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Global Trends in Fragility and Towards a Future Research Agenda in Fragile Contexts

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Introduction

The challenge of addressing conditions of fragility remains central from the perspectives of development and security. A growing number of societies do not have the mechanisms to address the needs and expectations of the citizenry, nor to tackle a range of challenges, from climate change to criminal networks and predatory governance. There is a widespread crisis of confidence and trust in the ability of governments – and their international partners – to meet citizen needs.[1]

Over the last decade, country leaders, international actors, and the research community have expanded their efforts to understand and tackle fragility, but progress has been limited. A significant number of countries still remain afflicted by conflict and fragility,[2] and a new set of countries are encountering conflicts and other challenges. The current discourse on state-building has become increasingly pessimistic and overly technical. The challenging experiences in Iraq and Afghanistan have discredited ideas of peace-building and state-building for many – largely missing opportunities for building on lessons of success *and* failure for both the policy and implementation communities. The research community has generated some important insights, including cases of successful transitions and transformation, but these are not always widely acknowledged. Too often, researchers fail to produce actionable insights for policymakers.

Persistent fragility is a shared problem for the research, policy, and implementation communities. Looking ahead to the next decade, there is a pressing imperative for these communities to align their efforts to tackle this common challenge. It will require understanding today's changing landscape and anticipating future trends. Addressing root causes in a sustainable way will require a collective renewed commitment to re-envisioning the citizen-state compact and a long-term agenda of building accountable and legitimate institutions and organizations that bind citizens and state in a legitimate order and meet their rights, needs, and expectations. To reflect the needs of the next decade, this agenda must be updated to reflect trends in demography, technology, climate, and globalization that shape those institutional responses. What kind of state are today's citizens interested in having? How can states and governments become more responsive to citizen needs of today? Or rather, by what means will governance systems and institutions emerge to reduce and manage risks and meet citizen expectations? What are the means to restrain predatory state actors and the criminal networks that prey upon institutions and citizens? Actors will need new ways of working to rebuild and reimagine the state's ability to meet rising citizen expectations and help ensure global order.

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1   For example, the 2019 Edelman Trust Barometer indicate that among people surveyed in 27 countries, 47% of respondents said they did not trust government.
2   Geoffrey Gertz and Homi Kharas, "Leave No Country Behind: Ending Poverty in the Toughest Places," Working Paper 110, Washington, DC: Brookings Institution, 2018.

While the case for the "why" and "what" of tackling fragility and conflict have been broadly accepted, the "how" still needs to be further understood, refined, and incorporated into current practice. Accordingly, there is an opportunity for the research community to engage with and support the advancement of operational practice and impact, which in turn will require careful thinking as to how this can best be done in practice.

This background paper is intended to help inform the question of how best to align research and policy to tackle the challenge of fragility.[3] It seeks to provide an overview of the following issues, mindful of the limitations of a short background paper:

1.   What **trends are shaping the environment for the role of the state** and its relation to citizens?

2.   What is an **appropriate taxonomy** to adopt to ensure that **societies affected by conflict and fragility** are appropriately characterized and understood?

3.   What are the **landmark policies and international responses** that have been generated over the last decade?

4.   What **key insights in fragility and conflict** have been generated by the **academic and practitioner community** over the last decade?

5.   What is the **status of operational practice** in countries affected by fragility?

6.   What are some ideas for a **forward-looking research agenda** on fragility?

The authors would like to acknowledge that this paper builds on and incorporates findings from two of the Institute for State Effectiveness's (ISE) current programs, firstly its State of the State program, which has conducted a global "listening" exercise with leaders, citizens and academics to seek to document some lessons from the last decade; and secondly its "Reviewing the Terms of Aid" project which seeks to examine the record of implementation of New Deal for Engagement in Fragile States ("New Deal") and other principles for development assistance for improving operational practice in tackling fragility.[4] The authors would also like to acknowledge the insights generated by a roundtable that ISE and the International Development Research Centre (IDRC) held to discuss the paper and its emerging findings. The authors are grateful to the participants in the roundtable.[5]

1. Trends Shaping the Role of the State and Its Relation to Citizens[6]

A number of trends that are influencing the environment of how the state and citizenry relate. First are **how citizens' expectations of the state have evolved, and the ways that those changing expectations have been expressed and communicated.** In many places, young, tech-savvy generations are demanding changes from their leaders in new ways and through new forms of communication. They do not hesitate to press their case in the streets and form new movements, both on and offline, to push for an end to long-tolerated problems like corruption and economic and social inequality. This disconnect is not confined to the youth – there are many signs that older populations are also feeling anxiety about their failure to adjust to the impact of globalization and rapid technological change.

Second, there is a growing recognition that **globalization – the free movement of ideas, capital, and to some extent goods and people – continues to surge ahead while the rules of the game have become unfit for purpose.** Across the world, popular anger and backlash to unfettered globalization are taking different forms. In advanced economies, whole sections of the population are losing their place in their respective economies. With new technologies and patterns of trade, developing countries' traditional paths to economic development are now uncertain.

Third, the **consequences of a carbon-fueled economy** are prompting the question of what paths to economic growth and industrialization are likely to be most successful, given the need to address climate change and other issues related to the management of shared natural resources.

