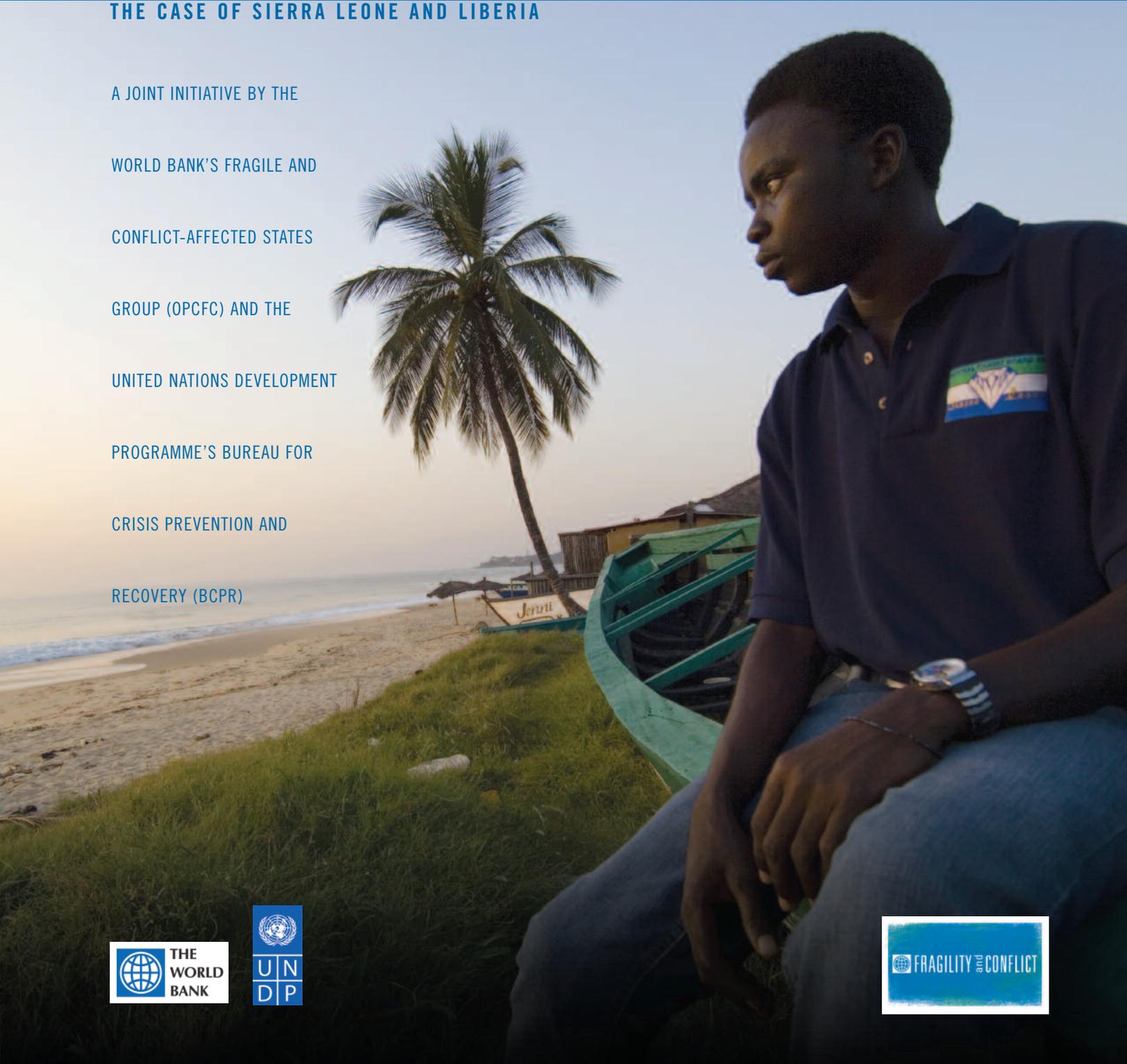


# STATE-BUILDING

## KEY CONCEPTS AND OPERATIONAL IMPLICATIONS IN TWO FRAGILE STATES THE CASE OF SIERRA LEONE AND LIBERIA

A JOINT INITIATIVE BY THE  
WORLD BANK'S FRAGILE AND  
CONFLICT-AFFECTED STATES  
GROUP (OPCFC) AND THE  
UNITED NATIONS DEVELOPMENT  
PROGRAMME'S BUREAU FOR  
CRISIS PREVENTION AND  
RECOVERY (BCPR)





# CONTENTS

STATE-BUILDING:  
KEY CONCEPTS  
AND OPERATIONAL  
IMPLICATIONS  
IN TWO FRAGILE  
STATES

BY SUE INGRAM

page 3

## 1. INTRODUCTION

4

## 2. KEY CONCEPTS IN THE DISCOURSE ON STATE-BUILDING AND FRAGILITY

- 4 2.1 State-building as a response to fragility
- 6 2.2 What do we mean by state-building?
- 7 2.3 Building blocks for state functioning
- 8 2.4 What makes state-building different in fragile states?

10

## 3. USING A STATE-BUILDING LENS TO INFORM PRACTICE

- 10 3.1 Assessing programming approaches using a state-building lens: Sierra Leone and Liberia
- 12 3.2 Operational considerations highlighted by the country missions
  - 12 3.2.1 Invest in developing a broadbased understanding of the political economy and the drivers of state-building
  - 14 3.2.2 Consider how programming may impact on the political settlement and the political processes underpinning it, and possible downstream consequences
  - 20 3.2.3 Consider the impact of aid modalities on state-building
  - 24 3.2.4 Think and work system-wide, and for the long term
  - 26 3.2.5 Match the development approach to the context
  - 29 3.2.6 Take ethical responsibility for champions in contested environments

31

## 4. WHAT CAN AN OVERWORKED COUNTRY OFFICE DO?

# BOXES

- page 9 **BOX 1:** Sources of legitimacy
- 15 **BOX 2:** Constitutional revision
- 17 **BOX 3:** Electoral jockeying in Sierra Leone and Liberia
- 21 **BOX 4:** UN Joint Vision and Multi-Donor Trust Fund for Sierra Leone
- 22 **BOX 5:** Elements of the parallel public sector in Sierra Leone
- 23 **BOX 6:** Governance and Economic Management Assistance Program (GEMAP)
- 27 **BOX 7:** The politics of exclusion
- 28 **BOX 8:** Anti-Corruption Commissions





# 1. INTRODUCTION

This paper aims to provide a very distilled summary of the concepts shaping the discourse around state-building in fragile, conflict-affected situations, and to explore some of the operational implications for international development practitioners working in these settings, drawing on experience from two post-conflict countries.

The paper arises out of a collaboration between UNDP's Bureau for Crisis Prevention and Recovery and the World Bank's Fragile and Conflict-Affected Countries Group to strengthen their analytical work and guidance to country offices in the area of state building, and to extend inter-agency cooperation at headquarters and field level. As part of this collaboration, the two groups agreed to jointly undertake two country studies to look at specific aspects of state-building and the wider lessons this work might suggest for future engagement on state-building in other fragile settings. The selection of the case studies sought two different contexts where state fragility shaped the development approach, including one country with an integrated peacekeeping mission, where both UNDP and World Bank Country Offices were ready to engage with the initiative, and where there was the potential to build on ongoing and planned activities in the areas of state and institution building. Applying these criteria, Sierra Leone and Liberia were identified.

This paper, and the operational guidance it proposes, is a product of the missions to Sierra Leone and Liberia, and its principal audience is country office staff in fragile and con-

flict-affected settings. It is not meant as the definitive word on state-building—this work is being undertaken through other processes.<sup>2</sup> Nor should it be seen as an assessment of the programs of UNDP and the World Bank in Sierra Leone and Liberia: neither the terms of reference for the country missions nor the methodology used would support such an assessment. Rather, the ideas set out here are an ex-post facto distillation of insights into state-building gained from the two missions—an opportunity to reflect more broadly on the complex and often unpredictable interplay at work where local and international actors engage in this domain.

The material in this paper is organised around four themes:

- Current concepts and theory on state-building;
- Our practical experience with applying a state-building lens to specific aspects of programming in Sierra Leone and Liberia;
- Some operational considerations on approaching state-building in fragile, conflict-affected settings; and
- Proposals for what an overworked country office can do to support state-building.

This paper sits alongside a detailed report on “Donor Support for Capacity Development in Post-Conflict States: Reflections from Two Case Studies in West Africa” which was also developed as part of the UNDP-World Bank collaboration and field missions.

## 2. KEY CONCEPTS IN THE DISCOURSE ON STATE-BUILDING AND FRAGILITY

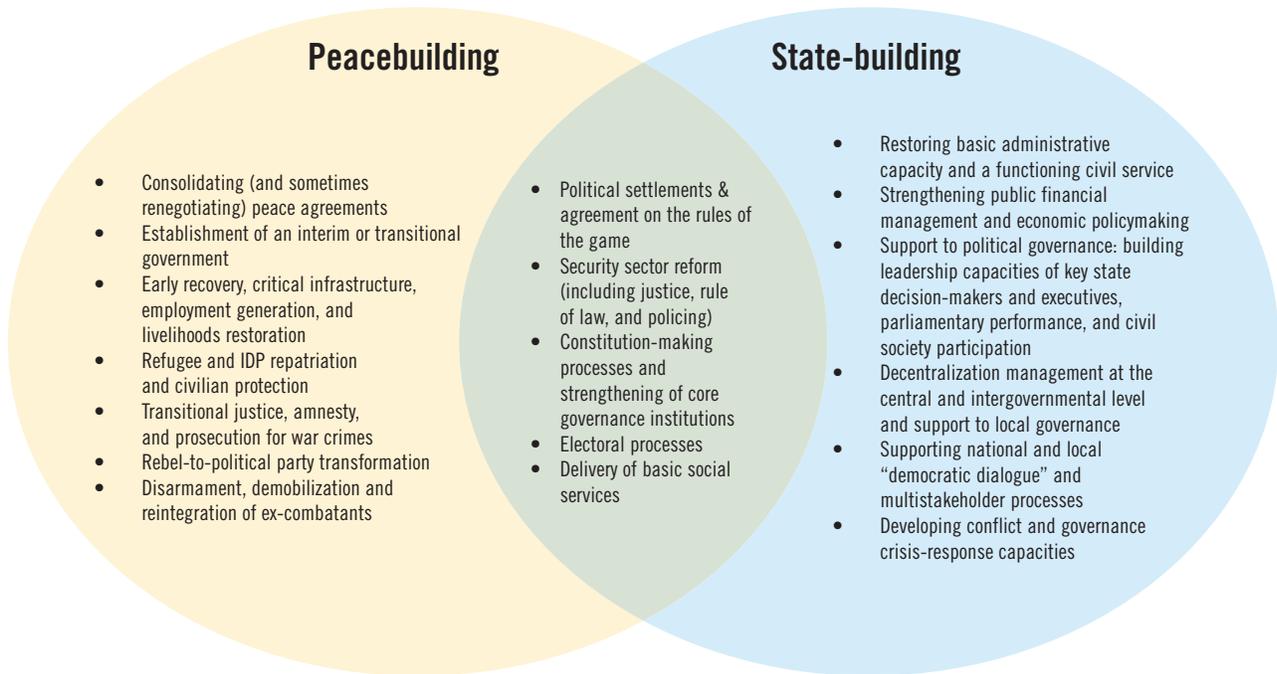
### 2.1 STATE-BUILDING AS A RESPONSE TO FRAGILITY

**F**or the last decade, the international community has been preoccupied with the consequences of state fragility, which directly threatens the security and wellbeing of populations within the territory of the state and wider regional and global security, and seriously retards progress towards achieving the Millennium Development Goals.

While there is no firm consensus on precisely what defines a fragile state or situation, there is broad agreement on the essential attributes, including weak institutions and governance systems, and a fundamental lack of leadership, political will and/or capacity to deliver on key public goods, especially in terms of protecting the poor (Rocha Menocal 2009, p3; OECD 2010, p146;). The state-building agenda is a



FIGURE 1: COMMON TASKS IN PEACEBUILDING AND STATE-BUILDING IN THE POST-CONFLICT PERIOD



(NB: this is a representative, not an exhaustive, list, depicting common tasks in peacebuilding and state-building as currently practiced)  
Source: Wyeth and Sisk, 2009, p16

direct policy response to these conditions.

