Chapter 9 sets out new directions for international policy. International assistance to strengthen the national institutions and governance that provide citizen security, justice, and jobs, and to alleviate the factors that undermine them, is crucial to break the repeated cycles of violence described in this Report. But it requires an international system better adapted to address 21st-century risks of violence. This means refocusing assistance on preventing criminal and political violence through greater, and more integrated, support for security, justice, and jobs; reforming the procedures of international agencies; responding at a regional level; and renewing cooperative efforts among lower-, middle-, and higher-income countries.

EXTERNAL
STRESS

CITIZEN
SECURITY,
JUSTICE,
AND JOBS

VIOLENCE and
FRAGILITY

EXTERNAL SUPPORT
AND INCENTIVES
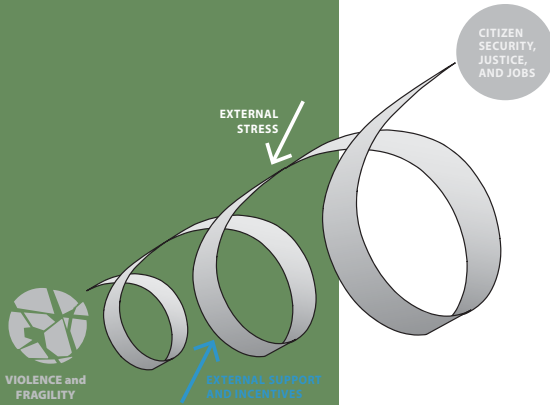
New directions for international support

The international system achieved remarkable progress in reducing 20th-century violence. The overall decrease in interstate war owes a great deal to the establishment and growth of an international architecture after World War II that viewed peace and prosperity as linked and embodied shared global standards and new methods of collective action to address threats. The adaptation of that system at the end of the Cold War provided new tools that contributed to a subsequent reduction in the number and severity of civil wars. This Report stresses that progress in overcoming violence and reducing risk is above all a national process and that national actors need to own their institutional transformation. Yet many of the national responses analyzed in part 2 of this Report, "Lessons from National and International Responses," were achieved with international support. It is difficult to imagine how committed leaders in post–World War II Europe, Indonesia, the Republic of Korea, Liberia, Mozambique, Northern Ireland, Singapore, or Timor-Leste would have stabilized their countries or regions without help from abroad.

The international system is hampered, however, by structures and processes that are not sufficiently adapted to the current challenge as described in chapters 6 and 7. There is relatively little capacity internationally to support the core institutional challenges for violence prevention—citizen security, justice, and jobs. Internal agency processes are often too slow to support confidence-building and too quick to exit, inadequately engaged with building national institutions, and preoccupied with technical "best practice" rather than functionality adapted to the local political context. Divisions between diplomatic, security, and development agencies, and between those initiatives dealing with political conflict and criminal violence, persist, despite the practical links on the ground between these issues. Efforts are targeted more at the national than the regional level, and global initiatives on corruption and trafficking lack robust tools to "follow the money" across fragile jurisdictions. A focus on smarter assistance tools is particularly urgent given the current environment of constraints on aid budgets.

The changing international balance of power is also widening the circle of influential actors. With the rising economic and diplomatic influence of lower- and middle-income countries, the focus of influence on national action is shifting. Middle-income countries, many with a history of solidarity support and increasing aid programs, are taking on greater responsibilities for shaping outcomes beyond their borders. And regional institutions are playing a larger role. In fragile

situations, the different domestic pressures faced by OECD (Organisation for Economic Co-operation and Development) donors, recipient countries, and middle-income countries—the "dual accountability dilemma" of accountability pressures both to domestic constituencies and shareholders and to the leaders and citizens of recipient states described in chapter 6—often means that their view on priorities and what is reasonable to expect of national actors are divided.

Taken together, these constraints mean that international assistance is not yet marshaling the resources needed to address the 21st-century challenges of repeated and interlinked violence and weak governance. To achieve real change in approaches, this Report considers four tracks to improve global responses for security and development.