Fourth, the **rise of global competition and new actors** has led to significant shifts in state interaction, with **geopolitics** taking center stage coupled with the **larger retreat and fragmentation of global governance**. There appears to be a slowing down or a reversal of supranational integration: the uncertainty over future directions of the EU, the failure of the Doha Round, the polarization of the UN Security Council, and even the inadequacies of the latest Paris accord on climate change. The political capital required for tackling shared problems like migration and climate change has reduced, leading to a growing focus on bilateral relationships.

Fifth, **the impact of the 2008-9 financial and fiscal crises** has largely continued to exert downward pressures on public budgets, limiting tools available to governments to increase economic growth and employment. Mature economies have encountered the displacement of traditional types of employment while technological change has fueled emerging economies.

Sixth, **growing levels of inequality** within and between states despite exponential growth is another significant trend. A dramatic rise in income inequality is observable in developed and developing nations alike, and also extends to gender, region, and ethnicity, among other areas.

Seventh, **the rapid pace of technological innovation** and the centrality of technology in our modern lives have become major disruptive forces in politics, societies and economies. Major ad-

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6   Institute for State Effectiveness, "Building a Shared Agenda for the State in the 21st Century," Washington, DC: Institute for State Effectiveness, 2016.

vances in information and communication technologies have placed unprecedented amounts of information in the hands of citizens, consumers, and businesses. At the same time, technolgoical innovation seems to be one driver of the **growth of social movements,** both progressive and regressive, in response to uncertainty and changing circumstances. Technology provides exciting ways for citizens to participate in democratic decision-making, but if the appropriate avenues and architectures are not in place, it can also enable feelings of polarization, dashed expectations, and general negativity.

Eighth, **demographic shifts, including growing young populations in some countries, large elderly populations in others, rapid urbanization, large-scale migration.** Aging populations in mature economies in Europe and Japan bring to the fore issues of how to replace a shrinking workforce. Youth bulges in Africa, the Middle East, and Asia carry implications for political stability and the ability of services to meet growing demand. Across the world, the pace of rapid urbanization and the emergence of mega-cities and mass international migrations carry significant economic, social, and environmental impacts.

Ninth, **the hollowing out of the state and growth in criminality and corruption,** which endangers citizens and siphons off state resources to enrich criminal networks and powerbrokers. For example, across patches of Latin America, notably the Northern Triangle of Honduras, Nicaragua, and Guatemala, violence and criminality are growing at breathtaking levels. In parts of the Balkans, progress is threatened by weak institutions and criminalized political economies.

Tenth, **the emergence of violent, ideologically driven extremism, whether based on religious, ethnic, social, or political grounds.** Extremist violent movements driven by narrow interpretations of grievances continue to attract new followers. Approaches to countering and preventing violent extremism must go beyond security dimensions and address governance-related causes and solutions.

Eleventh, **intensifying nationalism sometimes channeled toward authoritarian nostalgia.** The mobilization of traditional identities and nationalism has grown, largely in response to the uneven and inequitable patterns of growth and perceived social, economic, and political dislocations of globalization. Intensifying nationalism is occurring in places as diverse as the UK, Greece, Catalonia, and the United States, China, Russia, and Turkey. Related, there appears to be a growing trend of nostalgia for authoritarian or quasi-authoritarian rule, premised on the notion that such leadership can navigate challenges and deliver more effectively than democratic leadership. This recent nostalgia for authoritarianism must be seen against the backdrop of the longer-term trend that **the number of democracies has increased worldwide in recent decades.**

2. A Taxonomy for States and Societies

In some ways the term "fragile" is imperfect, as it can be overly broad and negatively skews both diagnosis and response. Other terms such as "societies under stress," "stability," and "resilience" could be helpful in broadening the debate around terminology. A classification of states and societies, based on the challenges and opportunities before them, may be more useful for policymakers, practitioners, and the academic community. A proposed taxonomy could be elaborated as follows:

Fragile and conflict-affected states are bringing back the question of state effectiveness. Countries are under strain – South Sudan has collapsed into conflict, Kosovo's young people are voting with their feet and leaving in large numbers for European neighbors. Despite a laudable push to "build back better" after the earthquake in Haiti, the billions spent on the effort largely bypassed the Haitian state and left the same levels of poverty and institutional corruption in place. While Sierra Leone and Liberia successfully beat back the Ebola threat, its outbreak exposed both country's threadbare health and disaster response services despite a decade of post-conflict recovery assistance. For these states, key considerations for the policy and research communities are how to equip reformist leaders and citizens for the best chances of success, and how to rethink development partners policies and operations to support national agendas and institutions.

Middle-income countries face a range of challenges, from the "middle-income trap," the just demands of a rising middle class for social protection, damage to the environment from rapidly growing economies, the challenges of uneven development without instruments for inclusion, and rising expectations from a young population for employment opportunities. Many countries struggle with the post-Soviet legacy; others are struggling with the global economic slowdown after a period of rapid growth; still others are discovering that a lack of "national accountability systems" has allowed significant resources to be diverted from the public purse for private gain.

The number of upper middle-income countries that have been classified as fragile has increased over the past decade, as seen by disaggregating the World Bank Fragile and Conflict Situations List by income level. While the number of states in the sample is too small to extrapolate this to a trend, there is evidence that more upper-middle-income states have become fragile, including post-Arab Revolts in 2011.