In 2007, the OECD published its *Principles for Good International Engagement in Fragile States and Situations*. These positioned state-building as the central objective in addressing fragility. *The Principles* emphasise that international engagement should aim to build the relationship between state and society, concentrating on two main areas: first, supporting the legitimacy and accountability of states and, second, strengthening the capacity of states to fulfil their core functions.

Fragility is often—although not necessarily—associated with conflict, which is both a cause and an effect of fragility. As a result, the discourse on state-building has been significantly developed against the backdrop of countries emerging from conflict, and the analysis of state-building and peacebuilding often go hand in hand. The two should not, however, be conflated. While they share some fundamental attrib-

utes, they remain two very distinct processes and may, at times, pull in quite different directions (Rocha Menocal 2009, p14; Wyeth and Sisk 2009, p1). Their complementary domains are summarised in Figure 1 (taken from Wyeth and Sisk 2009, p16).

While peacebuilding aims to create the conditions for stability, this is not in itself sufficient to overcome fragility. Lasting stability can only come through resilience. Resilience—that is, the ability to cope with internal and external shocks—is characterised as the opposite of fragility (OECD 2008b, p12) and it is the condition of resilience that will stop a country from spinning back into conflict when under pressure. Positive state-building, predicated on inclusive political processes, is seen as an important component of the process by which states move from fragility to resilience (OECD 2008a).

## 2.2

### WHAT DO WE MEAN BY STATE-BUILDING?

**STATE-BUILDING IS STILL QUITE A NEW AREA** of development theory, with extensive analytical work currently underway to tease out the concepts, processes and operational responses. As for the term “fragility,” there is no settled definition of the term “state-building.” At its most value-neutral, state-building “is the process through which states enhance their ability to function” (Whaites 2008, p4). Most definitions are more normative, and converge around several common elements. These are captured in a recent OECD definition which characterises state-building as:

**an endogenous process to enhance capacity, institutions and legitimacy of the state driven by state-society relations.** (OECD 2008a)

A subsequent DFID policy paper adds an important gloss to this definition:

**In all contexts, state-building is principally about strengthening the relationship between the state and society, and developing effective ways to mediate this relationship.** (DFID 2009, p4)

This gloss is the key to understanding the fundamental paradigm shift that the state-building discourse embodies. When we unpack the elements of the definition, they all turn on this essential dynamic:

- State-building positions state-society relations – the social contract—at centre stage;
- Because it is operating at the interface between state and

society, state-building is quintessentially political in character: it is about how power and authority is used, and in whose interests;

- State-building is not a technical process but a transactional one: it is essentially concerned with **how** the state interacts with society i.e. its legitimacy, responsiveness and accountability; and
- State-building is principally an endogenous process, shaped by national actors.

These elements—which are discussed further below—in turn inform the objectives and approaches of state-building interventions.

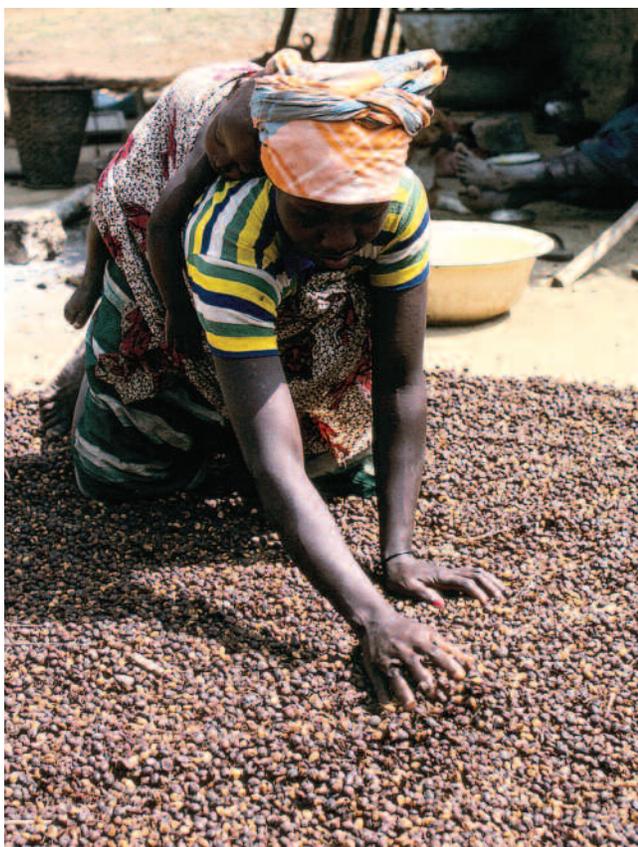
The **social contract** is central to the discourse on state-building. At its most elemental, this goes back to the Enlightenment concept of the individual surrendering personal sovereignty to the collective state in exchange for the maintenance of social order through rule of law. Over several centuries of European state-building, society's expectations of the state and the state's expectations of its citizens have expanded from the most basic bargain of taxation in return for territorial security to a much broader suite of benefits and protections (OECD 2008b, Annex A). Locked into this is the notion of mutual responsibility and accountability: the American revolutionary slogan “no taxation without representation” captures the spirit. Inclusive social bargaining around the construction of the social contract deepens its legitimacy, and platforms and processes that foster participation in the ongoing negotiation of the common weal help to maintain its vigour.

State-building is “founded on **political processes** to negotiate state-society relations and power relationships among elites and social groups” (OECD 2008a, emphasis added). These processes determine the character of the engagement between citizens and the state, and the extent to which states are able to effectively negotiate and respond to societal expectations without recourse to violence. Where there is a mismatch between expectations and performance, it can result in political tensions that may play out in instability or lead to a renegotiation of the political settlement (OECD 2008a, OECD 2010, p151).

A state-building perspective emphasises that functioning institutions depend not only on their technical design, but on the social context within which they operate. “Formal institutions need to be rooted in society otherwise they risk becoming mere shells or being captured by private or patrimonial

interests” (OECD 2008a, para 10). This reflects directly on **how** the state performs and **how** it engages with society: its responsiveness to the interests and expectations of citizens; its accountability to them for the way it exercises the powers conferred upon it; and the legitimacy with which it acts i.e. the level of popular acceptance of its actions. While these elements have also formed part of the discourse on governance, the concept of legitimacy in particular has assumed greater prominence in the analysis of state-building. Lack of legitimacy is seen as a major contributor to state fragility because it undermines state authority, and therefore capacity (OECD 2010b, p7).

As an **endogenous** process, state-building is something that is done from within. Outsiders such as international development partners can at best try to promote the process, but they cannot drive or control it. This presents a dilemma for international partners: how and how far can they seek to use development assistance to guide what are essentially internal processes (Wyeth and Sisk 2009, p5). Another common dilemma is how best to engage where the political process is dominated by an elite which patently governs in its own interests. What, then, are the entry points for international partners to guide the state-building process in a benign direction without inadvertently shoring up the interests of elites at the expense of the wider society?



## 2.3

### BUILDING BLOCKS FOR STATE FUNCTIONING

**WHILE THE CONCEPTUAL MODELS FOR STATE-BUILDING** are still evolving, one commonly applied framework is structured around the basic building blocks for state functioning (see, for example, Whaites, Fritz and Rocha Menocal and DFID). These are:

- the political settlement
- essential capabilities which the state must have to survive; and
- expected capabilities which citizens look to the state to provide, and which shore up its legitimacy.

The **political settlement** is “the forging of a common understanding, usually among elites, that their interests or beliefs are served by a particular way of organising political power” (Whaites 2008, p4). Settlements are represented as spanning the continuum from negotiated peace agreements to long term accommodations, usually enshrined in a constitution (Brown and Gravingholt 2009, p5). In essence, the settlement spells out the rules of the game, providing the institutional underpinning for state functioning.

There is a convergence of thinking around the **essential capabilities** of the state as:

- the maintenance of security across the territory;
- establishment and maintenance of the rule of law; and
- collection of revenue to finance state functions.

Without these capabilities, the state cannot establish effective dominion over its territory and even minimally satisfy its side of the social contract.

The **expected capabilities** of the state, and the extent of their scope and performance, will vary widely from society to society. Two areas of capability which consistently recur in the literature are:

- developing and managing the conditions for economic growth; and
- basic service delivery and livelihood security.

The characterisation of capabilities as essential or expected does not imply that the former are paramount or the first priority in state-building. Delivery of the expected capabilities helps to create the conditions of social and economic wellbeing that contribute to internal stability and resilience in the longer term.

While there is broad agreement around what constitutes basic state functioning, there is considerably less confidence about how to put it into practice beyond the traditional, “technical” response of working with state actors to build capacity. “Evidence-based knowledge about ‘what works’ in building and reforming states is surprisingly limited, despite the numerous ‘public administration reform’ and ‘capacity building’ projects that donors have supported” (Fritz and Rocha Menocal 2008, p6).



## 2.4

### WHAT MAKES STATE-BUILDING DIFFERENT IN FRAGILE STATES?

**THE NUMBER OF STATES HAS TRIPLED** over the last sixty years<sup>3</sup> as a result of the decolonisation of the European empires in Africa, Asia and the Pacific, and more recently the breakup of the Soviet Union and the former Yugoslavia. Almost all the countries included in the rollcall of fragile states have emerged in this period.<sup>4</sup> In many of these fragile states, there was little or no sense of shared national identity at the time of their formation, the underpinning social contract for the state was weak or non-existent, and shifting elite alliances have been left largely unchecked by the formal institutions to govern in their own interests. These factors contributed to the conditions for fragility.

In fragile states, the gap between the model of the rational-legal bureaucratic state of academic literature and development practice and institutional forms on the ground is often very wide. These differences emerge along several axes:

- **In fragile states, several systems operate alongside each other: the formal, the informal and the customary.**

While in the Western state the formal system is preeminent and there is a clear separation between public and private spheres, state-society relations elsewhere are more likely to be influenced by informal and customary rules, and personal relations based on kinship and community provide the basis of trust and the channel for accessing political and economic benefits (OECD 2010b pp8-9). In many areas, day to day activities may be framed and arbitrated within customary rules rather than within the rules of the formal system. Donors, on the other hand, largely engage with the formal system.

- In fragile states, the sources of legitimacy play out differently to the pattern seen in western states.

The four sources of legitimacy widely discussed in the literature—input or process legitimacy; output or performance legitimacy; shared beliefs; and international legitimacy—are summarised in **Box 1**. While none of these sources of legitimacy exists in isolation, and no state relies solely on one of them, their interaction is critical to how state-society relations play out in a particular context, and impacts on fragility (OECD 2010b p12). Donors tend to focus on process and performance legitimacy; this, however, can be hard to achieve given the characteristics of fragile states (ODI 2009, p2).

- In fragile states, the state is generally unable to establish itself as the highest political authority and to penetrate and shape society.

This can manifest as a very limited territorial reach beyond the national capital and main urban centres, as very limited capacity to take and execute decisions that bind the society as a whole, or as a very limited range of public goods. This translates into heightened conflict and social contestation, regions of lawlessness, incapacity to raise revenue and provide even a minimum level of public goods, and extreme levels of human insecurity.



BOX 1

## SOURCES OF LEGITIMACY

### INPUT OR PROCESS LEGITIMACY

When the legitimacy of the state is tied to agreed rules of procedure through which the state takes binding decisions and organises people's participation. In Western states these rules will be mainly formal (usually enshrined in the constitution). In traditional political orders, process legitimacy will be based on customary law or practice.

### OUTPUT OR PERFORMANCE LEGITIMACY

Defined in relation to the performance, effectiveness and quality of services and goods that the state delivers.

### SHARED BELIEFS

Including a sense of political community, and beliefs shaped by social practices and structures, political ideologies, religion and tradition that allow people to see the state or other form of public authority as the overarching, rightful authority.

### INTERNATIONAL LEGITIMACY

Recognition of the state's sovereignty and legitimacy by external actors, which in turn has an impact on its internal legitimacy.

From OECD 2010b, pp11-12.

### 3.

## USING A STATE-BUILDING LENS TO INFORM PRACTICE

Sierra Leone and Liberia are small states on the coast of West Africa which share a common border and certain parallels in their colonial and post-colonial history. Territory in both was acquired around two centuries ago to resettle former slaves, and in both countries a profound political, economic and cultural gulf developed between the occupied coastal settlements and the indigenous interior. While Sierra Leone became and remained a British colony until 1961, in 1847 Liberia became the first independent black African state, albeit one ruled by a small Americo-Liberian oligarchy to the exclusion of the interests of the indigenous population. The histories of the Sierra Leone and Liberia again

### 3.1

## ASSESSING PROGRAMMING APPROACHES USING A STATE-BUILDING LENS: SIERRA LEONE AND LIBERIA

converged during a decade of violent civil conflict in the 1990s, fuelled by a cross-border trade in guns and diamonds.