- **Track 1:** Preventing repeated cycles of violence by investing in citizen security, justice, and jobs

- **Track 2:** Reforming internal agency systems to support rapid action to restore confidence and long-term institution-building

- **Track 3:** Acting regionally and globally on external stresses

- **Track 4:** Marshaling experience and support from lower-, middle-, and higher-income countries and global and regional institutions to reflect the changing landscape of international policy and assistance.

Track 1: Preventing repeated cycles of violence by investing in citizen security, justice, and jobs

The demand for international support that can help areas struggling to prevent large-scale political or criminal violence is high. Prevention does not mean only the prevention of new violence in hitherto peaceful areas, but reducing the risk of recurring violence in countries that have already experienced past cycles, for example, Guate-

mala or Yemen. Repeated cycles of political and criminal violence require thinking outside the box, beyond the traditional development paradigm. Issues of citizen security are not peripheral to "mainstream" development. They are in varying forms a problem for subnational areas of larger and more prosperous countries, for countries emerging from conflict that need to prevent recurrence, and for areas facing new or resurgent threats. More effective international support to risk reduction requires (1) combined tools that link citizen security, justice, jobs, and associated services, and (2) structural investments in justice and employment capacity.

Operational gaps in capacity— New tools for combined action

International actors increasingly recognize that development and security march hand in hand. But most international instruments do not. The basic tools presented in chapter 8 to prevent repeated cycles of violence require linked action from political, security, development, and humanitarian actors. Yet these actors generally assess priorities and develop their programs separately, with efforts to help national reformers build unified programs being the exception rather than the rule. United Nations (UN) "integrated missions" and various bilateral and regional "whole-of-government" initiatives have emerged to address the challenge of merging development, diplomatic, and security strategies and operations. But these models still struggle with the reality that different disciplines bring with them different goals, business models, planning time frames, decision-making processes, funding streams, and risk calculus. Action has often stopped at the level of light "coordination" rather than moving toward programs that combine efforts on the ground.[1]

The range of practical experience available in the international system in supporting integrated approaches to prevent repeated cycles of violence has improved. There has been an increase in global and regional mediation, a greater focus on security-sector reform,

an increase in police capacity-building, and strengthening of links between peacekeeping and civilian assistance. Some innovative programs have been developed, such as the "peace infrastructure" supported by the UN Development Programme (UNDP) and Department of Political Affairs (UNDPA),[2] the Inter-American Development Bank's (IADB) community projects for citizen security, and collaboration on safe transit between the World Bank and UN peacekeeping missions. Such initiatives often support combined action relating to citizen security, justice, and jobs, but they are not yet in the mainstream of diplomatic, security, or development implementation on the ground.

A different way of doing business is needed. There is a need to move away from simply tweaking current practices toward a fundamentally new practical set of tools to link development and security, development and mediation, and development and humanitarian assistance. New tools should aim to have a catalytic effect in supporting confidence-building and longer-term institutional transformation.

The key lessons from country experiences of international assistance are that four types of programs requiring combined efforts by development, security, political, and humanitarian actors are needed in insecure situations (table 9.1). These would be the top priority operational tools for international partners to target combined action on the ground. The development of a specialized suite of catalytic products deliverable at scale nationally or subnationally would enhance the ability of international agencies to respond effectively to government requests for assistance in preventing repeated cycles of violence. Amongst the member states of the multilateral organizations, greater coherence and consistency in the positions they take in multilateral governance bodies would help foster such combined operations.

Principles for combined operations

Shared principles for the management of combined operations are also necessary—

again moving beyond mere "coordination." For in-country management, much international action remains stuck, aptly characterized by the adage, "everyone wants to coordinate but no one wants to be coordinated." In this case, the Report suggests using the principle of subsidiarity: the closer to violence, the better the understanding of the local priorities and the more effectively the combined management can operate. In general, this would mean empowering national leadership in the coordination of assistance and ensuring that they have the support to do this. In others, thinking about subsidiarity may mean empowering regional institutions to supplement national governments' coordinating role.