Number of FCS by Income Level
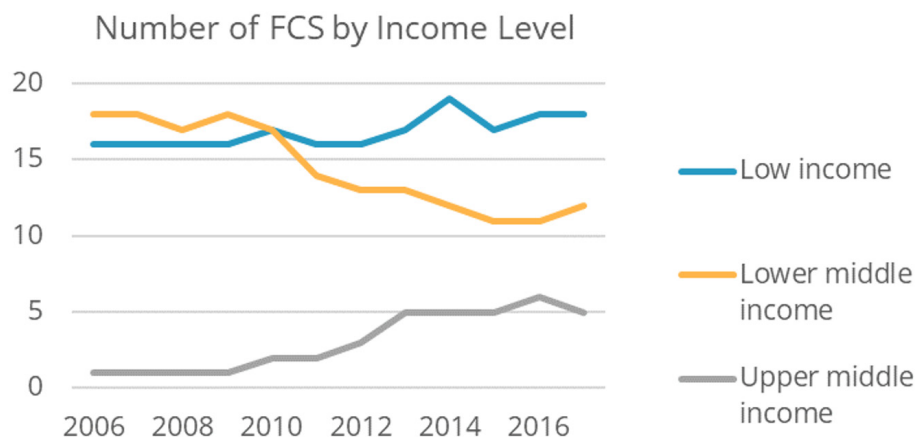
Countries and societies in the **Middle East and North Africa currently undergoing transition and conflicts** need a differentiated analysis. Responses in this region have so far been insufficient to resolve either the size of the challenge or adequately address the underlying causes driving radicalization, violence, and conflict, namely the lack of inclusive, effective, and legitimate systems of governance. There are several broad groupings of countries with different challenges and opportunities:

• The oil exporters (Algeria and the GCC countries), which are beginning to recognize the need to rethink the current governance system due to dropping oil prices and the financial constraints it imposes on subsidies.

• Countries where reform promises are showing potential, but growth and development remain low, making them even more susceptible to spillovers from the conflicts (Tunisia, Lebanon, Jordan, and Morocco).

• Countries mired in conflict (Libya, Syria, Iraq, and Yemen) that require differing approaches to resolving conflict, due to weak or failed institutions, outside intervention, and unseen levels of humanitarian catastrophe. These states also require different approaches to planning for the recovery and reconstruction of the state.

There are **countries which are stable at the national level but have significant pockets of violence or conflict.** Countries in this category could include the Philippines (dealing with an insurgency in the Mindanao region), Nigeria (facing the jihadist group Boko Haram in the Lake Chad Basin), India (facing separatist movements in the northeast as well as in Jammu and Kashmir), and Mexico (combatting high levels of violence related to drug cartels).

In **OECD countries,** the financial crisis highlighted the relationship of the state to the economy, including the role of the state in setting rules for managing globalization. Rising resentment over the effects of globalization and the financial crisis of 2008 have widened inequality and deepened divisions: urban vs. rural; college educated vs. non-college educated; and young vs. old, among others. In response, we see the rise of right- and left-wing populism as well as increasing disconnection from political establishments and parties across the United States, the United Kingdom, Europe, Singapore, as well as other countries.

3. Landmark International Policies and Responses

There is a long lineage of multilateral policies and work in the countries considered fragile. From the UN, these have ranged from the Brahimi Report (2000)[7] and the Millennium Development Goals to the creation of the Peacebuilding Commission (PBC).[8] The World Bank's work on fragility can be traced to the mid-to-late 1990s when the Social Development Network (later Department) worked to advance on social analysis of investment projects, lending, country strategies in fragile

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7   United Nations, General Assembly and Security Council, *Report of the Panel on United Nations Peace Operations*, A/55/305 and S/2000/809 available from https://undocs.org/A/55/305
8   United Nations, General Assembly and Security Council, *In Larger Freedom: Towards Development, Security, and Human Rights for All*, A/59/2005 available from https://undocs.org/A/59/2005

and conflict-affected states.[9] In 2001, the scope of the World Bank's understanding of fragility broadened from a focus on conflict to a more holistic picture of the institutional and governance challenges.[10] "Low-income countries under stress," or LICUS, are so classified because of their low development and institutional strength indicators.[11]

Recognizing the central importance of building legitimate state institutions and their core functions as the vehicle for tackling fragility, in 2007, the OECD's Development Assistance Committee (DAC) formulated the "Principles for Good International Engagement in Fragile States." The principles included: taking context as the starting point, focusing on state-building as the central objective, recognizing links between political, security, and development objectives, aligning with local priorities, and staying engaged over the long term. The Busan high-level forum in 2011 brought together international actors in a more comprehensive agreement and articulation of the common challenges in development. Over 40 countries and organizations committed to the New Deal for Engagement in Fragile States, setting out a new approach to building peace and the state in fragile contexts.[12] The Busan forum also facilitated **collective bargaining fora**, such as the g7+ group that brings together fragile countries to share experiences and strengthen their collective voice in discussions with development partners.