Poor governance and fourteen years of civil war transformed Liberia from a middle income country—albeit one where growth did not translate into development<sup>5</sup>—to one of the poorest countries in the world. GDP fell 90 percent between 1987 and 1995, one of the largest economic collapses ever recorded, and by the end of the conflict external debt stood at 800 percent of GDP, making it proportionately one of the most indebted countries in the world. One third of the population was displaced over the course of the conflict, and around ten percent of the population died. A comprehen-



sive peace agreement was signed in 2003 which provided for the establishment of a National Transitional Government and the deployment of a UN peacekeeping force. A large UN Peacekeeping Mission remains in place.

Sierra Leone was similarly impoverished by decades of unstable autocratic governments serving the interests of a narrow political elite and by the predations of the civil war. In the course of the nineties, the economy contracted by an average 7.1 percent annually and the government ran up massive budget deficits. Half the country's population was displaced during the conflict, and around two percent lost their lives. A peace accord was signed in 1999 establishing a transitional government, and a UN peacekeeping mission was deployed. This was replaced by a UN Integrated Office in 2005 and subsequently by the UN Peacebuilding Office—the first of its kind—in 2008.

As countries emerging from conflict,<sup>6</sup> both Liberia and Sierra Leone confront magnified challenges associated with the volatile transitions from war to democracy, the appalling extent of social dislocation and brutalisation that accompanied the conflicts, and the overshadowing role of UN peacekeeping operations as an initial point of engagement by the international community. Both countries sit close to the bottom of the Human Development Index, and both perform poorly on the Country Policy and Institutional Assessment that provides the basis of the World Bank's classification of states as fragile (World Bank 2006, p4).<sup>7</sup>

Both the World Bank and UNDP Country Offices in Sierra Leone and Liberia agreed to collaborate with the fragile states teams in their respective headquarters to hold their programming up to a state-building lens. While none of the four Country Offices had a state-building strategy as such, a number of their programs were seen to be contributing broadly to state-building processes and in each country the two offices together identified specific entry points to be considered by the joint field missions. A further consideration in the nomination of entry points was that they should engage complementary programming interests of the World Bank and UNDP.

The Country Offices in Sierra Leone nominated the following entry points:

- Public sector reform;
- Support to Parliament;
- Decentralisation and local government; and
- The effectiveness of program implementation units.

Entry points nominated by the Liberian Country Offices were:

- Rule of law;
- Sub-national state-building; and
- Support to the legislature.

A small team made up of World Bank (Fragile and Conflict-Affected States Group) and UNDP (Bureau for Crisis Prevention and Recovery) headquarters staff and two consultants (state-building and capacity development) visited Sierra Leone and Liberia for two weeks each<sup>8</sup> to study the entry points nominated by the Country Offices, using a state-building lens. This is perhaps a rather heroic description for what was still an inchoate frame of analysis. Broadly and in part intuitively, we approached the task using several points of reference:

- Backgrounding on the political history and political economy to inform the context in which programming is anchored;
- A consideration of how programming was positioned within and contributed to the political settlement;
- A consideration of how programming contributed to the development of state capacity;
- A consideration of how programming responded to social expectations of the state, both in terms of what the state does, and how it does it (using accountability as a default measure of the integrity of the social compact); and
- A consideration of how programming aligned with and supported perceptions of legitimacy (e.g. the formal justice system may be seen as inaccessible, inappropriate, corrupt and “unjust” by local communities who find much greater legitimacy in customary law).

In the limited window of time, the exercise was more an opportunity to test the usefulness of the parameters than to apply them in any systematic way to build up an overall picture of state functioning and explore entry points for future work. Nonetheless, the use of a state-building lens provided a useful way of understanding the impact both of current areas of work and prospective priorities, and the findings are set out in the country reports prepared immediately following the missions.

The exercise argues for the merits of looking at specific areas of programming through a state-building lens as a straightforward means of engaging with this discourse, improving program impact and avoiding “doing harm.” It also argues for the value of commissioning a broader assessment of state-building and associated entry points – something this exercise was not able to do.

## 3.2

### OPERATIONAL CONSIDERATIONS HIGHLIGHTED BY THE COUNTRY MISSIONS

**THIS SECTION DISCUSSES SIX POINTS** of operational guidance highlighted by the missions to Sierra Leone and Liberia:

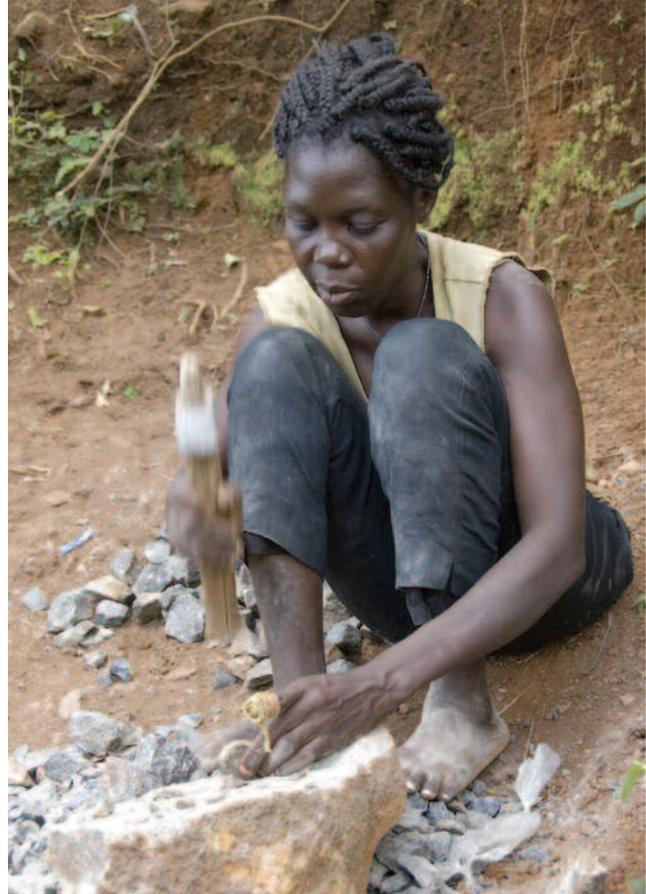
- Building a broadbased understanding of the political economy and the drivers of state-building;
- Understanding how programming may impact on the political settlement and the political processes underpinning it, and possible downstream consequences;
- Understanding the impact of aid modalities on state-building;
- Working system-wide and for the long term;
- Matching the development approach to the context; and
- Taking ethical responsibility for champions in contested environments.

These six areas of guidance are discussed further below.

### 3.2.1

#### Invest in developing a broad-based understanding of the political economy and the drivers of state-building

**THE FIRST OF THE OECD'S** *Principles for Good International Engagement in Fragile States and Situations* (OECD 2007) is “take context as the starting point.” The accompanying text emphasises the need for international actors to understand the specific context in each country and to use political analysis to adapt international responses to country and regional



contexts. This call is consistently and forcefully repeated across the contemporary literature on state-building.

Because state-building is quintessentially political and endogenous, it has to be approached as such. To engage effectively in support of state-building, it is essential to understand the colonial and post-colonial history of the country, the institutional legacies, the economic and societal profile of the country, the character and nature of the interaction between the formal, informal, traditional and shadow systems, who the players are and what they stand to gain or lose from change, where the fault lines are in the society and the root causes of conflict past and present. Without this knowledge, we are flying blind, and may inadvertently do real harm:

“In almost all cases, the biggest risks of doing harm in state-building emerge from a lack of deep and detailed historical and local knowledge of the political processes, political settlements, patterns of state-society relations and sources of legitimacy in the countries where donors are operating. While in many countries where donors are operating the costs of gaining this type of knowledge may be too high to be justified, in fragile states the costs of not having such in-depth knowledge are far too high.” (OECD 2010a, pp120-121)

One approach to building understanding of context is to commission a political (or political economy) analysis. DFID led the pack with its *Drivers of Change* studies which consid-

er the dynamic interaction between three sets of factors: structures, institutions and agents (DFID 2009b, p9). Many other donors have developed broader governance assessment tools which, in some instances, include significant elements of political analysis.<sup>9</sup> In other circumstances, one-off studies are commissioned to contextualise a particular area of development, such as sub-national governance.

While the tools and studies have proliferated, a question mark hovers over their impact. As yet there appears to be little evidence that political analysis is prompting donors to question underlying development assumptions (Unsworth 2008), and the challenges of linking analysis to action and establishing the right incentives to ensure that findings are put into practice operationally are frankly acknowledged (DFID 2009b, p24).

In Sierra Leone, the mission had access to two political economy analyses—a Drivers of Change study undertaken by DFID, and a World Bank Report on *Governance and Political Economy Constraints to World Bank CAS Priorities in Sierra Leone*. Although no similar studies were available for Liberia, for both countries the team had access to a rich stream of information and analysis embedded within PRSPs, country assessments, program documents, Truth and Reconciliation Commission Reports, Security Council reports, academic publications,<sup>10</sup> and reports from authoritative international organisations and think tanks such as the International Crisis Group, the Centre for Humanitarian Dialogue and the Carter Center.

Increasingly, such material is publicly available or shared within the development community. The Accra Agenda for Action commits donors to conducting joint assessments of governance and the causes of conflict and fragility, engaging with developing country authorities and other relevant stakeholders to the maximum extent possible (Article 21), and DFID has committed to conducting its political economy analyses wherever possible with the wider development community to encourage shared understanding and joint action (DFID 2009b, p1).

The most recent guidance on conducting political assessments emphasises that they should not be a one-off exercise, but a dynamic process where knowledge is continuously updated over time and fed back into programming (DFID 2009b, p20). Consistent with this, donors have been encouraged to invest more heavily in “the generation and dissemination of good quality, accessible local data and related policy analysis” (Unsworth 2008). Importantly also, political



## BUILDING A BROAD-BASED UNDERSTANDING OF THE POLITICAL ECONOMY

- Access/commission political economy analysis and act upon the intelligence that the analysis provides;
- Engage with others in-country who are analysing the country context and institutional developments, and share information;
- Consider establishing a network of actors who are authoritative on local context and engage with them regularly to ground truth political and social developments with a view to identifying implications for current and future programming.

## KEY MESSAGES

analysis is not simply the province of the visiting expert commissioned to produce a report. Particularly in fragile contexts which are in a state of flux and where analysis can quickly become out of date, programme staff should be thinking about issues around incentive structures, becoming familiar with the major players, looking for emerging change agents

and identifying who stands to gain or lose from particular developments. This in turn suggests that staff should spend significantly more time in-country in order to gain an understanding of the political and social dynamics of the environment within which they are working (Unsworth 2009).

In Sierra Leone, the team was impressed by the approach of the integrated UN Peacebuilding Mission to sharing ongoing political analysis and reporting across the UN system, with the heads of the political and civil affairs units of the Mission included in the regular meetings of UN agency heads. Political affairs units within UN missions are a useful source of analysis and day to day political reporting, and it is important that development personnel involved in state-building ensure they have continuing access to these and other sources of analysis and interpretation in order to “ground truth” developments as they unfold and assess the impact on current and planned programming decisions.

While political analysis is of its very nature potentially sensitive, there are also sound arguments for involving local actors in its development and sharing assessments with government and national partners where feasible. This can only help to make for a more productive exchange in arriving at common understandings. There is rarely a single version of reality, so it is important to understand all major perspectives and to bring them to the discussion. DFID, one of the strong advocates of analysis, suggests that the scope for engaging government and national partners be judged on a case by case basis: “In difficult political environments, full disclosure of findings may serve to undermine relationships and fuel tensions. However, in more permissive contexts, the benefits of working with national governments and other partners can often outweigh the costs.” (DFID 2009b, p22)



### 3.2.2

## Consider how programming may impact on the political settlement and the political processes underpinning it, and possible downstream consequences

**THE SECOND OF OECD'S** *Principles for Good International Engagement in Fragile States and Situations* (OECD 2007) is “do no harm.” A recently published report *Do No Harm: International Engagement for State-building* (OECD 2010a) documents how donor actions can harm state-building processes, and urges donors to look for both the intended and unintended consequences that may flow from their interventions.

