragile states in crisis. See DFID 2010.
14. These include the U.K. Stabilization Unit (created in 2004 as the Post-Conflict Reconstruction Unit), U.S. Office of the Coordinator for Reconstruction and Stabilization, Canada’s Stabilization and Reconstruction Task Force, the UN Peacebuilding Committee and Peacebuilding Support Office; and the AusAID Fragile States Unit (created in 2005).
15. OECD-DAC 2006.
16. Wainwright 2005; Dinnen, Porter, and Sage 2010.
17. Stewart and Brown 2007.
18. OECD-DAC 2007b.
19. Harborne and others 2010.
20. Chalmers 2007.
21. Peixoto, Andrade, and Azevedo 2008.
22. Annual budget costs compiled for UN political missions, Organization for Security and Cooperation in Europe (OSCE) mission, and EU representatives by New York University’s Center on International Cooperation.
23. Light mediation start-up budget (LMSB) covers the cost of a small mediation team that is required to address a limited conflict. Such conflicts are typically clearly between two states or coherent parties within a state (without a regional dimension) that are amenable to resolution within a short period of time (possibly within a year). The LMSB will allow UNDP to establish a mediation effort quickly and sustain it for up to three months, while the full costing for the initiative is being developed and resourced. Heavy mediation start-up budget (HMSB) covers the initial costs of addressing a complex conflict situation. Complex conflicts typically have local and regional dimensions, and the mediation team is likely to be deployed in multiple locations. Complex conflicts are likely to require a heavier presence in the capital and a presence in the regions and neighboring countries. In this regard, the HMSB is intended to facilitate the rapid establishment of the initial UN presence on the ground for a period of one year, while the costing of the full mediation team for the first and subsequent years is developed and resourced.
24. An early, and still relevant, critique of this problem is found in de Soto and del Castillo 1994.
25. World Bank 2008b.
26. For discussion of the interaction between human rights and mediation communities, and the progressively greater incorporation of human rights provisions into peace agreements, see Stedman 1996.
27. Stedman 1996.
28. UN 2000, 2011.
29. For instance, the Guatemalan peace accords incorporated significant commitments for gender equity aimed at the elimination of discrimination against women, including the promotion of women’s political participation and their access to education, health, housing, and other resources—a success attributed to the only female member in the peace negotiations. See Potter 2005.
30. UNIFEM, UN Action Against Sexual Violence in Conflict, and UNDPKO 2010.
31. International Alert and Women Waging Peace 2004.
32. A 2010 meeting of anglophone and francophone delegates in Kenya, convened by UNDP, coined the phrase “collaborative capacities” and further refined the institutions relevant to prevention and recovery from violence as “dynamic networks of interdependent structures, mechanisms, resources, values, and skills which, through dialogue and consultation, contribute to conflict prevention and peace-building in a society” (UN Interagency Framework for Coordination on Preventive Action 2010, 1).
33. Commonwealth Secretariat 2006; The Carter Center 2007; UNDP 2010b.
34. Wolpe and McDonald 2006.
35. The WDR’s glossary defines commitment mechanisms as ways to persuade stakeholders that intentions to break with past policies will not be reversed, including creating independent functions



for implementing or monitoring agreements. This follows the common economic definition of commitment mechanisms or commitment devices (e.g., see Dixit 1980, Schelling 1960, and Spence 1977). Doyle and Sambanis (2006, 111) find that treaties and UN missions work in concert and note “a positive (though not large) correlation between UN mandates and the signing of a peace treaty, since treaties are necessary for certain UN operations.” The UN can facilitate peace treaties among parties, and enforce peace when agreements become unstuck as “without a treaty and transformational UN mission, the likelihood of success drops substantially from an initial value of about 80 per cent to less than 5 per cent at extreme values of hostility” (Doyle and Sambanis 2006, 130). See also Human Security Centre 2005; Fortna 2008; Walter and Kydd 2002.

36. Hartzell, Hoddie, and Rothchild 2001.
37. Walter and Kydd 2002.
38. The Extractive Industries Transparency Initiative (EITI) is a coalition of governments, companies, civil society groups, investors and international organizations. It aims to strengthen governance by improving transparency and accountability in the extractives sector through the establishment of a global standard for transparency in oil, gas, and mining. See EITI 2009.