Where national coordinating mechanisms lack sufficient authority or capacity to influence the more powerful international actors, joint global-local or global-regional-local leadership could improve confidence and traction. The Association of Southeast Asian Nations (ASEAN), the UN, and the Myanmar Government Tripartite Core Group after Cyclone Nargis in Myanmar is one example, and the Bosnia Board of Principals[3] structure involving international partners and senior government officials is a second. Where regional or UN special representatives are given the task of coordination, the World Bank could consider coordinating the work of its field representatives more closely behind their leadership—with a clear lead on resource mobilization supporting the political convening role of the UN or regional organizations.

Structural gaps in capacity— justice and jobs

As argued throughout this Report, the institutions that provide citizen security, justice, and jobs are crucial in creating resilience to repeated cycles of violence. Unfortunately, these priority areas are underresourced and lack ownership in the current international architecture. In each area, there are structural gaps in knowledge and operational capacity. Economic policy assistance still tends to be focused more on growth than employ-

TABLE 9.1 *International tools to link confidence-building and institutional transformation across the political, security, development, and humanitarian spheres*

Risk and opportunity assessments	*A shift from early warning to contingency planning for repeated cycles of violence.* While agency and academic models of early warning continue to make useful progress, no such model can ever predict the exact timing of the onset of violence or capture all local variations. More useful is a mode of planning that accepts as a starting point that states and subnational areas with weak institutions continually risk being overwhelmed by a range of stresses.
	Changes to planning and assessment tools as a basis for combined action. To adapt to the reality of repeated cycles of violence and multiple transitions, assessment processes would become lighter and more flexible to provide regular, repeated assessments of risks and opportunities. The assessments would benefit from more realism in priorities and timelines; stronger political economy analysis; and a tighter focus on the goals of citizen security, justice, and jobs.
Security, justice, and jobs	*Technical assistance and financing for multisectoral community programs that involve policing and justice as well as development activities.* These efforts can build on initiatives in Latin America and Africa to provide local dispute resolution and justice services, community policing, employment and training, safe public and trading spaces, and social and cultural programs that promote tolerance.
	Combined technical teams and financing to support the strategic, technical, and public financing aspects of institutional reforms in the security and justice sectors—with economic, governance, and public finance specialists complementing the efforts of security, police, and judicial personnel. These efforts would build on the insights presented in this Report, focusing on basic functions to build trust and performance (including budget and expenditure functions); connections between the police, civilian justice, and corrections systems; and access to justice services at a local level, including through the blending of formal and informal systems.
Links to sustained mediation	*Supporting of national and local capacities for mediation and coalition-building.* Countries facing rapid transitions and cycles of violence will need to negotiate new internal pacts, and build consensus, around effective policies to address their many challenges. These negotiations will in turn require that the parties have access to internal mediators, and to their own skills and autonomous platforms, for dialogue and for the resolution of conflicts. By helping build and apply such capacities, development assistance has already contributed to peaceful elections, for instance, in several cases since 2004, and most recently during the constitutional referendum in Kenya in 2010. Further development of national and local capacities for managing cyclical conflict, cascading change, and rapid transitions is therefore not only essential, but also feasible.
	Supporting of expertise for international mediation. For these efforts to deliver sustained results, they should be linked to the developmental assistance that can provide confidence-building and institutional transformation and should be available to governments for the longer term. Seconding increased expertise from bilateral agencies and international financial institutions (IFIs) to UN regional and civil society special envoys and mediators would help bridge gaps in political, security, and economic support.
	Developmental help during mounting crises. Countries struggling to prevent escalation of criminal and political violence often need timely financial help, although this can be met in part by improving the predictability of funding for mediation, initiating planned development support, and focusing security or development activities on localities with rising threats. Where exceptional additional financial support is needed (for example, in situations of high external stress and weak institutions), the responsible leadership of national reformers can be gauged by the signals they are prepared to give—for example, they might welcome international access to violence-affected areas and transparent reporting of budget and expenditure data under the auspices of an accepted regional prevention plan (see box 9.1 on investment in prevention).
Humanitarian support to national institution-building	*Guidelines on phasing humanitarian assistance to build national institutional capacity over time.* Where national institutional capacity and governance are improving, guidelines build on good practice by the UNDP, UNICEF (UN Children's Fund), WHO (World Health Organization), WFP (World Food Programme), and many nongovernmental organization (NGO) partners in combining humanitarian services delivery with capacity-building. Timelines for phasing the transition from international humanitarian assistance to national institutional capacity will vary by country.
	A strengthened framework under which international humanitarian assistance can be "jointly branded" with local institutions, or in-kind assistance of humanitarian materials and staff provided to support state social protection operations, with appropriate monitoring. Where this is not possible, increased *use of community-driven mechanisms* and local staff to deliver humanitarian aid would help to build resilient local capacities.