“Donors can inadvertently do harm when the resources they deliver or the policy reforms they advocate exacerbate rather than mitigate the conditions for violent conflict, or weaken rather than strengthen the state as a site of decision making and policy formation over the deployment of public resources.” (OECD 2010a, p29)

The potential for harm can arise either from *what we do* i.e. the substance of the intervention, or *how we do it* i.e. the modality employed. This section of the paper addresses the substance of our interventions, and the next section looks at the modalities we employ, drawing on the experience in Sierra Leone and Liberia. Both sections signpost activities which impinge directly on the authority and capacity of the state.

Post-conflict state-building engages significantly around the institutions that determine the distribution and exercise of power and authority, and this section explores the attendant risks by considering four areas that generally feature in peace settlements and associated state-building agendas:<sup>11</sup> constitutional development; conduct of elections; transitional justice; and decentralisation. Each had ongoing currency and elements of controversy during our missions in Sierra Leone and Liberia.

## CONSTITUTIONAL DEVELOPMENTS

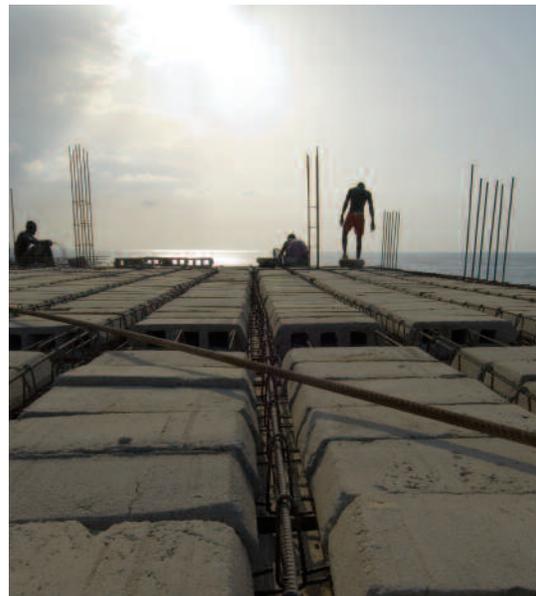
CONSTITUTIONS EMBODY THE CHARACTER of the political settlement (see Box 2), and constitutional reform is often a priority in post-conflict peacebuilding and state-building. In Sierra Leone and Liberia, constitutional reform is on the agenda of both the international community and the government, although the sense of urgency and commitment seems rather greater on the international side.

In Sierra Leone, a Constitutional Review Committee was set up in early 2007 and reported to the President in early 2008.<sup>12</sup> Despite references as far back as 2007 in UN documents to the prospects of early constitutional change,<sup>13</sup> little seems to have happened. At a meeting of the Security Council on 8 June 2009, the Foreign Minister for Sierra Leone reported that the Constitutional review had been referred to the relevant Cabinet Committee and the Security Council, in its 15 September 2009 resolution on Sierra Leone, emphasised the engagement of the UN mission with government to support the constitutional reform process.

In Liberia, although constitutional reform is positioned prominently on the donor policy agenda, domestic commitment to it appears equivocal at best. During our mission, international interlocutors spoke critically of the country's history of "imperial presidency" and domination by the executive, and argued forcefully for a reform of the constitution as part of the process of institutional realignment. In February 2009, the UN Secretary-General's report to the Security Council on Liberia noted that the President had constituted a Constitutional Reform Task Force, in accordance with a recommendation from the Governance Commission. A less positive picture of progress emerged from the Secretary-General's August 2009 report to the Security Council, which advised that the Task Force had yet to be constituted. A fair interpretation of the delays and the prominence accorded the issue in Security Council reporting would be that there is little local enthusiasm for the constitutional reform agenda.

## ELECTIONS

TYPICALLY PEACE AGREEMENTS and the mandates of peacekeeping missions established in their wake include the conduct of elections as important milestones along the path towards the consolidation of legitimate political authority.<sup>14</sup> However elections are also a lightning rod for contestation



BOX 2

### CONSTITUTIONAL REVISION

Political transitions are often marked—for good or ill—by the overhaul of the national constitution. The constitution of Sierra Leone, for example, has served as a barometer of the country's changing political fortunes over the last half century. At independence, the constitution was framed around a Westminster system of government; in 1971, in the wake of an unsuccessful military coup, Parliament declared the state to be a republic, the Prime Minister morphed into the President and the constitution was amended accordingly; in 1978, the constitution was overhauled to establish a one-party state; and in 1991 the constitution was once again amended to reinstate a multi-party system, although its implementation stalled after a military coup in 1992.

since they directly determine who will hold power and who loses out. The very language—"winning" or "losing" an election—captures the essence of competition.

Pursuing elections as a means to resolve unresolved armed conflict or in a country where political allegiances are along ethnic lines can either exacerbate conflict or, more certainly, leave its roots and causes unaddressed (OECD 2010a, p41). The 1997 election in Liberia, held under the terms of the Abuja II peace agreement, saw the notorious warlord Charles Taylor voted in as President in a landslide. The choice for voters was between voting Taylor in or a return to war.<sup>15</sup>

“...fear of what Charles Taylor might do if he were to lose the election apparently played a great role in consternating many to vote for him. Perhaps the best expression of the grim paradoxes that catapulted Taylor into power was indicated by the common electoral rendition by the teeming Liberian youths who supported Taylor: *“He killed my ma, He Killed My pa, I’ll vote for him.”*<sup>16</sup>

The form of the electoral process that is brokered as part of a political settlement or peace agreement can have a profound effect on the legitimacy of electoral outcomes. In Liberia, the Comprehensive Peace Agreement signed in 2003 expressly provided for the temporary suspension of some provisions of the constitution relating to elections—a deal reportedly done to keep the parties at the negotiating table. One of the suspended provisions was the requirement that members of the Legislature be elected with an absolute majority (involving where necessary a run-off ballot between the two top ranked candidates). Instead, a first-past-the-post system was adopted and, with a plethora of political parties and independents contesting the election, winning candidates were elected on very small percentages of the total vote. This change is blamed for delivering a Legislature of dubious composition and ability.

In Sierra Leone the electoral rules were also changed to facilitate elections in the wake of conflict. The 1996 election, which marked a brief intermission in the sequence of military governments, adopted proportionally elected multi-member district constituencies in the place of single member local constituencies. The change was explained in terms of the difficulty in conducting a reliable voter registration due to the high rate of population mobility caused by the conflict. The change was retained for the first election following the peace agreement, held in 2002, but reversed in the lead-up to the 2007 election.

The reversion to single member constituencies in 2007 meant that individual candidates had to engage with their constituents and declare how they would represent them—a real test of democracy. On the downside, the change is portrayed as intensifying political contestation by putting candidates head to head in a very personal competition for voter support. The 2007 national elections saw attempts to block candidates from campaigning in some localities, and the 2008 local elections were marred by the intimidation of independent and women candidates in the lead-up and by a very low voter turnout on polling day. The number of women MPs elected dropped in

2007 and the rule change may well have worked against them, as previously their election was assured if they were assigned a high enough slot on their party’s district ticket.

The fairness of elections is determined by much more than what happens on and around polling day. At least as important as the electoral event is the electoral machinery—the system of rules and procedures governing voter registration, the accuracy and completeness of the roll, the relative size of constituencies, the criteria for assigning voters to particular constituencies, boundary demarcation, and voter information and education—which can work to include or exclude, to enfranchise or disenfranchise.

In Sierra Leone, the National Electoral Commission is keen to see technical support provided much earlier in the electoral cycle and to continue after an election to support ongoing development of capacity. Although the Commission has done some good work on the national electoral machinery, the machinery for local elections appears less robust: the demarcation of local boundaries has been criticised as using outdated census data that does not capture subsequent population movements and provisional ward rolls were not displayed for verification, leaving many people disenfranchised.

Criticisms of the performance of the electoral machinery in Liberia are more extensive: poorly demarcated constituency boundaries; one-off mobile registration which failed to reach all constituents; disenfranchisement of voters who were not given adequate documentation and poor location of polling stations. The National Electoral Commission is itself worried about the enormous logistical challenges of the terrain and access and the shortcomings of a rural network that has not been serviced for two decades. Major effort is needed before the next election to delineate constituency boundaries (one of the constitutional requirements suspended by the Peace Settlement which is now operative again) and to prepare for run-off elections now that the constitutional provision for an absolute majority has been reinstated. The electoral roll also needs updating to incorporate many internally and externally displaced Liberians who have moved since the last election.

In both Sierra Leone and Liberia, the elections scheduled over the next two years are already casting a long shadow (see **Box 3**). This highlights the significance of careful analysis, planning and implementation through the entire electoral cycle, given that electoral-related violence can manifest itself in different forms and intensities in each of its phases.<sup>17</sup>

## ELECTORAL JOCKEYING IN SIERRA LEONE AND LIBERIA

In Sierra Leone, the electoral cycles for the President, the Parliament and local councils converge in 2012, and the political space is already becoming more contested in what is basically a two party system. A national election in 2007 handed government to the party which had long been out of office and carried the taint of its 1980s introduction of a one-party state. While the transition occurred peacefully, there is disquiet that the government is growing increasingly partisan, and party support is increasingly dividing along regional and ethnic lines. The new Cabinet appointed in March 2009 is dominated by northerners, and more than half of them are from the President's own district. The colours of the ruling party are increasingly in evidence at government sponsored events and on government buildings. In March 2009 serious violence broke out between supporters of the two parties, egged on by partisan radio stations, and the opposition party headquarters was destroyed and female staff raped. On the same weekend, a rural by-election was disrupted by violence and postponed, with a very low voter turnout on the rescheduled polling date probably skewing the outcome. Fears of ongoing politically motivated violence are growing as the electoral stakes build, as is unease about the consequences should electoral results be seriously discredited.

In Liberia there is already nervousness about the likely political jockeying around the Presidential and Legislature elections due in 2011, with a proliferation of parties, weak party organisation and a wide open field increasing the potential for instability. Although the 2005 Presidential election delivered a candidate who is highly regarded by the international community, her party holds only a handful of seats in a Legislature which controversially includes a number of former warlords and their backers. Over the four years since the election, the Legislature is seen to have played a spoiling game, stalling the passage of annual budget bills and other key legislation underpinning the President's reform program. When the mission visited in mid 2009, the President's own political future was under a cloud, with the release of the Truth and Reconciliation Commission report which recommended that she and others be barred from political office for 30 years. A number of Legislators had also been identified by the Truth and Reconciliation Commission as implicated in the violence of the past.

## TRANSITIONAL JUSTICE

TRANSITIONAL JUSTICE MECHANISMS such as Serious Crimes Commissions and Truth and Reconciliation Commissions are a common element of peace agreements, becoming "a priority state function in the aftermath of conflict" (World Bank/UNDP 2005, p7). They respond to the ache in society to see wrongs admitted and pursue reconciliation. At the same time, they are inherently political: decisions about what and whom to focus on can become highly controversial, and their proceedings can accentuate grievances and, on occasions, produce tectonic shifts in the relationships of power and authority within a country. Perceived government delays in responding to their findings may also become a lightning rod for popular resentment and political mobilisation.

In Sierra Leone, the work of the Truth and Reconciliation Commission proceeded swiftly and relatively uncontroversially and its 5000 page report was released in October 2004, four years after the Commission's establishment. However NGOs were subsequently critical of the long delays in implementing the recommendations of the Report, including a reparations program for war victims as foreshadowed in the 1999 Peace Agreement. In late 2007 the United Nations and Sierra Leone's Human Rights Commission urged the Government to produce an implementation strategy for the report, and a year later the Government, with UN assistance, strengthened the organisational arrangements for reparations; initial payments to victims were made in early 2010.

The Report of Liberia's Truth and Reconciliation Commission, which was released during the team mission to the country, dropped like a grenade into the leadership circle, naming many prominent figures. Over 100 factional leaders and associates were recommended for prosecution, and a "non-exhaustive" list of 50 people were named as financiers or supporters of the warring factions and recommended for public sanctions, including barring from public office for 30 years. The list included the internationally feted President and a number of other politicians and serving members of the Government.

The message here is that, once set in train, transitional justice can create its own force field which must be understood and sensitively handled. As one senior Liberian observed to us, "While discourse about impunity and reconciliation can be unsettling and carry risk to state-building, the

process of state-building can never be successful if these challenges are ignored or left unattended.”