39. The Natural Resource Charter is a set of economic principles for governments and societies on how to best manage the opportunities created by natural resources for development. The charter comprises 12 precepts, or principles, that encapsulate the choices and suggested strategies that governments might pursue to increase the prospects of sustained economic development from natural resource exploitation. See Natural Resource Charter 2010.
40. Additional information regarding Liberia’s Governance and Economic Management Assistance Program can be found in chapter 4, box 4.3.
41. A comprehensive study of 204 cases of sanctions imposed between 1914 and 2006, half of which took place after 1990, found about one-third to be successful (Hufbauer and others 2007).
42. Nossal 1999; Wallensteen and others 2007.
43. Van Genugten and de Groot 1999; Bessler, Garfield, and McHugh 2004.
44. Cortright, Lopez, and Gerber 2002.
45. UN 2006a, 3.
46. CICIG has presented two legal reform packages to the Guatemalan Congress that seek to improve the legal and institutional framework of the criminal prosecution of crimes that fall under CICIG’s jurisdiction. To date, the Congress has approved four essential laws: Law on Arms and Ammunition, Law to Strengthen Criminal Prosecutions, Law on Jurisdiction in High-Risk Criminal Proceedings, and Reforms to the Law Against Organized Crime and Incidents. See CICIG 2009.
47. See, for example, the Lomé Declaration on the Framework for an OAU Response to Unconstitutional Change of Government (Organization of African Unity 2000) and the Inter-American Democratic Charter (OAS 2001).
48. Both the UN and the international financial institutions consider regional stances in their approaches to governments, but no structured mechanisms exist to discuss this with the regional institutions.
49. A major focus of humanitarian assistance in past years has been four deadly disease clusters—acute respiratory infections, diarrheal diseases, malaria, and measles—all of which are major killers in wartime. All are preventable and treatable at very low cost. Worldwide increases in immunization coverage over the past 30-plus years have played a large part in reducing mortality from these diseases. Between 1974 and 2006, coverage for the six major vaccine-preventable diseases rose from less than 5 percent to more than 75 percent of the world’s population. In addition to preventing and treating disease, a significant share of humanitarian aid budgets is devoted to treating severe malnutrition. Fatality rates for severely malnourished children have decreased because of this and better treatment protocols. Peacetime immunization drives, together with the life-saving impact of humanitarian assistance, have all contributed to reducing wartime mortality from disease and malnutrition. See Human Security Report Project, forthcoming; Guha-Sapir and D’Aoust 2010.
50. These exceptions include where branding would “compromise the intrinsic independence or neutrality of a program or materials where independence or neutrality is an inherent aspect of the program and material.” USAID 2009a, 16; 2010.
51. Stoddard, Harmer, and Haver 2006.
52. The “Brookings Process” brought together Office of the UNHCR, UNDP, and the World Bank in 2000 to more effectively address the “gaps” that occur in relief-to-development programs, funding, and strategies.

53. See section on education and health reforms as crucial medium-term challenges in chapter 5. Also see World Bank 2002a, 2008g.
54. Jones, Gowan, and Sherman 2009.
55. U.S. Government Accountability Office 2010b.
56. Garassi 2010.
57. Government of Nepal, UNDP, and UNDG 2010.
58. World Bank and UN 2007.
59. International conflict and fragility assessment frameworks include: United States: Interagency Conflict Assessment Framework, 2009; United Kingdom: Strategic Conflict Assessment; DFID: Conducting Conflict Assessments: Guidance Notes, 2002; SIDA: Manual for Conflict Analysis, 2006; UNDP: Conflict-Related Development Analysis, 2003; USAID: Conducting a Conflict Assessment, 2005; World Bank, Conflict Analysis Framework, 2002.