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

BOX 9.1 *Preventing violence: Prioritizing investment in citizen security and justice reforms*

Investment in prevention

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Former Permanent Representative of Japan to the United Nations; *WDR Advisory Council Member*

The vital importance of conflict prevention has been understood for many years, and advocates have argued passionately for it. When Article 1 of the United Nations Charter was written, however, enshrining a mandate "to take effective collective measures for the prevention and removal of threats to the peace," the main focus of concern was interstate war. Since then, the nature of armed conflict has changed. Although for many years we were unaware of the magnitude, there has been a significant shift from interstate to intrastate conflict and then from "classic" civil war to mixed problems of criminal and political violence, demanding a concomitant shift in our prevention focus.

The case of Afghanistan exemplifies the consequences of this unawareness. After the Soviet withdrawal, the international community was largely oblivious to ongoing internal struggles. Then, in the early 2000s, that "forgotten conflict" became a serious global security threat. Our capacity internationally to foresee the risk that a particular country might fall into conflict and to mitigate that risk in a timely manner has been weak and that weakness has contributed to our failure to prevent conflicts from happening.

It is important that the international community find a better way to coordinate, through mechanisms that include not only UN agencies, but also international financial institutions and regional/sub-regional organizations such as African Union (AU), ASEAN, and Economic Community of West African States (ECOWAS). My profound hope is that WDR 2011 will convince these stakeholders that collaboration on investment in conflict prevention is urgently needed.

While the UN Security Council retains the primary authority under international law for the prevention of armed conflict, others can play vital roles. This includes, vitally, national governments themselves, who ultimately have the primary responsibility to manage violence. These actors are all present in the country-specific meetings of the UN Peacebuilding Commission (PBC), which was established in 2005 following on the recommendations of the Secretary-General's High-Level Panel on Threats, Challenges and Change. However, while the two tasks were suggested for it by the High-Level Panel, one focusing on response to the soaring risk of fresh conflicts—"to help states avoid collapse and the slide to war"—was omitted from its core functions. In the face of this limitation, the 2010 review of UN peacebuilding architecture, while recognizing the narrowness of the mandate, recommends that the Commission utilize to the fullest the potential given by its existing mandate to expand its prevention role. Whether through this route or otherwise, the fact remains that linking political, security and economic actors is a critical part of how the international system can better help countries prevent new threats of conflict and other forms of violence.

Security and justice as foundational reforms: Addressing violence and criminality

Zeid Ra'ad Al-Hussein, Ambassador of the Hashemite Kingdom of Jordan to the United Nations;
WDR Advisory Council Member

War creates crime; and I do not mean the atrocity crimes we commonly associate with war; rather, I refer to the appearance of its oldest companion and practitioner: the war profiteer. The smuggler of weapons, of fuel, of vehicles and narcotics, in war, will often bind with others to create networks of black market activity so efficient that, by the time a peace is struck, their potency means they not only survive the war intact, supremely well-organized, but also they do so with momentum.

A newly formed government in the affected country could only hope to match them, indeed overcome or defeat them in the long term, if two early conditions are fulfilled—with vital action by the international community itself.