## DECENTRALISATION

THE INTERNATIONAL DEVELOPMENT COMMUNITY has often placed its policy weight behind decentralisation as a means of enabling citizens to participate more directly in governance processes and empowering those previously excluded from decision-making,<sup>18</sup> and as a way of improving access to public goods and services at the periphery.<sup>19</sup> The term “decentralisation” comprehends a broad sweep of institutional arrangements. Within a unitary state, decentralisation may simply mean the delegation of administrative decision-making from the centre to offices located closer to the people (deconcentration); alternately, it can involve the transfer of functions or authority from central levels of government to sub-national institutions governed by locally elected representatives (devolution). In a federal system, decentralisation involves a constitutional division of sovereignty between the constituent states and the federation as a whole. Typically, sub-national actors are seeking the transfer of elements of political decision-making and fiscal authority, where national

actors generally prefer some variant of deconcentration. However national and international actors alike will all be speaking in terms of “decentralisation,” leaving considerable room for misunderstanding and frustration, and it is critical to ensure clarity on all sides about what form is intended in a particular development setting.

The jury is still out on how best to approach decentralisation. One wide-ranging review found that many of the promises of decentralisation had not been met, or the results had been mixed. No consistent evidence was found to document that decentralisation had improved efficiency, equity or service delivery, although the picture was more promising in terms of participation. Importantly, the review found that the success of decentralisation efforts may depend as much on contextual factors—such as the character of the regime, the degree of power-sharing at the centre, the ethnic constellation or whether the policy was adopted in response to local or international advocacy—as on the design of the particular model of decentralisation.<sup>20</sup> Another overview of the impact of decentralisation in Africa concluded that the creation of stronger local governments with control over revenue has typically served to decentralise corruption rather than eradicate it, and found no evidence of gains in terms of fiscal efficiency.<sup>21</sup>



Both Sierra Leone and Liberia were characterised by highly centralised and non-inclusive government and very weak penetration of public goods and services into the rural areas. In the period of post-conflict reconstruction, decentralisation was accordingly high on the international agenda. Its process of adoption in the two countries, however, has been rather different.

In Sierra Leone, decentralisation was a major plank of the post-conflict recovery strategy, strongly advocated by donors and embraced by the then President who reportedly had himself once been a district administrator. The machinery for local government was set up soon after the 1999 peace settlement, and was backed up by a substantial World Bank program which built on initial work by UNDP. While decentralisation had high level political commitment, support was

patchier across Cabinet and within the bureaucracy, and its implementation has been driven by a Project Implementation Unit established outside the relevant government department and operating quite independently of it. By the time of our mission in mid 2009, the majority of functions earmarked for transfer to the districts had yet to be devolved, and funds and staff had yet to follow functions. With a change in local government minister earlier in 2009, the process at last appeared to be gaining some momentum.

In Liberia the move towards decentralisation has been rather more sedate and locally orchestrated. Current policy<sup>22</sup> commits the Government to an improved system of governance that is more localised and more responsive to the needs and aspirations of citizens across the country, and decentralisation is foreshadowed although it is also emphasised that “this process will take years, possibly decades, to complete.” During the mission’s visit in mid 2009, the Governance Commission released the draft of a National Policy on Decentralization and Local Governance which proposed a system of elected county governments within a unitary state. Meanwhile the Liberian Government has moved ahead with some deconcentration of public administration, appointing superintendents at provincial level to coordinate and manage government functions.

Even without political decentralisation, much can be done—with political will—to improve the availability and responsiveness of government services at the local level and to broaden the opportunities for local communities to contribute to planning and allocative decisions through formal consultative processes. It will be informative to see how far Sierra Leone and Liberia have moved towards this goal in five years time, and the relative impact of devolved and deconcentrated models.

As a mechanism for the redistribution of power and influence, decentralisation produces clear winners and losers. One group of collateral losers in both Sierra Leone and Liberia are Members of Parliament, who feel they have lost authority through the loss of obvious influence over the distribution of public goods and services. One MP in Sierra Leone measured the loss of influence in the new seating arrangements at local functions, where MPs are put at the low tables on plastic chairs while vice-Ministers sit at the high table. MPs’ support for decentralisation will be important if the policy is to succeed, and appropriate ways to engage them can and should be found.



**TAKING CARE  
THAT PROGRAMMING  
DOES NOT UNDERMINE  
STATE-BUILDING**

- Identify programming that directly impacts on the distribution of power and the standing of political elites—notably in areas such as constitutional reform, electoral planning, transitional justice and decentralisation.
- When programming in these areas, consider the effects of institutional design on the distribution of power and influence, identify potential winners and losers, and assess the downstream consequences of program design.

**KEY MESSAGES**

### 3.2.3

## Consider the impact of aid modalities on state-building

**THE PROVISIONS OF PEACE SETTLEMENTS** generally include a mechanism for the formation and installation of a transitional government—this was the case in both Sierra Leone and Liberia. Settlements crystallise the power relations at the time of negotiations (Brown and Gravingholt 2009, p.11), and this is reflected in the composition of transitional governments, which may be highly compromised.<sup>23</sup> This poses a fundamental dilemma for the international community, whose efforts to build capacity and support basic government functions may serve to shore up the standing of unsavoury political figures and provide a rich stream of development dollars for predatory elites.

Even where the composition of the government is uncontroversial, its organisational capacity has generally been hollowed out by years of conflict, the exodus of the most educated and internationally mobile citizens, the disintegration of administrative systems and processes and the widespread destruction of the physical infrastructure for public administration and service delivery.

These dilemmas directly shape the selection of aid modalities. Despite the injunctions of the Paris Declaration on Aid Effectiveness and the Accra Agenda for Action, the feasibility of providing direct budget support or even of working directly with paralysed government systems often appears remote. Yet, to the extent that aid bypasses government systems, it can undermine the authority and legitimacy of the state by neutering the policy-making role of government and the coherence of the national Budget as the principal vehicle for public policy, and undercutting the authority of Parliament in the appropriation of public funds and oversight of public expenditure.

Projectised aid not only retards the development of regular government processes for policy development and implementation, but also creates huge transaction costs for weak governments. Government officials, rather than using their working time to plan and manage government programs, are absorbed by the demands of donor liaison: negotiating proj-

ects, supporting day-to-day project execution, and developing project specific monitoring data.

## USE OF GOVERNMENT BUDGET AND POLICY PROCESSES

IN SIERRA LEONE, the four leading donors—DFID, EC, the World Bank and the African Development Bank—entered into an MoU with the Government in 2006 establishing a Framework for Multi-Donor Budget Support,<sup>24</sup> and 13 percent of total ODA is provided through the budget, with a further 14 percent being provided through other forms of programme-based approaches.<sup>25</sup> Over the last few years, a number of initiatives have been designed as Sector Wide Approaches (SWAPs) or implemented through Multi-Donor Trust Funds (MDTFs). The World Bank's two new activities in the area of governance (the Basic Services Programme and the Integrated Public Financial Management Reform Project), for example, are designed respectively as a SWAP and a MDTF. The Ministry of Health is also supported through a SWAP.

In Liberia, almost all ODA is dispersed outside the Budget and country systems.<sup>26</sup> In their joint Country Assistance Strategy for Liberia for 2009-2011, the World Bank and the African Development Bank have indicated that they will use Budget support as a modality, in part as a signal to other development partners to channel more funds through the Budget.<sup>27</sup>

Efforts are being made in both Sierra Leone and Liberia to align aid strategies with government policies, to harmonise donor approaches and to strengthen government coordination of donor effort. In both countries, the World Bank and UNDP have structured their country assistance strategies around the national Poverty Reduction Strategy. In Sierra Leone, the work of all UN agencies, funds and programmes is coordinated through a Joint Vision which integrates the UN's contribution to the PRSP, its mandate from the Security Council and its contribution to the goals of the UN Peacebuilding Commission. In a major innovation, a single Multi-Donor Trust Fund for the UN system in Sierra Leone is proposed to underwrite the implementation of the Joint Vision (see **Box 4**).

In Liberia, development assistance is coordinated through a high level Reconstruction Development Committee, established in 2006 as a platform for dialogue between the government and development partners on implementation of the Government's PRSP. The Committee is chaired by the

President and includes key Ministers and major development partners. In Sierra Leone, aid coordination and management is being strengthened to support implementation of the Government's Agenda for Change (PRSP) and the Ministry of Finance and Economic Development is being restructured to more effectively attract development assistance into the Budget. The head of the UN Peacebuilding Mission and UNDP are supporting these changes.



BOX 4

#### UN JOINT VISION AND MULTI-DONOR TRUST FUND FOR SIERRA LEONE

The UN Joint Vision is an integrated strategy across UNIPSIL and the 17 UN organisations represented in Sierra Leone, replacing the more traditional UN Development Assistance Framework (UNDAF). Unlike the costly and time consuming process for development of an UNDAF, it was developed and negotiated locally over a few months, led by the Executive Representative of the UN Secretary-General. At its core is a seven page outline of five strategic priorities and their rationale. This is a simple document in language that the government understands. It cuts through the plethora of plans and strategies of individual organisations (a stocktake one year back identified 35 strategies for Sierra Leone across donors and agencies.)

Following the launch of the Joint Vision, the UN country team moved to develop integrated programmes and to establish a single Multi-Donor Trust Fund to support the contribution of all UN organisations contributing to the implementation of the Joint Vision, which has been costed at \$345million over four years. This is a significant innovation to strengthen coordination and efficiency and streamline delivery.

## THE EMERGENCE—AND WIND-BACK—OF A PARALLEL PUBLIC SECTOR

ONE OF THE MOST CHALLENGING DILEMMAS for donors in post-conflict settings is how to simultaneously build capacity and deliver results: the temptation is to trade investment in government capacity off against urgency through short to medium term skill substitution, while espousing capacity development over the medium to long term. The risk is that, in the interim, a parallel public sector is constructed that becomes extremely difficult to dismantle, and local capacity is choked off.

In both Liberia and Sierra Leone, parallel public sectors have emerged. The symptoms are more acute in Sierra Leone where post-conflict state-building kicked off three years earlier. Sierra Leone's public service is characterised by an ageing senior management cadre close to retirement, a "missing middle" and a concentration of 80-85% of staff at junior clerical grades, and an attendant inability to translate government decisions into actionable and actioned administrative processes in any meaningful way. Instead, policy implementation and budget execution is driven by a constellation of parallel arrangements, from Project Implementation Units to special units and positions heavily subsidised by donors (see [Box 5](#), next page).

Sharp salary disparities between mainstream civil servants and those in parallel arrangements have siphoned critical skills out of government, and are corrosive to the morale and motivation of those left behind. The Government and donors are now caught in a Catch 22: the parallel system has developed to the point where it is indispensable, but the costs of sustaining it make it unaffordable in the longer term. At the same time, efforts at civil service reform over the last few years have been largely stillborn. The situation has reached a tipping point, and the solution will not be easy to find or implement.

## LEGITIMACY: A TWO-WAY STREET

IT WAS PUT FORCEFULLY TO THE MISSION that high donor visibility can undermine the legitimacy of the state. In the words of one Minister:

"Every donor wants to hang their flag on what they do. If the perception of the people is that donors do everything, then voters won't care who they vote for because the international community meets their needs."

## ELEMENTS OF THE PARALLEL PUBLIC SECTOR IN SIERRA LEONE

### BOX 5

SEVERAL CATEGORIES OF PERSONNEL are operating alongside mainstream public servants in Sierra Leone, and together these categories of personnel are performing most higher level policy development, planning, budgeting and policy implementation functions, leaving routine administration of procedures to the mainstream public service. The parallel public sector is made up of the following categories:

- **OCCUPANTS OF KEY PUBLIC SERVICE POSTS** in receipt of salary supplements: donors and government have agreed to salary supplementation of certain officials, mainly at the senior level, in order to either recruit or retain them;
- **LOCAL TECHNICAL ADVISERS (LTAS)**, mainly recruited from the private sector and civil society in Sierra Leone or from the diaspora to work under contract to donors within the public sector, but not occupying establishment positions. In some departments and agencies, they have become the core of the workforce and dominate the technical/professional ranks. Most heads of divisions and technical units in the Ministry of Finance, for example, are headed by LTAs, and the salary costs for the 45 LTAs in the Ministry is five times the total wages bill of the Ministry;
- **NON-NATIONAL TECHNICAL ADVISERS (TA)**: linked to bilateral/multilateral development projects or supplied by groups such as the Overseas Development Institute and the Tony Blair Foundation;
- **PROJECT IMPLEMENTATION UNITS (PIUs)**: PIUs are responsible for the execution of significant development projects/programmes supporting government functions, and take a variety of forms. They may be strictly separate from the structures of Government as in the case of the Decentralisation Secretariat, or completely integrated as in the Ministry of Health.
- **COMMISSIONS AND OTHER AUTONOMOUS TRANSITIONAL STRUCTURES**: these are organisations outside and parallel to the main structures of government. Their mandate is to manage the delivery of a particular task or function. They differ from PIUs in that they are not linked with the functions of a particular department or agency.