The World Development Report (WDR) of 2011 centered on the message that the nature of conflict has changed in the 21st century and the tools and international systems that addressed fragility in the 20th century need to be refitted to address better this new nature of conflict. With the decline in interstate wars in the previous 25 years, other forms of violence and conflict did not fit neatly into these phases. Insurgencies, transnational organized crime, and high levels of violence make it difficult for clear roles and responsibilities for international actors to be engaged.[13] Key to addressing these forms of violence and instability, then, is a set of legitimate institutions and governance that provides for citizen security, justice, and jobs.[14]

Two notable developments in 2015 broadened the understanding of fragility and emphasized the importance of governance in situations of fragility. First, the Sustainable Development Goals (SDGs) included Goal 16, focusing on institutions and justice. Second, the OECD's *States of Fragility* "moved beyond a single categorization of fragile states toward a more universal approach for assessing fragility that captures diverse aspects of risk and vulnerability, including 1) violence; 2) access to justice for all; 3) effective, accountable and inclusive institutions; 4) economic inclusion and stability; and 5) capacities to prevent and adapt to social, economic, and environmental shocks and disasters."[15]

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9   Gloria Davis, "A History of the Social Development Network in the World Bank, 1973-2002," Social Development Papers, Paper No. 56. Washington DC: World Bank, 2004.

10   Independent Evaluation Group, "Evaluation of World Bank Support to Low-Income Countries under Stress (LICUS): An Approach Paper," Washington DC: World Bank. Available at: https://ieg.worldbankgroup.org/Data/reports/licus_approach_paper.pdf

11   Independent Evaluation Group, "Evaluation of World Bank Support to Low-Income Countries under Stress (LICUS): An Approach Paper."

12   g7+, "New Deal Implementation," Available at: http://www.g7plus.org/en/our-work/new-deal-implementation

13   World Bank, "World Development Report 2011: Conflict, Security and Development," Washington DC: World Bank, 2011.

14   WDR 2011.

15   Claire Mcloughlin, "Fragile States: GSDRC Topic Guide," Birmingham, UK: University of Birmingham, 2016.

Understanding of the concept of fragility has evolved to encompass more than a particular phase of conflict (i.e., states either in conflict or post-conflict recovery stages) and more than violence-related aspects. Many development partners now understand fragility from a normative approach, seeing it "principally as a fundamental failure of the state to perform functions necessary to meet citizens' basic needs and expectations."[16] The three aspects that characterize fragile environments relate to authority (i.e., the state's monopoly on violence), capacity (i.e., the state's ability to provide basic services as well as to mobilize resources against goals), and legitimacy (i.e., the state's claim as the only legitimate political actor, or the existence of electoral democracy, and civil and human rights protections).[17],[18]

Since the early 2000s, there has been a proliferation of bureaucratic units in government departments to focus on advancing the policy and practice of institution-building in post-conflict and fragile settings. Governments that have included such units are the UK, US, Germany, and Canada. Other notable bilateral policy development includes both Canada and Sweden's feminist foreign policies.

4. Key Insights from the Academic and Practitioner Communities

The academic and practitioner communities have generated key insights from the last decades of research and practice. These include:

- **It takes longer for fragile countries to transform than previously appreciated.** Some of the fastest transformations have taken upwards of 30 years to build and consolidate legitimate institutions, and to make qualitative changes in perceptions and attitudes more broadly across societies.[19] Building consensus and peace is a dynamic process that moves backwards and forwards. This evolving appreciation for expanded time horizons, however, has not been matched by a corresponding shift in approach by donor institutions, which continue to operate under short time horizons and remain focused on short-term tasks, e.g. dealing with a specific crisis, cutting a deal to achieve a political agreement, etc.

- **The importance of politics in state-building processes.** This rediscovery of politics emphasizes political economy analyses to understand how interventions and the types of political settlements drive outcomes, especially with regards to violence, service provision, or economic growth. Accordingly, donors have developed analytical frameworks and tools aimed at assessing political and institutional contexts.

- **Efforts to operationalize elite settlements have often not addressed many of the underlying drivers of violence.** Peace agreements negotiated among a set of narrow and self-serving elites may be necessary to end violent conflict, but they are short-term measures and may not produce long-term peace. One study suggests that civil wars ended by negotiated settlement are

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16   Mcloughlin, "Fragile States: GSDRC Topic Guide"
17   Louise Bosetti, Alexandra Ivanovic, and Menaal Munshey, "Fragility, Risk, and Resilience: A Review of Existing Frameworks," Tokyo: United Nations University, 2016.
18   Frances Stewart and Graham Brown, "Fragile States," Oxford: Centre for Research on Inequality, Human Security, and Ethnicity, 2010.
19   WDR 2011.

more likely to recur than those ending in victory by one side.[20] Initiatives and new mechanisms to promote public participation and phased building of inclusive policies and institutions can create an important balance to elite-based politics. Yet many continue to fail – such as the Yemeni National Dialogue – because of pressures created by external interests, rushed timelines, and weak governance structures that are not able to deliver on the expectations of citizens.

• **Tackling corruption remains a key challenge** in most contexts but there are many examples of cities and towns, ministries and agencies, and countries making significant progress in the fight against grand and petty corruption. The cases of Singapore, Hong Kong, Colombia, Indonesia, and Georgia tell us that fighting corruption requires systemic changes in controls, incentives, and monitoring arrangements within an overall strategy that prioritizes and appropriately sequences efforts in-line with institutional capacities and resources.

