Working Day I
The interface between governance and fragility

Regional Governance Seminar
Western Balkans Division

Harald Schenker, DDLGN and Andrea Iff, swisspeace

swisspeace

Schweizerische Friedensstiftung
Fondation suisse pour la paix
Fondazione svizzera per la pace
Swiss Peace Foundation

What is fragility?

https://www.youtube.com/watch?v=qDepYqZaaXc (from 0.01-01.15min)

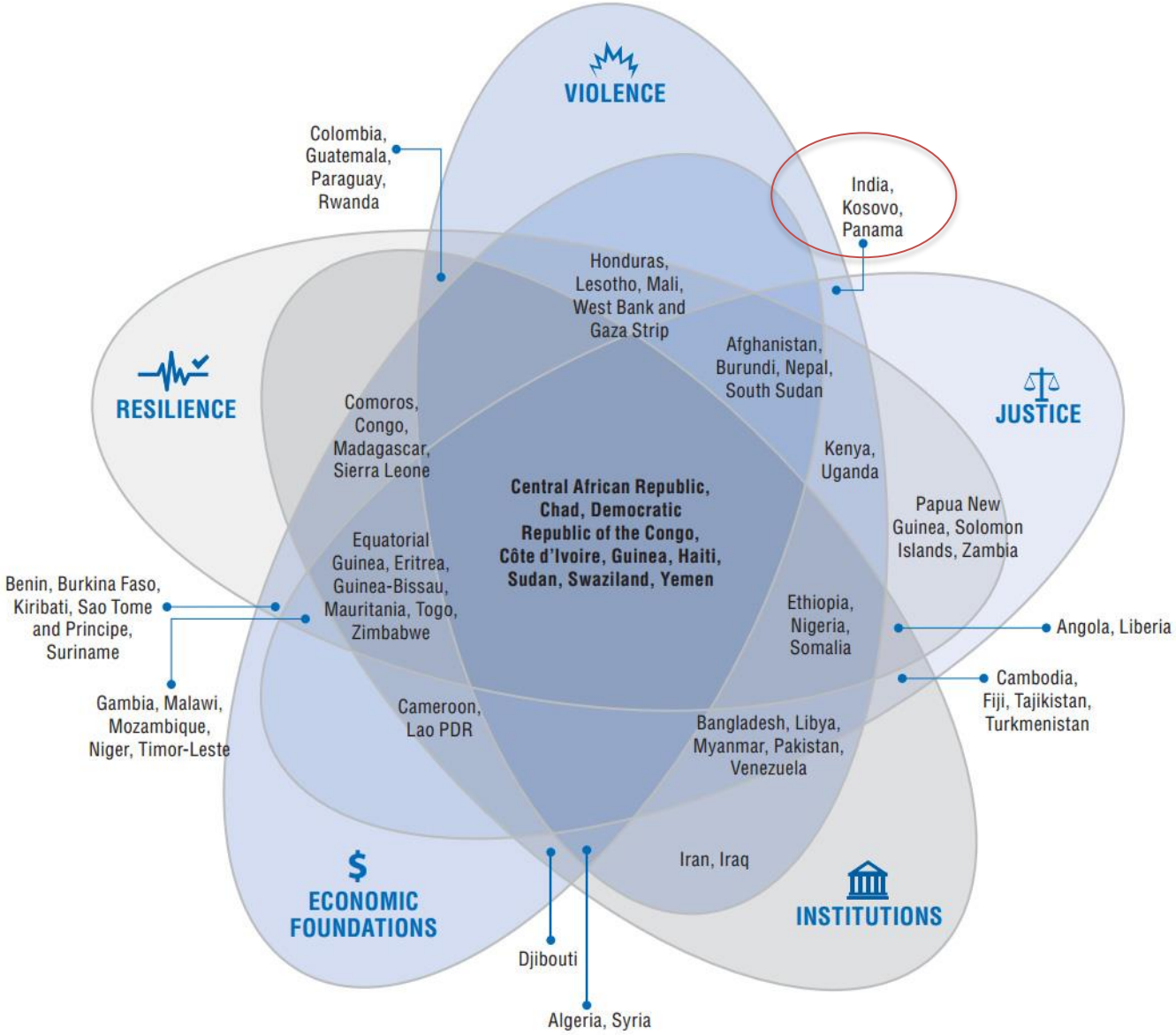
https://www.youtube.com/watch?v=3ISlaPhmzlo (from 2.38-4.30min)

https://www.youtube.com/watch?v=B0Hq0TItcRA (from 5:26-7.01min)

Where does ‘fragility’ come from?