We were ourselves struck by the high visibility of the international presence as a default government: down to government offices in the districts still being painted in the UN colours of blue and white. At a subtler level the proliferation of parallel systems in government, as well as creating major downstream challenges for the coherence and sustainability of public administration, can also compromise the authority of government.

But, at times, working through government becomes a bridge too far. In Liberia, during the life of the Transitional Government, corruption and mismanagement of public funds had grown so serious that, in the view of international donors, it threatened Liberia's transition and the prospects for stable peace. Responding to the threat, lead donors jointly conceived a highly interventionist program—the Governance and Economic Management Assistance Program—which inserted international personnel with signing authority into several critical areas of fiscal management and oversight (see **Box 6**). The Program was reluctantly agreed to by the Transitional Government and such was its scope and potential duration that it was determined that the plan should be submitted to the Security Council for endorsement and adjustment to the mandate of the Peacekeeping Mission.

GEMAP has been described as:

“...a possible compromise between two unpalatable policy options for international actors in post conflict situations: imposition of a temporary international trusteeship, or the exercise of a full range of action by a transition regime drawn from leaders of former warring parties, in which considerations of popular legitimacy, competence and commitment may be secondary.”<sup>28</sup>

While GEMAP was forced on the Transitional Government, the Government elected in 2006 is closely engaged in its management: implementation is supervised by an Economic Governance Steering Committee chaired by the President with an international development partner as deputy, and Committee members include senior government personnel, donors and civil society. This supervisory arrangement was described as one of the most innovative aspects of the programme when it was reviewed in 2006.<sup>29</sup> GEMAP is now winding down and, given its profile and the wider interest it has attracted as a development modality, it may be timely to evaluate it in these terms.

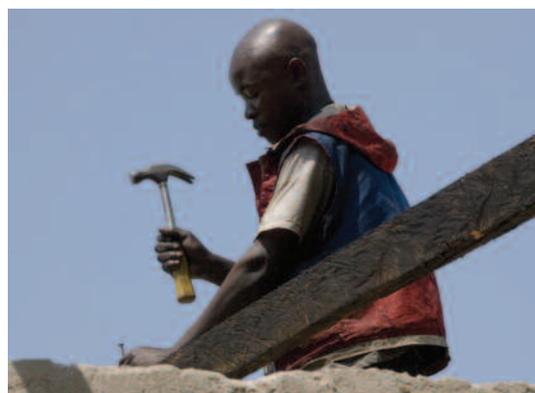


### TAKING CARE THAT AID MODALITIES DO NOT UNDERMINE STATE-BUILDING

- In programming, determine how and to what extent activity can be aligned with government policy and systems (including budget systems)
- Maximise coherence with government policy and systems within the constraints of the operating environment
- Identify and develop opportunities for donor harmonisation and the use of multi-donor programs and trust funds
- Before establishing a PIU or installing numbers of technical advisors and/or salary assisted personnel, develop a transition plan and timetable for reintegrating functions sustainably into government structures and budget
- Be sensitive about the optics of donor badging.

## KEY MESSAGES

## BOX 6



### GOVERNANCE AND ECONOMIC MANAGEMENT ASSISTANCE PROGRAM (GEMAP)

#### GEMAP ADDRESSES SIX AREAS:

- improving revenue capture across SOEs and agencies, including through the deployment of international experts with co-signing authority;
- improving budgeting and expenditure management;
- improving procurement practices and the granting of concessions;
- establishing effective processes to control corruption, including the establishment of an Anti-Corruption Commission and support for the investigation of serious fraud, corruption and economic crimes;
- supporting key institutions such as the General Auditing Office, the General Services Agency, the Governance Reform Commission and the Contracts and Monopolies Commission; and
- capacity-building.

The implementation of GEMAP is guided by an Economic Governance Steering Committee, chaired by the President and with a development partner as deputy chair. Selected Ministers, chairs of key institutions including the Governance Reform Commission and local heads of multilateral organisations and governments are members.

### 3.2.4

#### Think and work system-wide, and for the long term

**STATE-BUILDING**, unlike institution building, entails concentrating on how power and authority are distributed and exercised, and this in turn necessitates thinking and working across all elements of the state and at the intersection between state and society. It means being alert to the ripple effects of actions in one area on other areas, and following processes transactionally through the system rather than trying for a technical fix through one organisation, no matter how significant that organisation may be. It also entails working with a wider spectrum of organisations and interests—including societal groupings—to achieve improvements in the way the state functions.

#### FOCUS ON THE END GAME, AND WHAT'S NEEDED TO GET THERE

**STATE-BUILDING DEMANDS FLEXIBILITY**, and some nifty footwork at times. Importantly, it is necessary to keep your objectives to the forefront, and find creative ways to get there. There is no fixed path: it is not a case of fixing this organisation or that, but of working with all the bits in the system that can contribute—and are willing to contribute—to the end game.

Accountability, for example, is a defining quality in the character of the relationship between state and society, and strengthening accountability is a high priority for donors. However concentrating on one organisation within the web of accountability, such as supreme audit, is unlikely to effect significant change in isolation. To impact on accountability, action is needed at other points along the chain such the Public Accounts Committee of the Parliament, the Public Service Commission, the Ministry of Finance, the finance and programme management areas of line agencies, the police, the courts, the media and civil society groups.

In Liberia, donors have invested very substantially in strengthening the General Auditing Commission. Its staff numbers have been increased to around 360, including an activist Auditor-General from the diaspora and a large contin-

gent of advisers, and it is pumping out audit reports which are exposing high levels of malfeasance and administrative incapacity across government organisations, and publishing them on its website. However that is where the matter ends: the Legislature is not following up on audit reports, and bottlenecks in the courts and suborned juries are leaving suspects unprosecuted and defendants unconvicted. The Auditor-General has decried the demoralising effect of this on his staff: “they are taking risks and making enemies, but to no effect.” In justice to donors, efforts are being made to resuscitate the Public Accounts Committees in both houses of the Legislature, but there is a prevailing pessimism about the capacity of the current Legislature to pursue audit reports with any vigour and even a revitalised Legislature is not sufficient in itself to ensure the implementation of audit findings.

In Sierra Leone the links in the audit chain are rather stronger although the audit process seems rather tamer overall. The Office of the Auditor-General has been strengthened, and the Public Accounts Committee is active and engaged: it is holding hearings and taking evidence from officials, pressing for a change in the standing orders to hold public hearings, and has recently held public meetings in the districts in concert with the Anti-Corruption Commission and the Office of the Auditor-General. While these moves are in the right direction, the audit circle still needs to be closed with action on audit findings by government departments and agencies, and action as necessary in the courts—something which apparently has not yet arisen. The audit program in Sierra Leone is also rather less activist than in Liberia, at this stage concentrating on the backlog of audited financial accounts. The acid test will come if it moves further into performance audits that put the spotlight on the current administration.

#### STRENGTHEN THE HAND OF SOCIETY IN THE STATE-SOCIETY EQUATION

**PARLIAMENTS SPAN STATE AND SOCIETY** in the exercise of their preeminent functions of popular representation, law-making and executive oversight. Typically in fragile states the preeminent authority of the Parliament has been eclipsed by the executive, and part of the process of recalibrating the relationship between state and society is the reinstatement of Parliament’s authority, capacity and legitimacy. Yet in the donor world, Parliaments usually receive patchy, highly projectised assistance.

This is the case in both Sierra Leone and Liberia, where the Parliaments are receiving minor, piecemeal assistance from various donors, but there is little systematic effort to invest in their revitalisation. In the case of Liberia, there is also some suspicion of the Legislature (as it is termed) itself, which has a chequered membership and a recent track record of stalling the legislative program of a reforming executive.

The understandable concerns over the motives of the legislators obscure an important fact—that it is the proper function of a legislature to act as an independent counterweight to executive power under a Constitution that calls for equality and coordination among the branches of government. Although the relations between Legislature and Ministers have been characterised by mutual suspicion, this now seems to be changing. Discussion inside the Executive has shifted to improving coordination with the Legislature and taking the lead through early and constructive engagement with relevant legislators and committees on emerging policy which will flow through into legislation. This is the machinery beginning to work.

The Legislature's activism has produced some positive outcomes, bringing a new transparency and public attention to the budget process. For the first time, the draft Budget is receiving broad exposure through public committee hearings and their live broadcast on radio, and Ministers are reportedly responding by appearing before the committee much better prepared. This new activism, however, will only be as constructive as the capacity of the Legislature itself, and here the concerns are legion.

Where donors do engage with Parliaments, they generally focus on the oversight function and, to a lesser extent, on lawmaking. The strengthening of Parliamentarians' representative role receives scant attention, although it is—in theory at least—the means by which citizens shape the direction of public policy and expenditure priorities and the day to day decisions of government. In both Sierra Leone and Liberia, as in many other countries, constituents complain that the election is the last they see of their representatives who promptly retreat to the capital to re-emerge only when the next election is called. For their part, Members of Parliament complain about the unrealistic demands of their constituents for direct and personal material assistance, and their frustration at their inability to deliver.

In part, this reflects the mismatch of political paradigms between customary and modern political systems and poor popular understanding of the attributes of the national polit-

ical institutions acquired at independence. Liberia does, however, offer some hopeful examples of how the performance of the representational function can be improved. An ad hoc committee of the Legislature has prepared a comprehensive Modernisation Plan which includes a component focussed on representation, some legislators have already opened constituency offices, and the National Democracy Institute has supported legislators to undertake constituency consultations.

A vibrant civil society is an essential ingredient in the state-building recipe: to articulate the interests of citizens, to monitor the activity of the state and to draw attention to government performance. In both Sierra Leone and Liberia, the team met with civil society organisations that were playing a strong role in taking the arguments up to government and out to the people. Very often, however, donor engagement with civil society is quite narrowly focused and the organisations assisted tend to be those led by educated elites and far removed from the citizens whose interests they represent, however ably. There is also a danger of asymmetric empowerment: where citizens are empowered to demand services without a parallel empowerment of the government to provide these services (OECD 2010a, p18).

Too often we fail to engage, or to engage adequately, with traditional systems and structures although these constitute the fundamental basis of local social and political organisation in states where the majority of the population is rural and lives by subsistence agriculture, and where the footprint of the state is shallow at best. Traditional systems pre-date the state and continue to operate alongside it. Importantly, they often have a high level of legitimacy with their members and generally meet their members' needs to a far greater degree than does the state itself.

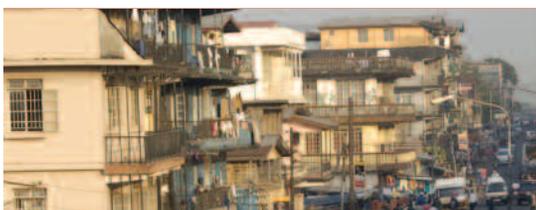
In Liberia, the team was struck by the disinterest—and underlying embarrassment and hostility—shown for the traditional system by various government officials with whom we met. The Traditional Council of Liberia spoke forcefully to us about their exclusion from the formal system of government and their very limited contact with the international community. We sense that there is considerable room to engage and work more closely with the traditional system at both national and local level.<sup>30</sup>

There are some positive examples of this happening. The work of the Carter Center in the area of local justice is impressive in its bridging of traditional and formal systems.

We also commend the inclusion of a representative of the Paramount Chiefs on the governing body for the Extractive Industries Development Initiative in Liberia. This offers a model for other consultative and advisory processes. More broadly, there are many potential mechanisms for supporting dialogue between formal and traditional systems.