• **In the early years of the 21st century, counter-terrorism became the pre-eminent security priority among a number of states, and framed the way they viewed fragile states.** Combating terrorism increasingly evolved from focusing on a state's ability to fight threats to a broader understanding of the drivers of terrorism and violent extremism. The focus shifted instead to the grievances and causes of terrorism. Among these included inequality, weak or corrupt governance, poor service delivery, lack of economic opportunity, and ideology.[21] The countering violent extremism camp has morphed again into one of preventing violent extremism, trying to alleviate the root causes of violent extremism.

• **A new wave of research is considering how criminality and transnational organized crime is thriving in fragile settings, often characterized by weak governance and corruption.** Some emerging considerations include the linkages between organized crime in emerging economies (particularly in Africa) and the broader global economy; how organized crime can thrive in decentralized governance structures and weak political orders where the state lacks reach; and how in some cases organized crime is seen as the lesser of two evils compared to state corruption.[22]

• **Crime and victimization are just as important ways to conceptualize fragility as armed conflict.** Rather than interstate or civil war, violence in fragile states is increasingly understood in terms of "citizen security" or "public security." In some places in the world, particularly in Mexico and Central and South America, "criminal violence is singled out as one of the top concerns of citizens."[23]

Despite all this – and other – important research, a gap remains between what we know works and the tools we bring to bear. **Why there has been limited take-up of knowledge and instruments?** This gap can be partly explained by bureaucratic stasis, aided by the mentality of a world divided into development countries and donor countries that creates obstacles to productive

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20   Monica Duffy Toft, "Ending Civil Wars: A Case for Rebel Victory?" in International Security, vol. 34, no. 4 (2010).
21   US Agency for International Development, "The Development Response to Violent Extremism and Insurgency," Washington, DC: USAID, 2011.
22   Markus Schultze-Kraft, "Organised Crime, Violence and Development: GSDRC Topic Guide," Birmingham, UK: University of Birmingham, 2016.
23   Robert Muggah and Katherine Aguirre Tobón, "Citizen Security in Latin America: The Hard Facts," Rio de Janeiro: Igarapé Institute, 2018.
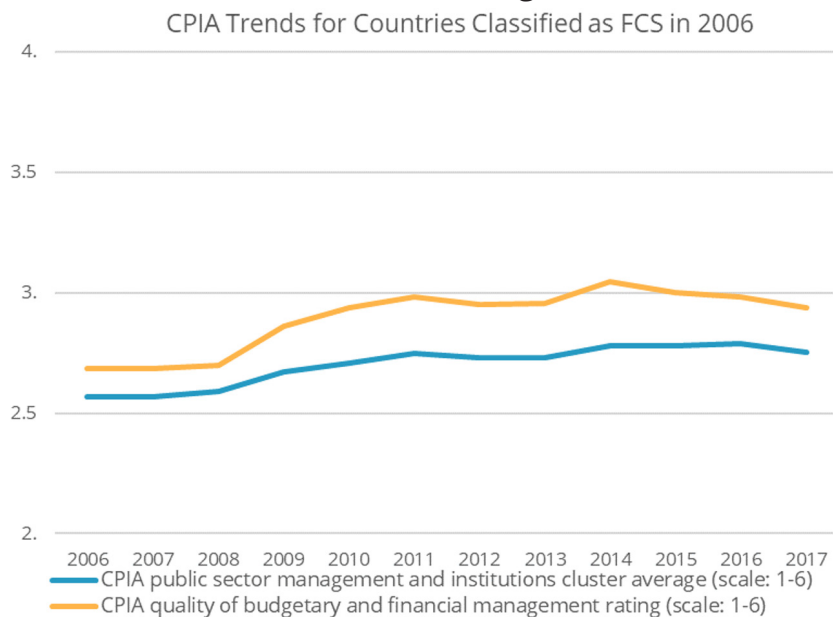
coalitions necessary for global stability and prosperity.

5. Operational Practice in Fragile Contexts

The international response to weak states still remains focused on mitigating the consequences of fragility. These solutions too often cater to international partners' needs rather than the needs of the countries in question, working at cross-purposes with state-strengthening, fragmenting and undermining the rule of law and institutional capacity. Where a multitude of donor-imposed projects floods a country, the ability of reformers to implement national priorities is constrained. The political will necessary to break the development system's problematic adherence to the project as the unit of delivery has not yet materialized. In fragile states, the number of projects is increasing, and a greater number of sectors are increasingly represented.