- Brings together development, conflict and stability policy research
  - (Economic) development: Poor record of structural adjustments and market-friendly reforms (WB terms - difficult partners, LICUS)
  - Conflict: Poor record based on experiences of Rwanda, Sierra Leone and Somalia in the 1990s
  - Stability: Threats to international system and the neighbors of underdeveloped countries

States of fragility



Global Agenda

Agenda 2030

- Goal 16 + reduction of violence, conflict and fragility.
- Goals on basic social services; food security; economic growth; employment and decent work; on reducing inequality and achieving gender equality.

The New Deal for Engagement in Fragile States:

- Legitimate and inclusive politics
- Security
- Justice
- Economic foundations
- Revenue and services.

Aspects of fragility

- Authority challenged fragile states
  - No ability to enact binding legislation, exercise coercive force over sovereign territory, or provide core public goods. Today, criminal and drug related violence sometimes more important than terrorism, civil war and international conflict.
- Capacity challenged fragile states
  - Potential for a state to mobilize and employ resources towards productive ends. Effectiveness is the capability of the government to work with society to assure provision of order and public goods and services
- Legitimacy challenged fragile states
  - Legitimacy refers to perception by important segments of society that the government is exercising state power in ways that are reasonably fair and in the interest of the nation as a whole.

Why fragility?

MDGs have not explicitly addressed the need to reduce violence, conflict and fragility. Many believe that this has posed significant obstacles to delivery of MDGs.

Fragile contexts test ability to

- Understand complex environments
- Adapt objectives, modalities, and partnerships

Strategic Principles

Principled, systemic, but adapted approach

- best-fit solutions
- build upon existing structures and dynamics
- wider perspective on actors, incl. informal leaders and power structures

Starting from context analysis, use tools

- political economy and power analysis
- gender analysis
- conflict analysis and fragility assessments
- local governance assessments

Governance and Fragility

- Conflict becomes more likely when segments of society question whether the government's exercise of power is fair and inclusive.
- Much of the connection between fragility and armed conflict relates to legitimacy (accountability, inclusiveness, transparency)
- Illegitimate governing institutions and ineffective delivery of key services – the cornerstone of fragility – contribute to extreme poverty

(USAID 2014)

Why DDLG?

Overcome fragility and conflict:

- prevent violent confrontations
- strengthen states' and societies' resilience in crises
- Entry point: subnational / community level.

Development engine:

- Governance links anti-poverty efforts and effective poverty reduction.

Thematic Priorities: Democratisation

Systemic approach

- Comprehensive support to different pillars of democracy (e.g. parliaments, media, judiciary)
- Explore “new terrain
- Support more inclusive political processes and power structures - important in fragile contexts
- Support political empowerment of women and vulnerable groups.

Thematic Priorities: Decentralization

Fiscal transfers

- conditional versus unconditional transfers;
- formula-based versus ad hoc assignments;
- non-matching versus matching grants.