60. Chandran, Slotin, and Sorensen 2010.
61. U.S. Department of State 2009; DFID 2002.
62. World Bank and UN 2008.
63. OECD-DAC 2010a.
64. World Bank and UN 2007; see also International Dialogue on Peacebuilding and Statebuilding 2010.
65. Strategies produced by Africa Development Bank (Country Strategy Paper 2008–2011); EC (Country Strategy Paper and Indicative Programme, 2008–2013); UN (UN Development Assistance Framework 2010–2014); World Bank (Poverty Reduction Strategy Paper, 2006–2009; 2008 Country Assistance Strategy); Austria (Three Year Program on Austrian Development Policy, 2006–2008); Belgium (Indicative Cooperation Program, 2007–2009, Indicative Cooperation Program, 2010–2013); France (Framework Partnership Agreement, 2006–2010); Sweden (Strategy to Great Lakes Region, including Burundi, 2004–2008); and United States (Strategic Statement 2006–2008). See AfDB 2008; European Commission and Republic of Burundi 2007; Government of Burundi and UN 2009; Republic of Burundi 2006; World Bank 2008e; Austrian Federal Ministry for European and International Affairs 2006; Belgium Development Agency 2006, 2009; French Ministry of Foreign Affairs 2006; SIDA 2005; Government of Burundi 2005.
66. A notable exception to the fragmentation of donor assistance strategies is the preparation of a country assistance framework in the Democratic Republic of Congo. Following the 2006 elections, donors confronted the need to begin planning for the post-election period in a fragile and uncertain political landscape. A joint strategy framework, building on the five pillars identified in the Poverty Reduction Strategy Program, appealed to the Democratic Republic of Congo's partners as a way of mitigating risk while preparing the way for partners to engage in substantive dialogue with the new government on pre-identified and pre-agreed issues as soon as it was formed. Under an initiative by the UN Integrated Office in the UN Democratic Republic of Congo peacekeeping mission and the World Bank, a Country Assistance Framework was developed as a common strategic approach to recovery and development assistance, and was agreed to by 17 international partners. A challenge with such joint donor planning, however, is to keep it flexible enough to respond to new challenges, as subsequently emerged in the Democratic Republic of Congo. See also Rohland and Cliffe 2002; Republic of Liberia and UN 2007.
67. Ashraf Ghani and Clare Lockhart, in *Fixing Failed States*, analyze the issue of establishing legitimacy and closing the sovereignty gap in fragile and conflict-affected states through the lens of “double compact.” The double compact focuses on the “network of rights and obligations underpinning the state's claim to sovereignty . . .” and refers first to the “compact . . . between a state and its citizens . . . embedded in a coherent set of rules,” and second, “between a state and the international community to ensure adherence to international norms and standards of accountability and transparency” (Ghani and Lockhart 2008, 8).
68. Cox and Thornton 2010.
69. Aga Khan Development Network 2003.
70. Fully consistent with the findings of the many development assessments and studies conducted in recent years, including Agence Française de Développement and others 2005 and Commission on Growth and Development 2008.
71. Gowan 2007.
72. These points were made forcefully by ministers of finance from 12 African conflict-affected countries at two post-conflict learning events in 2002 and 2003 (World Bank 2002b, 2003).

73. Kharas 2008.
74. Volatility has costs in all economic activity with expectations, reflected by risk premiums. Losses associated with volatility can come in the form of additional costs of financial management; the opportunity costs of idle funds (windfalls) or missed investment opportunities (shortfalls); the costs associated with over borrowing and debt buildup when there is uncertainty about amount needed and concessional credits are used; and the costs associated with volatility in fiscal spending and the real exchange rate that can follow from volatility in aid (Kharas 2008). These costs can be further amplified by donor “herding” behavior, which is often more responsive to political instability and violence. Additionally, the costs of shortfalls may be higher in fragile and conflict-affected states. While an aid shortfall in a typical developing country may lead to the costs above, in a fragile or conflict-affected state, such a shortfall may completely derail transition moments, interrupting reform and possibly leading to political crises.
75. Birdsall and others 2010.
76. Council for the Development of Cambodia 2010.
77. Killick, Castel-Branco, and Gerster 2005.
78. Some forms do travel well, however. For instance, secret ballots and the separation of women and children from men in jails support principled outcomes in most situations.
79. Special Inspector General for Iraq Reconstruction 2009, 326. However, the international community has supported many best-fit measures in complex conflict settings (see chapter 5). As further examples, in 2003–04, while conditions for comprehensive disarmament in Haiti were not in place, UNDP undertook an innovative project that linked disarmament to a community approach involving information campaigns, support to community conflict-resolution mechanisms, and microprojects benefiting community groups as well as former members of armed gangs. In the West Bank and Gaza since 2002, the World Bank and several donors have been financing non-salary recurrent expenditures of the ministries of Health, Education and Higher Education, and Social Affairs through the Emergency Services Support Program MDTF in response to a deepening fiscal and economic crisis.