Number of Projects by World Bank Global Practice/Theme
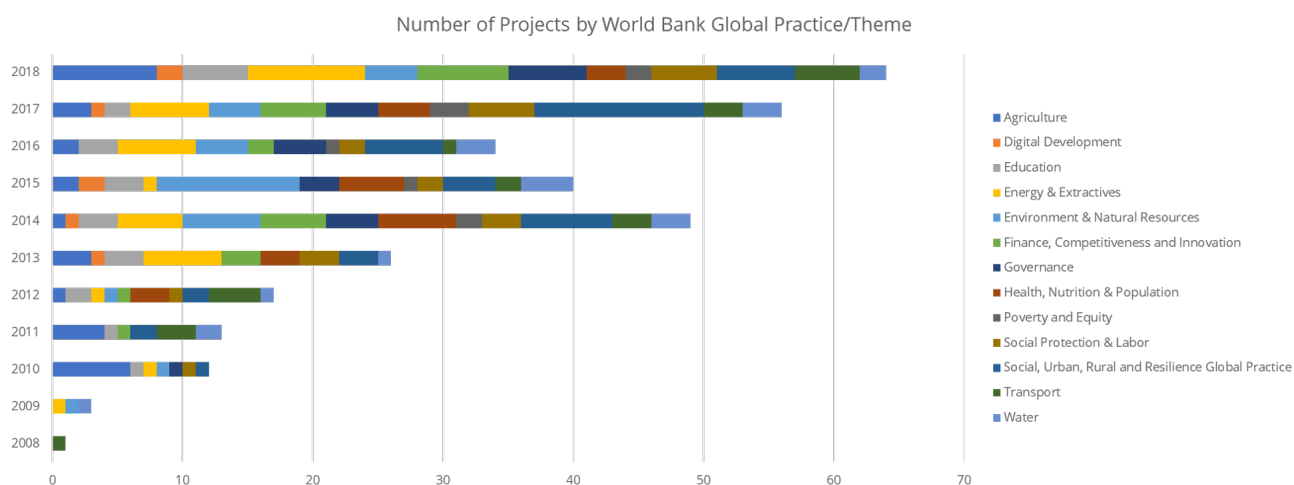
Related is the elusive issue of how best to measure success over the short, medium, and long-term. In practice, the current focus is on project completion and easily identifiable outputs at the expense of measurable outcomes for citizens. Country Policy and Institutional Assessment (CIPA) scores measuring institutional strength among the group of countries classified as fragile in 2006 have shown little progress. Among the group of fragile and conflict-affected states recognized as such in 2006, CPIA scores in key institutional strength variables have shown modest gains and, on the whole, remain under the 3.2 threshold for the "fragile" classification.

CPIA Trends for Countries Classified as FCS in 2006

CPIA public sector management and institutions cluster average (scale: 1-6)
CPIA quality of budgetary and financial management rating (scale: 1-6)

Given the centrality of the New Deal framework, and the abundance of work assessing its implementation, the New Deal provides a useful lens through which to consider the implementation record of governments and their international partners. The original New Deal attempted to re-balance the relationship between international development partners and the leaders of conflict-affected and fragile states. It was a step forward in ensuring national leaders led their own recovery and development agendas. This breakthrough was not accompanied by a workable set of changes at the operational level, nor a mechanism to manage differences between country leaders and their counterparts.

A number of reviews have indicated that the implementation of the New Deal has fallen short of intention. In 2014, the New Deal Monitoring Report, reviewing lessons from New Deal country pilots beginning in 2012, found "unmet conditions, unrealistic expectations about timeframes, lack of political dialogue, overemphasis on technical processes, and a lack of knowledge by donors at the country level on how to implement the New Deal."[24] Two years later, in 2016, the Independent Review of the New Deal for Engagement in Fragile States affirmed the New Deal as a necessary and significant policy innovation[25] and highlighted some advances, including pilot countries creating fragility assessments with accompanying indicators and increased use of compacts. Overall in pilot countries, neither governments nor donor partners had aligned their strategies to the New Deal's Peacebuiliding and Statebuiliding Goals (PSGs), and implementation generally flagged.

6. Forward-Looking Research Agenda on Fragility

The central task ahead for international actors addressing the challenge of fragility is how to support the establishment and evolution of sustainable and accountable governance. How can nation-states and their governments become more responsive and accountable to citizens? What kind of citizen-state compacts are desirable and feasible, and what pathways to more inclusive governance and shared societies can be followed? Answers to those questions can help identify the functions and services that citizens expect from their government, the private sector and civic actors, and at what levels: national, regional, municipal, community, village, etc.

These questions may seem abstract but can be grounded by specific frameworks which propose a set of core state functions.[26] The core functions range from providing security, to managing infrastructure and human capital to engaging with citizens. The degree of importance of each function varies, as does its form. As specific core functions are strengthened, the state becomes more responsive and accountable.

Different categories of states, such as those outlined above, experience different challenges at various times in their evolution and history. Endogenous factors such as a society's governance history, institutional legacy, demographics, and geography mean that it will need tailored approaches. The challenge is to understand each country's stages of growth, and how phases of political processes, market building, and citizen participation are linked.

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24   Hughes et. al., "Implementing the New Deal for Fragile States."
25   Sarah Hearn, "Independent Review of the New Deal for Engagement in Fragile States," New York: New York University, 2016.
26   Ashraf Ghani and Clare Lockhart, *Fixing Failed States*, Oxford: OUP, 2008.

While every state is unique, there are some current universal issues that are unlikely to change anytime soon. In order to anticipate and successfully handle these challenges, states may have to adapt their roles and strengthen their governance functions. Some specific issues worthy of further investigation include:

1. Rethink "thinking and working politically" – political parties and inclusive politics:

Recent trends suggest a deepening disconnect between citizens and democratic politics and institutions, and a growing failure of political representation. What lies at the heart of this disconnect? What are the opportunities available for citizens to participate in public and political life? How can political parties and other political agencies reconfigure and develop, mobilize, and connect with citizens?

The question of inclusive and representative politics is even more difficult to address in transitions from conflict or authoritarianism to democracy. There has been much debate about the relationship and sequencing of democracy, state-building, and development. A focus on holding elections quickly in the absence of other elements of democracy tends to worsen the prospects of reform by creating opportunities for corruption. In many cases, parliaments turn into auction houses where votes and special interests are horse-traded behind the scenes. Central to thinking through the sequence of political transitions is a deeper appreciation of the local political economy and the potential role that political party development or other mechanisms can play to enhance popular participation. Participatory mechanisms – such as national dialogues or national community-building programs – can complement and strengthen democratic institutions.