## PLAN FOR LONG TIME HORIZONS, AND BE VERY REALISTIC ABOUT WHAT IS ACHIEVABLE

NONE OF THE PROGRAMMING OBJECTIVES for state-building are going to happen fast: Rome wasn't built in a day, and neither is the average fragile state. In an environment where institutions are weak and dysfunctional and there is a need to work on many fronts simultaneously, overloading the available capacity with comprehensive support in all sectors remains a challenge. It is important to design interventions with this in mind, to be very realistic about what is achievable and the timeframe needed, and to plan to work incrementally and flexibly over the long haul.



### THINKING AND WORKING SYSTEM-WIDE, AND FOR THE LONG TERM

- concentrate on the end game, and what's needed to get there: be prepared to work flexibly across a range of organisations in the process
- consider how to strengthen engagement at the state-society interface e.g. through programmatic support to Parliaments and through working with a wider spectrum of civil society, including the traditional system
- plan for long time horizons, and be very realistic about what is achievable

## KEY MESSAGES

### 3.2.5 Match the development approach to the context

**IF THE FIRST PRINCIPLE** for good international engagement in fragile states and situations is to take the context as the starting point, the corollary is that the insights this analysis provides must then inform the specifics of the development approach. There is no blueprint for state-building that can be applied from country to country: each situation is unique, and the context will determine where to start, how to sequence and what to emphasise.

One of the Ministers with whom we spoke in Liberia deplored the contingents of international consultants who step off the plane with their prefabricated solutions from Guatemala, Cambodia or wherever. Another interlocutor, in similar terms, observed that donors and international development practitioners are often too preoccupied with best practices. He emphasised that, while it is important to learn from experience elsewhere, international partners can be more helpful when they serve as resource people informing local people about what is done elsewhere while working with them to shape their own institutions and approaches based in the local reality.

A key theme in Liberia was that the conflict was, at its core, about exclusion (see **Box 7**) and this translated into a strong call for improved communication, voice and participation in decision-making. A further issue that stood out in Liberia was the pervasive legacy of endemic and savage violence over more than a generation, which has touched every village and every person's life in some way. A recent study put the levels of major depressive disorders and post-traumatic stress disorders at 40 percent and 44 percent respectively of the adult household-based population.<sup>31</sup> Interlocutors in Liberia referred to the debilitating effects of such psychological burdens on a range of behaviours ranging from dealing with risks, short versus long term thinking and the willingness and ability to collaborate, especially outside the boundaries of the family. In this environment, capacity development initiatives that have the effect of making people feel less secure—personally, financially, socially and physically—will have little chance of succeeding. Lofty capacity development interventions are likely to bump up against people's own survival strategies at all levels.



## BOX 7

### THE POLITICS OF EXCLUSION

Liberia's modern history has been marked by exclusion, and that history is still playing out. For much of the life of the state, most of the indigenous population was excluded from participation in the political process and access to public goods. As the formal barriers were gradually dismantled from the middle of the 20th century, systemic discrimination continued to exclude large segments of the population. Liberia is unique in that, unlike a decolonised state where the exclusionary colonial power has departed, the descendants of the original oligarchy are still present, still powerful and still deeply resented.

From the outset of the modern state, land was focus for injustice and exclusion, from the dubious acquisition of land by the American Colonisation Society to the tying of franchise to freehold land ownership in the original Constitution, to the Government's assertion of public ownership of traditional lands. The Constitution also maintained the interior "provinces" in a legally subordinate relationship to the coastal "counties" until the mid 1960s. Communications between the centre and the periphery were weak throughout the twentieth century, with an inadequate road system that became impassable in the wet season and minimal broadcast radio and telecommunications coverage. The UN Peacekeeping Mission (UNMIL) has established the first radio station broadcasting across the country, and the mission also largely maintains the country's roads.

## AVOID IMPORTED "OFF-THE-SHELF" SOLUTIONS

THERE IS A STRONG TEMPTATION, when confronted with the challenges of state-building, to use the familiar and apparently effective template of the Western state: a temptation acted out many times over by individual advisers brought in from positions in donor governments who tend to default to the tried and true systems and processes from back home. This is not a sound move:

"...the formal institutions of the Western state derive their capacity and legitimacy from a long history of interaction between state and society, and cannot just be reproduced by transferring those same institutional models into different social, cultural, historical and political contexts." (OECD 2010b, p8)

Systemic capacity is a further contextual consideration. Organisations, institutions and processes do not operate in a vacuum: they are sustained or subverted by their environment, from the basic corporate infrastructure they need for their day to day operations to the wider institutional arrangements required to complement and give effect to their activities. Development experience is littered with failed initiatives, be it the sophisticated business processes of new public management that are too complex to graft onto simple budgetary and human resource systems, or new organisations such as Anti-Corruption Commissions which depend on strong political support and an effective justice system to function effectively (see **Box 8**, next page).

Both Liberia and Sierra Leone have established Anti-Corruption Commissions as part of the donor-led strategy for recovery, in environments where poor governance lay at the heart of the conflict and ongoing corruption was threatening the political settlement. In both countries, the Commissions have been slow to get off the ground and get runs on the board. In the case of Liberia, the establishment of the Commission was specified as part of the package of measures required under the Governance and Economic Management Assistance Program, although it was not set up until 2008, with Liberia's controversial legislature delaying the passage of enabling legislation.<sup>32</sup> A year on, the UN Secretary-General was reporting to the Security Council that the operational capacity of the Commission was improving and it had begun investigations into two major cases. However the absence of supporting legislation, including a public service code of con-

duct, continued to hamper its effectiveness.<sup>33</sup> Sierra Leone's Commission has been in place for rather longer—since 2000—but its results are lacklustre. It started out badly, being described as too hamstrung by politics to be either independent or effective.<sup>34</sup> With the change of government in 2007, the then Commissioner—a relative of the outgoing President—resigned. Although a new Anti-Corruption Act was passed in 2008, the Commission continues to attract criticism for being heavy on public pronouncements and light on prosecutions.

## WORK WITH WHAT'S ALREADY THERE WHERE POSSIBLE

WHEN DONORS SURVEY THE WRECKAGE of the post-conflict state, there is a strong urge to start from scratch and re-engineer systems and processes. But current thinking counsels strongly against this. However fragile the institutions, it is not an institutional tabula rasa and institutional legacies constitute important reference points (Fritz and Rocha Menocal 2007, p20). Donors are now enjoined to build on



### MATCHING THE DEVELOPMENT APPROACH TO THE CONTEXT

- There is no blueprint for state-building: programming priorities, sequencing and programming elements must be informed by the local context
- Avoid off-the-shelf approaches based on western models—tailor the approach to complement local institutions and local capacity
- Wherever feasible, build on existing institutions and capacity, and avoid crowding out local initiative and local people

### KEY MESSAGES

what is already there, accompanying and facilitating domestic processes, leveraging local capacities and complementing, rather than crowding out, local initiatives (Rocha Menocal 2009 p18, citing Cliffe and Manning). As part of this approach, it is important to look for what capacity exists—human and systemic—and build on what is there as this will help to restore confidence and competence.

The work of the Carter Center with the justice sector in Liberia is a powerful example of this process at work. The Carter Center was invited by the President to put a transitional justice program in place until the formal justice sector could be revitalised. It quickly became apparent that it was not a case of rebuilding the justice sector in rural areas—it had never really functioned there. Across the country, there is also a massive level of distrust in the formal system.<sup>35</sup> The approach of the Carter Center is to strengthen dispute resolution at the local level by bridging the formal and traditional systems, working to the principle of accessible community-based justice for all.<sup>36</sup>



BOX 8

ANTI-CORRUPTION COMMISSIONS

The evidence is now in on Anti-Corruption Commissions in fragile settings, and it is not encouraging. In 2008, the World Bank’s Independent Evaluation Group released its report *Public Sector Reform: What Works and Why?* Its sobering assessment is that direct measures to reduce corruption, such as anti-corruption laws and commissions, rarely succeed. The report recommends that, where strong political will and an effective judicial system are absent, anti-corruption efforts should focus on indirect measures such as strengthening public financial management and personnel management and information systems, making better information available to the public in ways that stimulate public demand for better processes, and building the capacity of demand-side institutions like the legislature, the audit office and the media. This comes down to repairing what is there: more laborious perhaps, but ultimately more effective.

3.2.6  
Take ethical responsibility  
for champions  
in contested environments

A CENTRAL PLANK of post-conflict state-building is arresting the vicious cycle of poor governance, corruption and violence, and early investment is made in the revitalisation of the accountability machinery—supreme audit, anti-corruption commissions, ombudsmen and the like—and the formation of transitional justice bodies to investigate past misconduct and deal with the perpetrators. When, as donors, we promote such organisations, we can expose their members to serious risk – both now and into the future. And these are countries where life is cheap and retribution can be bought with a very modest payment.

In our meeting with the Liberian Auditor-General, he spoke passionately about the risks that his own staff were taking in their jobs, and his concerns are well founded as elsewhere officials who have upheld public integrity and the empowerment of citizens have been ruthlessly intimidated and on occasions killed. In Solomon Islands, for example, the families of senior government officials were menaced and a



highly respected member of the National Peace Council was murdered presumably in retribution for his role in purging the special constables from the police force. And in Timor-Leste, UN locally engaged electoral staff were targeted and killed by the militias in the explosion of violence following the 1999 popular consultation.

As international actors, what are our obligations towards those we put on the firing line? We are very keen to identify and promote champions, but are we still there for them if things go sour? And are there situations where we should step back from the preferred position of working with and through national personnel? For example, when aggressive audit is required, is it preferable to use international personnel who can move in and out quickly, before the audit results are released? In Liberia, for example, the massive level of corruption under the Transitional Government was exposed through a series of audits undertaken by a team of EC auditors.

There is a real duty of care that donors must reflect on when engaging in state-building, to protect those brave individuals who are prepared to challenge the power and the plunder of long-standing elites, and act in a way that minimises risk to local actors.



### TAKING ETHICAL RESPONSIBILITY FOR CHAMPIONS

- Recognise the duty of care towards national personnel whose functions and authority threaten powerful elites
- Assess and act in a way that minimises risk to local actors

KEY MESSAGES



## 4. WHAT CAN AN OVERWORKED COUNTRY OFFICE DO?

To work effectively in the business of state-building, we need to recognise it for the political process which it is, to work to understand as best as possible the context in which we are operating, and to always analyse the potential consequences of our actions. This is an area that demands a high degree of honesty and integrity by international actors working with fragile and conflict-affected states if we are to avoid doing harm.

This paper has attempted to show some of the ways in which we can focus and calibrate our approach as development practitioners to positively support state-building processes, and minimise the inadvertent harm we might do along the way. In considering what country offices can do in this area, we are very aware of the many competing demands on them, and of the day to day realities of development programming and implementation in fragile states. For these reasons, we have sought to keep our recommendations simple and achievable. Our four basic recommendations are outlined below.

### ■ develop and apply political analysis

The case for obtaining and using political and political economy analysis is set out in section 3.2.1. The message is simple: first, find out what analysis already exists and how current it is, and where it is not available or not well-developed, commission it. Second, keep the analysis current and use it to “ground-truth” developments on the ground and assess their likely impact on current and planned programming decisions. Third, promote a culture (and incentive structure) within the Country Office which encourages staff to build a strong understanding of the country context and to anchor their work in that understanding.



### ■ use a state-building lens in program design and evaluation

In fragile and conflict-affected states, it is high risk to approach programming as a purely technical exercise. In all areas, programming needs to be held up to a state-building lens in order to understand how the program objectives and action areas and the program modalities will shape and be shaped by the institutions of the state and the political process. Section 3.1 describes some of the criteria that we used when holding programming up to a state-building lens, and Section 3.2 outlines some of the programming implications. In many development organisations, a gender assessment is built into both program design and program evaluation. In fragile and conflict-affected states, where state-building is an overarching development goal, we would encourage program managers to include a state-building impact assessment as a standard requirement in the design and evaluation of programs.<sup>37</sup>

## ■ consider engaging state-building expertise

To strengthen the focus on state-building, country offices could consider engaging a small number of state-building and country experts on a standing basis to update political analysis, test program plans and undertake state-building impact assessments.

## ■ work beyond executive government, and protect change agents

Section 3.2.4 discusses broadening engagement to include a wider spectrum of state institutions and non-state actors including customary authorities in programming, and section 3.2.6 highlights our duty of care towards the champions we embrace to challenge the abuses of elites. State-building is about society and about people, and it is important that we work not just with the state but at the interface between state and society, and respect and protect the interests of those who are leading positive change.