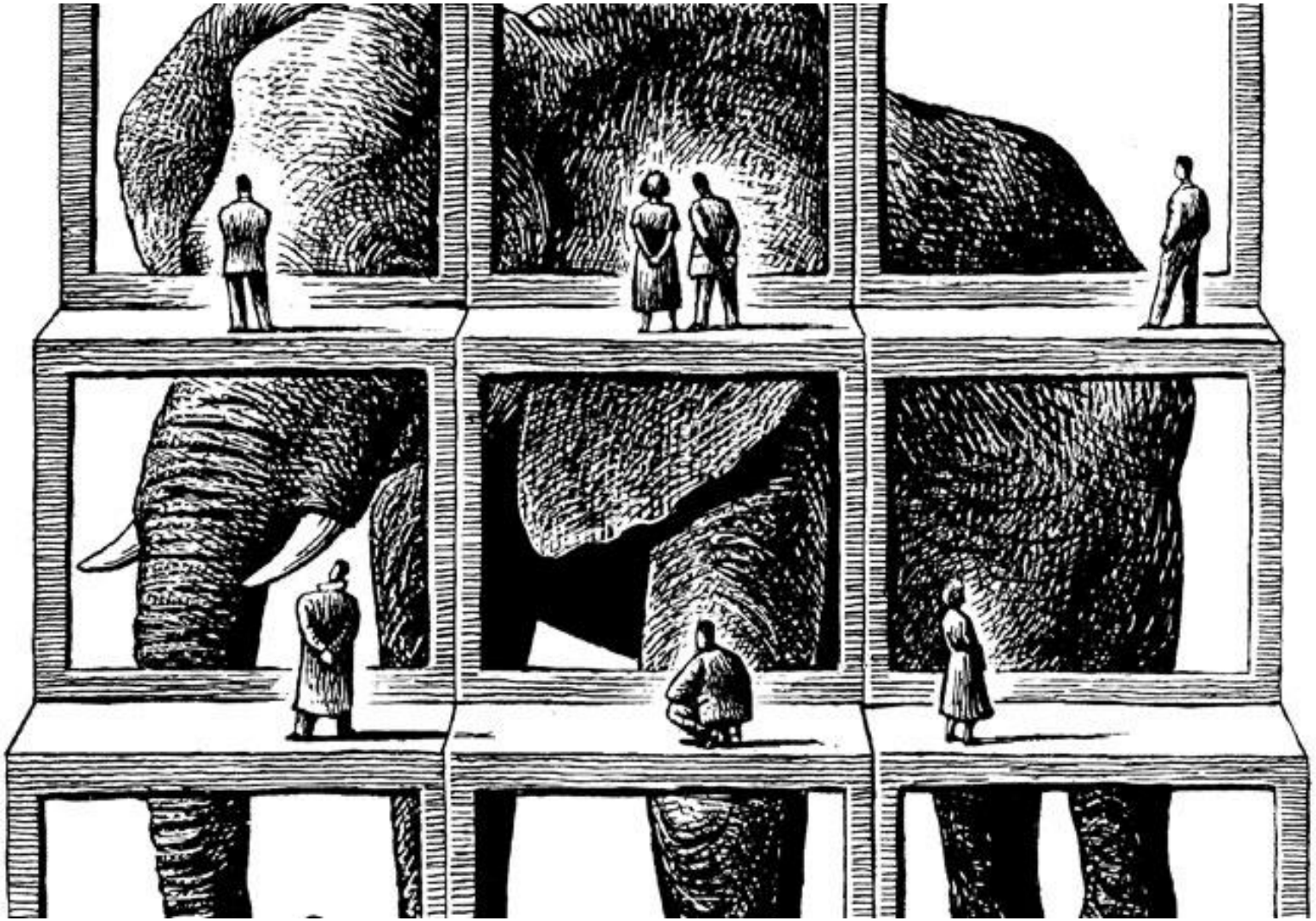
Design adapted to the context and purpose

In fragile contexts

- Purpose: fiscal appeasement, preserving the state coherence, avoiding migration.
- “equal shares” facilitate political agreements but lead to high per capita inequities.
- Use of down-scaled models

Thematic Priorities: Local Governance

- SDC's vast experience in LG to feed into peacebuilding and state-building initiatives;
- SDC to expand expertise in fragile and post-conflict settings. Focus on:
  - Building functional and legitimate local institutions
  - Citizen participation
  - Accountability for confidence building



ddIgn Democratisation, Decentralisation and Local Governance

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