Since the 1980s, there has been an historic surge in peace agreements, but many of them have failed. In conflict-affected contexts, narrow peace agreements may be necessary to end the violence, but they can often reproduce and inflame societal division if they are seen as entrenching the power structures that emerged from the conflict, rather than as the beginning of a series of transitions.

In established democracies, growing levels of political, economic, and social polarization also requires governance systems to evolve in ways that can better meet the needs of their citizens and economies. Much of today's literature describes new types of collaboration with multiple stakeholders at different levels, with governments, the private sector, and civil society working together to build better governance.

In the developing country context, the relationship between development institutions and reformers is also critical for success. That relationship should be collaborative and supportive of local political will to enact reform, recognizing that there is no one-size-fits-all approach. The rule sets for donor/partner engagement in fragile states clearly need re-negotiation, so that external engagement contributes to the advance of reform agendas, rather than fragmentation of rule of law.

2. The role of regional integration and cooperation:

Regional cooperation and integration can play a significant role in addressing challenges and maximizing opportunities across the security, economic, and governance sectors. In particular, it can help overcome the dynamics of conflict and promote peaceful relations between neighbors. The experience of Europe – and more recent examples, including the African Union, the Mekong, and ASEAN – illustrate the potential benefits of deeper integration. In ongoing and future efforts to foster peace, stability, and resilience, the role of regional integration and cooperation will warrant careful attention. For example, regional cooperation in the Middle East and North Africa could help dampen the geopolitical conflicts that drive today's violence and conflict and provide an opening to enhance the performance of state functions.

3. Levels and functions of government:

If the assumption by all stakeholders is that the state-led system is to be preserved, maintained, adapted, and developed, then a common frame of understanding functions of the state can provide a useful basis for research. Questions for specific contexts would then include: are these functions being performed? What are the functions expected by citizens? At which levels are these functions being performed? Where are the gaps in performance? What are the constraints and challenges to performance? How might those gaps be met, and challenges be overcome? Where do opportunities lie for different mechanisms of delivery (e.g., civil society partnerships and co-production, and new technologies)?

In many contexts, the issues of sub-national governance, decentralization, and federalism loom large. The potential of decentralization is often emphasized when discussing strategies for closing the gap between citizen expectations and the ability of the state to deliver. Rapid urbanization and the emergence of mega-cities have added urgency to the question of municipal governance and decentralization. When observing cases of government transformation, many of the most successful cases work best on smaller scales, where leaders and local services can be more responsive to citizen needs.

The question of decentralization however can be too binary – in reality, neither centralization nor decentralization is the answer. In Latin America, for example, where a substantial proportion of revenue was directed to the sub-national level, problematic experiences ensued because form and function were not clearly defined and differentiated. A more relevant question could be how to align state activities across levels – whether central, provincial, district, or village – and across functions. These types of questions lie at the heart of many peace processes, national dialogues, and constitutional processes, including recently, Yemen, Nepal, Somalia, and Kenya.

4. Public economic and financial management, service delivery, and social inclusion:

Building credible and transparent systems for public financial management is critical to the success of the overall reform and development processes as well as essential for managing all other functions of the state. At the national level, public financial management systems provide macro-economic stability to withstand global shocks. Internally, they balance social and economic

disparities through development incentives. By making planning, expenditure, and control more efficient and transparent, sound public finance management facilitates the national budget as the central instrument of policy coordination, which also prevents and tackles corruption.

In a constrained fiscal environment, redistributive struggles have emerged and raised the afford-ability of the social contract. Both aging societies and new countries with a growing youth bulge will confront questions about the distribution of resources across functional, generational, and spatial levels. There is a great need for creativity in crafting instruments of social policy and pro-gramming that can turn demands and promises for inclusion into reality. The focus on service delivery must be related to the mechanisms for governance and financial management. There is also a need to re-examine the instruments and organizational arrangements by which services are delivered, with appropriate roles and responsibilities for governments, private sector, civic actors, communities, and development partners.

5. Citizenship, civil society, and social movements:

There has been much focus on the rights of citizens, but far less on the responsibilities of citizen-ship. Part of a new compact between citizen and state is to bring to the fore the responsibilities of citizens – to the state and the body politic, to the environment, and to each other – that ac-company rights. Interestingly, the Universal Declaration of Human Rights puts this centrally, but as human rights doctrine evolved, rights, rather than responsibilities, loomed large.

More attention needs to be paid to the role of social movements and specifically, the role of civil society in supporting better governance and accountability. For far too long, civil society has been treated as an ad-hoc project by the international community, which tends to focus on NGOs in urban areas while often overlooking indigenous expressions of civil society. Today, many civil society groups tend to act as private contractors for service delivery, competing with one another and private enterprises for donor funds rather than assuming a more political and advocacy role.

Further investigation into the changing role and functions of civil society – including citizenship, political participation, and good governance, as well as the role of young people and women – is needed. The role of women in communities, governments, and markets is an area for particular focus. Too often, women are considered in research as the subjects of impacts of conflict, as in how women were affected by experiences of conflict or fragility. While important, this type of research tells only one side of the story. How women, as heads of households and community leaders, support transitions from fragility is an important lens.