80. See Collier 2007.
81. These attributes include, for example, the quality and experience of the experts (governments should expect and receive highly competent and committed professionals able to work in difficult environments); a simple and well thought out program that can be implemented quickly; effective coordination among donors to ensure consistent policy advice; the participation of national champions to move the process along; and links to specific programs (so that advice and training reinforces new initiatives) (World Bank 2000).
82. Waldman 2008, 10; Michailof 2007.
83. Institute for State Effectiveness 2007.
84. OECD 2008.
85. National Academy of Public Administration 2006.
86. Civilian surge capacity is typically classified as *standing capacity* (can be in-country within 72 hours of need, and remain deployed for a minimum of 60 days); *standby capacity* (can be in-country within 60 days, and remain deployed for a minimum of 180 days); and *rostered capacity* (can be in-country within 180 days, deployment term subject to contract) (see Chandran and others 2009; Sisk 2010; Korski and Gowan 2009). Australia’s International Deployment Group (IDG), for example, is a standing corps of more than 500 Australian federal police officers trained and ready to deploy on peacekeeping missions (see Peake and Brown 2010). The U.S. Office of the Coordinator for Reconstruction and Stabilization is building up a civilian standby capacity of interagency personnel.
87. For example, the United States, the United Kingdom, EU, and Australia.
88. UN, forthcoming.
89. See Baird 2010.
90. Of the different forms that South-South cooperation has taken, technical assistance has been the most common. Although many technical assistance projects focus on economic and social development, countries in the Global South have also developed specialized capacities in post-conflict peacebuilding. Examples include South Africa’s support to build structural capacities for public service through peer learning among public sector schools (Management Development Institutes) at the Ministries for Public Administration in Burundi, Rwanda, and Southern Sudan. Cooperation among 45 municipalities in El Salvador, Guatemala, and Honduras helps to manage regional public goods, such as water, in the Trifinio region. See OECD 2010f.

91. In 2008, the African Development Bank Group (AfDB) established the Fragile States Facility (FSF) to “effectively assist eligible fragile states to consolidate peace, stabilize economies and lay foundations for sustainable poverty-reduction and long-term economic growth” (AfDB 2011, 1). The FSF has three grant pillars: Pillar I, the supplemental support window for funding infrastructure, state capacity building, and accountability; Pillar II, the arrears clearance window; and Pillar III, the technical assistance and capacity-building window. Eligible states are those that have a harmonized AfDB/World Bank CPIA rating of less than 3.2, or countries that have had UN or regional peacebuilding, peacekeeping, or mediation operations over the last three years. Pillar III provides technical assistance and capacities aimed at filling critical gaps in carefully selected public sector domains through secondment of seasoned professional staff from neighboring countries and on-the-job training opportunities with the objective of building a sustainable cadre of senior civil servants—fragile states that have the capacity in management and implementation of reforms. The program is usually implemented as integrated components of comprehensive capacity-building plans. By March 2010, this South-South cooperation facility had received resources in the amount of UA (Units of Accounts) 85.39 million, equivalent to 13.2 percent of the total FSF resources (AfDB 2010, 5).
92. Viva Rio negotiated a peace accord among 14 rival groups, and the homicide rate in Bel Air fell from 26 per 100,000 in 2006–07 to 17 in 2008–09, lower than in any other major Latin American city (OECD 2010f).
93. See UNPBSO 2010.
94. OECD 2010f.
95. UN, forthcoming.
96. For instance, nearly a third of the “peace and development advisers” who are jointly deployed by UNDP and UNDPA to build such capacities in violence-affected countries are either former internal mediators or facilitators from the “Mont Fleur” visioning exercise in South Africa, which was implemented with discrete UN assistance, or have been trained by them. See UNDP 2010a.
97. Funding provided through the Office of the Transition Initiatives at USAID is one example. This transition funding is not subject to the same policies and procedures as other financing provided by USAID. DFID’s Middle East and North Africa Department has created a Program Risk Assessment Matrix that assesses risk factors in conflict programming. The EU is currently developing a framework for analyzing the risks associated with budget support to fragile states.