## RECOMMENDATIONS

- Develop and apply political analysis
- use a state-building lens in program design and evaluation
- Consider engaging state-building expertise
- Work beyond executive government, and protect change agents

## ENDNOTES

<sup>1</sup> The author wishes to acknowledge the valuable suggestions and comments on this paper received from reviewers—Javier Fabra, Verena Fritz, Patrick Keuleers, Claudia Melim-McLeod, Nadia Piffaretti, Amos Sawyer and Timothy Sisk – and members of the UNDP BCPR and World Bank FCAS Group—Greg Ellis, Ana Paula Fialho Lopes, Eugenia Piza-Lopez and Lucy Turner.

<sup>2</sup> The International Network on Conflict and Fragility, hosted by OECD, of which both UNDP and the World Bank are members, is currently developing a detailed policy guidance note on state-building in fragile situations, which should be released in 2010. The UK Department for International Development released a practice paper *Building Peaceful States and Societies* in March 2010, and the World Bank is currently developing an analytical framework and guidance note on governance and public sector reform in fragile and conflict-affected states. The first European Report on Development, which was launched in October 2009, also took as its theme *Overcoming Fragility in Africa*.

<sup>3</sup> In 1945, 51 states became founding members of the UN, although not all extant states joined at the time. There are now 192 member states of the United Nations, the most recent addition being Timor-Leste which became an independent state in 2002.

<sup>4</sup> There is no universal list of fragile states, and the basis for their identification varies somewhat across organisations of the international community. An OECD Factsheet (*Ensuring Fragile States Are Not Left Behind*, December 2007) identified 38 fragile states. Of these 38, only four have been independent states for over sixty years: Afghanistan since 1919; Haiti since 1804; Liberia since 1847; and Tonga arguably since 1875 when it adopted its Constitution, although it accepted British Protectorate status from 1900 - 1970. Liberia was never colonised, having been settled by former slaves on land acquired by the American Colonisation Society in 1822.

<sup>5</sup> An economic survey of Liberia published in 1966 which became a classic characterised the economy as one of growth without development. Although wealth from primary industries such as rubber and mining was considerable, it was not invested in the physical and social infrastructure of roads, agriculture, health and education necessary for development. (Robert W. Clower et al. *Growth Without Development: an economic survey of Liberia*, North-Western University Press, 1966).

<sup>6</sup> The rollcall of fragile states comprehends a spectrum of political and economic circumstances and they are far from homogenous. These differences were recognised in specific business models which the World Bank developed to work with countries in crisis: deterioration; prolonged crisis or impasse; post-conflict or political transition, and gradual improvement (World Bank 2006, pix)

<sup>7</sup> The World Bank defines a country as a *fragile state* if it is a low-income country or territory, IDA-eligible, with a CPIA score of 3.2 or below. Countries are considered “core” fragile states if their CPIA is below 3.0 or “marginal” fragile states if their CPIA score is between 3.0 and 3.2. The CPIA scores are described as providing guidance on the “spectrum” of fragility and not as constituting hard and fast rules.

<sup>8</sup> The team visiting Sierra Leone comprised: Sue Ingram (consultant), Marcus Lenzen (UNDP), Ana Paula Fialho Lopes (World Bank) and Peter Morgan (consultant). The team visiting Liberia comprised Greg Ellis (World Bank), Sue Ingram, Peter Morgan, Eugenia Piza-Lopez (UNDP) and Lucy Turner (UNDP).

<sup>9</sup> In 2008 the OECD provided members of the DAC Network on Governance with the final results of a survey of Governance Assessment tools which identified 46 that were in use or under development in member states (OECD 2008c).

<sup>10</sup> For example Amos Sawyer, a former Liberian President, current chair of the Governance Commission and academic political scientist, has published extensively on the politics of Liberia, e.g. *Beyond Plunder: Towards Democratic Governance in Liberia and The Emergence of Autocracy in Liberia: Tragedy and Challenge*.

<sup>11</sup> For a breakdown of the constituent elements of 27 peace agreements that ended civil wars made in the period 1990-2006, see Suhrke et al. (2007).

<sup>12</sup> Agence de Presse Africaine, 14 January 2008.

<sup>13</sup> For example, the 14 May 2007 Report of the Peacebuilding Commission to the Security Council refers to the prospect of a referendum on constitutional amendments in tandem with the 2007 elections (A/61/901-S/2007/269 at para 13).

14 For example, a mapping of 27 peace accords signed after 1989 identified provisions for elections and political parties in 85 percent of cases, with an average high level of specificity: see Suhrke, Astri, Torunn Wimpelmann and Marcia Dawes (2007) *Peace Processes and State-building: Economic and Institutional Provisions of Peace Agreements*, Chr Michelsen Institute, p25.

15 The Carter Centre, *Observing the 1997 Special Elections Process in Liberia*, p43.

16 Liberian Truth and Reconciliation Commission Report, pp130-131.

17 UNDP (2009), *Elections and Conflict Prevention: A Guide to Analysis, Planning and Programming*, New York and Oslo.

18 UNDP, *Governance for Sustainable Human Development*, 1997, pxiii.

19 World Bank, *Decentralization in Client Countries: An Evaluation of World Bank Support 1990-2007*, Washington, 2008, pxix.

20 Arild Schou and Marit Haug (2005) *Decentralisation in Conflict and Post-Conflict Situations Norwegian Institute for Urban and Regional Research*, Oslo.

21 Oxford Analytica, "The outlook for decentralisation in Africa," Daily Brief, 2009.

22 Government of Liberia, *Poverty Reduction Strategy 2008-11*, pp85-86.

23 That this was the case in Sierra Leone and Liberia is captured in the following observation: "The wars in Liberia and Sierra Leone confronted policy makers and mediators with a fundamental challenge: how to deal with armed non-state actors who appeared less interested in politics than plunder, and who, therefore, were extremely difficult to accommodate in any rational political settlement." (Lansana Gberie "Bringing Peace to West Africa: Liberia and Sierra Leone", *paper for the Africa Mediators' Retreat*, Centre for Humanitarian Dialogue p65).

24 World Bank (2008) *Second Governance Reform and Growth Credit*, Program Document.

25 OECD 2010a, p65.

26 IDA, IFC and African Development Fund, *Joint Country Assistance Strategy for the Republic of Liberia for the period FY09-FY11*, p3.

27 supra p1.

28 Renata Dwan and Laura Bailey, *Liberia's Governance and Economic Management Assistance Programme: A Joint Review by the Department of Peacekeeping Operations' Best Practices Section and the World Bank's Fragile States Group 2006*, p6.

29 supra p22.

30 Sensitivity to context is—as ever—critical in determining how and where to engage. We were advised, for example, that in Liberia the traditional chiefs have been losing standing as "lords of the soil" through the manipulation of their selection under President Tubman, the subsequent introduction of chiefly elections in the 1970s and their association with armed factions during the conflict. It was suggested that they cannot be compared in stature or authority to chiefs in some other parts of West Africa such as Ghana, Nigeria or Côte D'Ivoire; within Liberia, their standing remains relatively higher among communities of northern and northwestern Liberia than in the southeast.

31 Kirsten Johnson et al "Association of Combatant Status and Sexual Violence with Health and Mental Health Outcomes in Postconflict Liberia" *Journal of the American Medical Association*, vol 300, no. 6, 13 August 2008.

32 This was just one of several important pieces of legislation reported as delayed in the UN Secretary-General's 15 August 2008 report to the Security Council on Liberia. Other major bills included the Code of Conduct Act and the Defence Act.

33 United Nations Security Council, *Nineteenth Progress Report of the Secretary-General on the United Nations Mission in Liberia*, S/2009/411, 10 August 2009.

34 International Crisis Group, *Sierra Leone: the State of Security and Governance*, ICG Africa Report No. 67, Sept 2003.

35 Deborah Isser, S. Lubkemann and S. N'Tow, *Looking for Justice: Liberian Experiences and Perceptions of Local Justice Options* (draft), United States Institute of Peace, 2009.

36 Jimmy Carter, "Reconstructing the Rule of Law: Post Conflict Liberia," *Harvard International Review*, Fall 2008.

37 The recent OECD report, *Do No Harm: International Engagement in State-*

*building*, for example, includes a state-building impact assessment tool (OECD 2010a, p141).

## BIBLIOGRAPHY

Brown, Stephen and Jörn Grävingsholt (2009) "Framing Paper on Political Settlements in Peacebuilding and State-building," *Note for the OECD-DAC International Network on Conflict and Fragility* (draft of 23 August 2009).

DFID (2009a) "Building the State and Securing the Peace," *Emerging Policy Paper*, DFID, London.

DFID (2009b) "Political Economy Analysis—How To Note," *DFID practice paper*, DFID, London.

DFID (2010) "Building Peaceful States and Societies," *DFID Practice Paper*, DFID, London.

Fritz, Verena and Alina Rocha Menocal (2007) "Understanding State-Building from a Political Economy Perspective", Report for DFID's Effective and Fragile States Teams, Overseas Development Institute, London.

OECD (2007) *Principles for Good International Engagement in Fragile States*, OECD, Paris.

OECD (2008a) *State Building in Situations of Fragility: Initial Findings—August 2008*, OECD, Paris.

OECD (2008b) *Concepts and Dilemmas of State Building in Fragile Situations: From Fragility to Resilience*, OECD, Paris.

OECD (2008c) *Survey of Donor Approaches to Governance Assessment*, February 2008, <http://www.oecd.org/dataoecd/58/32/42258487.pdf>

OECD (2010a) *Do No Harm: International Support for State-building*, OECD, Paris.

OECD (2010b) *The State's Legitimacy in Fragile Situations—Unpacking Complexity*, (draft) OECD, Paris.

Overseas Development Institute (2009) "'State-building for Peace': navigating an arena of contradictions," *Briefing Paper*, <http://www.odi.org.uk>

Rocha Menocal, Alina (2009) "State-building for Peace: A new paradigm for international engagement in post-conflict fragile states?" *Workshop paper for the European Report on Development* [http://erd.eu.eu/BackgroundPapers/ERD-Background\\_Paper-Rocha-Menocal.pdf](http://erd.eu.eu/BackgroundPapers/ERD-Background_Paper-Rocha-Menocal.pdf) (accessed 25 January 2010)

Suhrke, Astri, Torunn Wimpelmann and Marcia Dawes (2007), *Peace Processes and State-building: Economic and Institutional Provisions of Peace Agreements*, Chr. Michelsen Institute. <http://www.cmi.no/publications/publication/?2689=peace-processes-and-state-building>

Unsworth, Sue (2008), "Is Political Analysis Changing Donor Behaviour?" *Paper presented at the Development Studies Association annual conference*, 2008, <http://www.devents.org.uk/Change-unsworth.doc>

Whaites, Alan (2008) "States in Development: Understanding State-building," *DFID Working Paper*, DFID, London.

World Bank/UNDP (2005), *Rebuilding Post-Conflict Societies: Lesson from a Decade of Global Experience*, Workshop Report, New York, 19-21st September 2005.

World Bank Independent Evaluation Group (2006), *Engaging with Fragile States: An IEG Review of World Bank Support to Low-Income Countries Under Stress*, Washington.

Wyeth, Vanessa and Timothy Sisk (2009), "Rethinking Peacebuilding and State-building in Fragile and Conflict-Affected Countries: Conceptual Clarity, Policy Guidance and Practical Implications," *Discussion Note for the OECD-DAC International Network on Conflict and Fragility* (draft of 15 May 2009).



**The World Bank**

1818 H Street NW  
Washington, DC 20433  
USA

[www.worldbank.org/fragilityandconflict](http://www.worldbank.org/fragilityandconflict)

**UNDP New York Office**

Bureau for Crisis Prevention  
& Recovery, UNDP  
One United Nations Plaza, DC1  
20th floor  
New York, NY 10017  
[www.undp.org/cpr](http://www.undp.org/cpr)

**UNDP Geneva Office**

Bureau for Crisis Prevention  
& Recovery, UNDP  
11-13 Chemin des Anémones  
Chatelaine, CH-1219 Geneva  
Switzerland  
[www.undp.org/cpr](http://www.undp.org/cpr)

© 2010, The World Bank and UNDP



**Photo Credits**

Arne Hoel: cover (both inside and out), and pp. 9-10, 12-15, 18-19, 21, 23, 27-32.

p. 2: Lianqin Wang/The World Bank  
p. 3-4, 7: Curt Carnemark/The World Bank

Radio Nederland Wereldomroep  
(Flickr Creative Commons): p. 8