6. Market building:

Competitive markets depend on capable states for the creation of their enabling environments. In successful cases of transformation, the role of the state has been catalytic in market formation, facilitating and intervening where necessary to encourage growth, promote recovery, or to help the economy respond to longer-term challenges. How the state facilitates market formation is a human and institutional construct. The type of investments, rule sets, and policies determine the shape of the function and incentives for firms and their activities.

The slow recovery from the 2008-9 financial crisis has also brought new pressures to bear on government's role in markets, as public trust has waned in the ability of the marketplace to deliver stability, combat economic inequities, and address redistributional struggles. Informality, illegality, and criminality of the marketplace require urgent attention. Harnessing a more equitable and just globalization to make it a truly inclusive process could help provide an answer to addressing the rising populism and discontent. As the nature of the global economy comes into question: who will be eligible to set the rules, interpret the rules, and change the rules? How can leaders, citizens, and businesses work together to innovate and design a system of rules that can both harness the benefits of economic globalization while also mitigating its most harmful consequences?

7. The importance of cultural heritage and national identity-building:

A case could be made that state-building has produced distortions around the discourse of nation-building, where the focus is on strengthening state administration without much consideration towards building an inclusive national identity. This is particularly problematic in countries where conflict and violence have significantly destroyed social trust and capital, and war entrepreneurs have mobilized along sectarian and ethnic divides. A renewed focus on developing a shared overarching national identity and preserving cultural heritage alongside institution-building can provide important, even if intangible, benefits towards promoting state legitimacy, social cohesion, and a larger sense of belonging.

8. Digital government:

The new reality of communications has empowered citizens and enabled the rise of a global civil society. Advances in new technology and social media have changed the nature of politics, economics, and society. Political actors and systems are continuously being forced to respond and reform themselves to adapt to changing circumstances and pressures. Digital technologies are a transformational force, which, if harnessed effectively, can provide great opportunities for governments to improve governance and deliver better services to citizens. While the benefits of digitalization can be great, there are also significant challenges to realizing them.

9. Research methods and the "how" of research:

Pragmatically, it is important to bear in mind the changing context in which research is being carried out today. The capacity of many traditional research methods to produce timely value is severely impeded by the rate of change in today's world. As a result, many organizations at different levels sidestep or minimize the research phase, arguing that any insight such research provides is too little, too late, or that it shows what we can already see. In many delivery organizations it is being replaced by agile methodologies that use hypothesis-driven design.

The question of delivering timely information that is relevant for decision-makers is also complicated by the fact that in many cases research must be layered at different paces to help answer questions in a timely way. Considering how research and insight can match the decision-making cycle – whether policy design, intervention/program design, or intervention measurement of outcomes or performance –would be useful to ensure its continued impact.

Not only are specific topics for research useful to consider, but so too is how this research is produced and shared. New tools, such as social media analysis, drone and satellite imagery of physical reconstruction needs and economic activity, and poverty mapping, are increasingly used by development partners. But how research can support these tools going from singular applications to building reliable, high-quality systems and data sets is worth further exploration.[27] Additionally, participatory research methods can help involve citizens as individuals or stakeholder groups from the earliest stages of problem identification to solution brainstorming, strategy setting, and implementation.[28] New technologies can further facilitate citizen participation.

The research and policy communities may consider how to build a common picture and approach. Integrated analysis can encourage such a consensus and enable coordination and prioritization across silos. To help overcome the issue of silos within the research community, a system for sharing what is being funded and what is being produced, both for other researchers and for policymakers, could be a useful contribution, as would greater agreement on collective monitoring and evaluation systems.

Conclusion

The classification and understanding of root causes of fragility is well documented and understood within the development community. There is less codified knowledge about the application of remedies and solutions to the situations many countries, people, and their institutions face. This gap is compounded by the rate of change and technological advances in the world today; combined, these forces create a volatile environment which places new pressure on research methods and practitioners to produce actionable insights that can be used to support projects and initiatives for successful outcomes. This extends to the change we demand of our organizations today and the fundamental shift in understanding of the operational performance of bureaucratic institutions to know what is necessary in order to support resilience. The ease and ubiquity of creating data-rich environments offers great opportunities, but places new demands on traditional methods to incorporate data flows—feedback loops—on which to build and evolve knowledge. In practical terms this means the introduction of new methods of collecting and combining data, and new collaborative ways of working to support cross-function teams to produce more useful insights to achieve desired outcomes. This raises many questions and concerns about the purpose and integrity of academic research and practical analytics, and their combination. The research profession must still maintain standards of quality, but for their efforts to be useful and applied, there are new timelines and ways of working which are fundamentally different. The discourse should not just examine the research agenda (what we look at); but how to produce better insights (where integrated teams of research, policy, and implementation experts are working together to produce outcomes that meet the needs of citizens); the purpose and application of research products that are directly useful to decision-makers and ultimately the people we collectively are trying to help.

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27   For example, USAID and Norway funded a project in South Sudan on early warning and non-traditional indicators that worked to build capacity of South Sudanese research institutions to carry out this monitoring after the project's completion.
28   ISE's critical stakeholder inquiry methodology, a research method using focus groups and facilitated appreciative inquiry, has contributed to this type of public policy formulation in Nepal and Kosovo.