

Thoughts for further research on ODA in fragile states

S.Baranyi, North-South Institute (www.nsi-ins.ca), 2 May 2005

The current preoccupation about weak/fragile/failed states goes back at least to the collapse of the Somali state in the early 1990s, but it is the events of 9.11 that catapulted these concerns to the top of international agendas. Since then there has been a proliferation of policy declarations, conferences and scholarly writing on the subject. This note focuses on one strand of these debates, in northern official development agencies, and highlights issues for analysis in preparation for the May 9-10, 2005 CUNY Graduate Center workshop on state failure.

Several official development agencies have tabled or are preparing policies on programming in fragile states. The World Bank Taskforce on Low-Income Countries Under Stress (LICUS) broke the ground with its seminal report in 2002. In early 2005 the UK Department for International Development and USAID released policy papers on their programming in fragile states. Recent statements by AUSAID and Canadian CIDA also address how these agencies are contributing to whole-of-government approaches in this area. Though UNDP still frames its work within the terms of peacebuilding, conflict prevention and transitions, recent reports by the UN High-Level Panel and the UN Secretary-General suggest that UN agencies are also taking this challenge on board.

Meanwhile the OECD Development Assistance Committee is coordinating a Learning and Advisory Process (LAP) on fragile states: one of its works-in-progress is a draft statement of “Principles for Good International Engagement in Fragile States”. This draft reflects an attempt to develop common approaches based on several axioms:

- Practice solid context analysis.
- Move from reaction to prevention, and do no harm.
- Focus on the central goal of state-building to provide basic public services such as public security, education and health care.
- Align with national priorities of systems, as much as possible.
- Promote coherence among donors, and across governments/institutions.
- Act fast ... but stay engaged for the long-term.
- Avoid “donor orphans.”

These principles may seem obvious but it is important to understand the background to their formulation. Three major trends are key here. The first is the increasing focus of many development agencies on enhancing aid effectiveness, and the corresponding emphasis on concentrating ODA resources in so-called “good performers” where widespread poverty and relatively good governance align. A few years ago some feared that this trend might make it difficult to maintain ODA engagement in “poor performers” or fragile states. The second trend pulls the other way: it is the increasing pressure by certain government agencies to dramatically increase ODA investments in states such as Afghanistan, Iraq and Haiti because they are strategic priorities, though hardly “good performers”. The third trend, which can be viewed as the humanitarian variant of the second, is the increasing pressure by/on certain governments and international agencies to

act on the responsibility to protect populations at risk of grave human rights violations. This trend has also increased pressure to use ODA resources to prevent state failure and to rebuild state capacity to provide protection and other essential public goods. The DAC draft Principles and bilateral agencies' recent policy statements reflect the search for frameworks that could orient and protect ODA in this complex environment.

It is not yet clear whether and where development agencies might have more success in this regard, given the vagaries of politics in each country and internationally. Some areas in which more analysis is required, to monitor and inform these efforts, include:

1. Definitions of state fragility/failure: Donors are working with an excessively simple definition -- "states that lack the capacity/will to deliver basic services and poverty reduction" -- that could encompass most developing countries without providing conceptual tools to focus on the most problematic forms of fragility.
2. Spending and securitization: Recent research by Collier and others suggests that the countries that are falling between the cracks of aid effectiveness and security priorities are those that are neither good performers nor strategically important, especially in Sub-Saharan Africa. The DAC Secretariat is setting up a system to track ODA expenditures in these so-called "donor orphans". There is also a need to systematically monitor ODA expenditures, and evaluate outcomes, in priority countries like Afghanistan and Haiti. This as part of more systematic tracking of overall international involvement in those countries.
3. Change agents, gender and human rights: The first papers on fragile states prepared by the DAC Secretariat, in 2001 and 2002, put considerable emphasis on the importance of supporting "change agents". This was based on the understanding that supporting national and local champions of reform was critical to preventing the slide into collapse and rebuilding damaged institutions. Some of this work also noted that state fragility might affect men and women differently. Yet as shown in the attached paper, in recent years these two strands have become lost in DAC and bilateral development agencies' work on fragile states. Any understanding of human rights as a severe problem and as an entry point for change in fragile states has also slipped from the agenda in recent years.
4. Views from the other side: Having said that, the bulk of the policy work and policy research in this area is taking place in the North. Most of it focuses on what "we" should do to solve what are first and foremost southern/eastern problems. There are counterpoints to this trend, such as case studies of southern states that have escaped the trap of fragility due to their own efforts, in the recent edited book by Chesterman et al (2005). In Africa (ISS, 2005) and Latin America (FLACSO, 2004 and CRIES, 2005) there are currents of analysis emerging on the responsibilities/capacities of regional organizations to reverse state failure. These muted but sophisticated voices, some from the South, require much more exposure and support to illuminate alternatives to the northern-driven discourses.