98. For Cambodia, see Jones 2009. For Liberia, see World Bank 2010k.
99. International Dialogue on Peacebuilding and Statebuilding 2010, 9.
100. Colletta and Tesfamichael 2003.
101. Colletta and Tesfamichael 2003.
102. World Bank 2007a.
103. World Bank analysis prepared for the 2009 workshop in Kinshasa on aid effectiveness.
104. OECD-DAC 2008.
105. Azam, Devarajan, and O’Connell 2002; Bräutigam 2000.
106. UN, forthcoming.
107. Etzioni 1999. The United States, for example, uses several layers of police agencies, most of them under local government control, while many European countries favor national police forces with specialized divisions. The principles underlying security provision can also be quite different in otherwise similar societies: the ubiquitous use of street cameras to track civilians in a number of European cities would be considered invasive in the United States, where history and tradition privilege individual privacy.
108. Lemay-Hébert 2009; Graydon 2005; Greenfell 2006; Wisler 2005; Vetschera and Damian 2006.
109. UNPOL 2011.
110. For a review of the characteristics of the post-conflict private sector and the ways in which the development community can engage with it, see Mac Sweeney 2008.
111. For instance, the International Finance Corporation (IFC) has worked with Nestlé and ECOM, a soft commodity trading company, to support small-scale farmers in the coffee sector around the world (with a mix of investment and advisory interventions) and partnered with Standard Chartered Bank to strengthen practical business skills of small and medium entrepreneurs in Pakistan. IFC also partnered with the BBC in Afghanistan on a series of radio “edutainment” programs that combine education with entertainment on issues such as unemployment, lack of infrastructure, and inadequate service provision and aimed to raise awareness of the benefits of small business enterprises and provide practical information on small-business-related issues. A recent audience

feedback survey found that listeners are learning, through storylines and the experiences of others, how to start small businesses and generate income, and that many have acted upon information in the programs to improve their own financial situation (BBC World Service Trust 2010).

112. OECD and WTO 2008; Kawai and Takagi 2004; Davies and others 2008; Meidan 2006.
113. Battle 2008; World Bank 2011b.
114. OECD-DAC 2007b.
115. World Bank and AfDB 2010.
116. Precisely because the budget is a tool for political bargaining, when the government has few resources available to it within a budget, its scope for negotiating inclusive-enough pacts is diminished. Diminished also is its ability to balance the process of building more inclusive institutions, for which social service delivery is an important tool (see also Ghani, Lockhart, and Carnahan 2005).
117. See Boyce and Forman 2010; Porter, Andrews, and Wescott 2010.
118. For a description of the Holst Fund in West Bank and Gaza, see Schiavo-Campo 2003.
119. Mondo 1995; Colletta, Kostner, and Wiederhofer 1996.
120. For Angola, please see World Bank 2009c. For Guinea-Bissau, see Arzeni, Cesanelli, and Pes 2004.
121. Scanteam 2010; Garrasi 2010.
122. OECD 2010i; Scanteam 2010; Garrasi 2010.
123. Boyce and Forman 2010.
124. OECD 2010i; Scanteam 2010; Garrasi 2010.
125. OECD 2010i.
126. Garrasi 2010.
127. See Harbom and Wallenstein 2010.
128. See Roberts 2010 for a discussion of the Iraq estimates and Butty 2010 for a similar discussion with Andrew Mack of Human Security Report Project on estimates for the Democratic Republic of Congo, 1996 to present.
129. See Conflict and Development Programs in Indonesia website (<http://www.conflictanddevelopment.org>) for up-to-date information on conflict and violence in Aceh.
130. One example is monthly monitoring of Palestinian perceptions on political, economic, and social conditions by Near East Consulting, <http://www.neareastconsulting.com>.
131. Scheye and Chigas 2009; Agoglia, Dziedzic, and Sotirin 2008.
132. *DRC Speaks!* is a geo-polling project utilizing cell phone technology to conduct surveys. It was created by Mobile Accord in conjunction with the WDR, and with generous donations of SMS by Vodacom Congo. Using SMS through cell phones, the project allowed more than 140,000 Congolese to share, without any filters, their thoughts, feelings, and concerns.