The target country must first be provided with security assistance, and then must be in a position to deliver an effective judicial system to its people, including police and corrections. If the nascent government cannot do the latter, and in many cases it would be too weak to do so, the international community must then do it with them. It must supply doctrine for international policing and criminal justice support operations, as well as fast and flexible executive assistance to help Governments carry out police and judicial functions as well as the corrections facilities. And that is all. Nothing more need be done.

With security and a functioning judicial system in place, a country recovering from war could hope to maintain the lowest levels of public corruption, indeed, extinguish organized crime altogether, and be ready to embrace the in-flow of foreign direct investment (FDI) and other forms of financial assistance. Should we fail to grasp just how fundamental security and justice are to the whole enterprise of peacebuilding, the sole beneficiaries of our inattentiveness, and much to their delight—will continue to be organized crime—the very offspring of war itself.

ment, despite rising demands for assistance on employment policy from countries facing fragile situations due to unemployed and disengaged youth populations. Assistance to countries struggling to develop well-governed police forces, civilian justice, and corrections systems in the face of fluid violent threats is much more limited than assistance available to build military capacity, and there is a disconnect between the policing and civilian justice areas. The section below provides recommendations to address gaps in support for employment and the rule of law.

Employment

As described in chapters 5 and 8, there is little consensus on the exact set of policies that can generate sustained labor-intensive growth in the face of high unemployment, and even less so in violent environments. What we have available is a series of "good fit" examples of policies and programs that appear to have delivered results in creating employment in different country circumstances. At the international level, better evaluation of these program interventions and the macroeconomic environment in which they can deliver is an important priority.

At the national level, leaders cannot wait for a more comprehensive international consensus on employment policies to evolve—they need to address the challenges of youth unemployment in insecure areas now, based on the tools they have available. A sensible approach would be to support the types of programs described in chapter 8, combined with evaluations and feedback loops that provide information to refine policies and program design.

Priority programs for job creation to which this approach should be applied include investments in supporting infrastructure, in particular, electricity and transit. A second program cluster is those that invest in skills; develop links among producers, traders, and consumers; and expand access to finance and assets. Last, recognizing that private sector–led growth sufficient to absorb young entrants to the labor market may take a generation in many fragile situations, there is a need to simultaneously support and evaluate transitional employment measures.

Efforts to strengthen international support to employment should draw on joint security, justice, and economic tools. Unemployment is traditionally viewed as simply a function of economic conditions. But in highly insecure areas, international security assistance can help ensure safe trade and transit, enabling productive investment from within and outside the country. For violence prevention, there are also links between employment, justice, and identity issues. Programs that reinforce the role of disengaged youth as community members and support job creation with social and cultural activities merit investment and further evaluation.

These approaches would help. But there is likely to be continued pressure from large unemployed youth populations unless a more significant international effort is launched. A bolder approach could draw together capacities from development agencies, the private sector, foundations, and nongovernmental organizations (NGOs) to support a new global partnership to galvanize investments in countries and communities where high unemployment and social disengagement contribute to the risks of conflict. Focusing primarily on job creation through project finance, advisory support to small and medium businesses, training, and guarantees, the initiative would also support social and cultural initiatives that promote collaborative capacities in communities, social tolerance, and recognition of young people's social and economic roles. Private sector capacities to draw on include large companies that trade and invest in insecure areas (creating links with local entrepreneurs), as well as technology companies that can assist with connectivity and training in remote insecure areas.

Police and justice

To fill the rising demand for assistance with criminal justice issues, systems to provide

support for police and justice should be flexible. This, in three senses. First, some states have adequate police capacity but face gaps in other aspects of their civilian justice systems—or the gaps are in police capacity, not in justice systems. Others have gaps across the board. Second, some will need assistance as part of a broader package of conflict management support, often under UN Security Council or regional institution auspices. Others will need specialized assistance to strengthen their police and civilian justice sectors without broader political engagement. Third, some will prefer assistance from within the region, while others will prefer to look to global mechanisms. Any effort to deepen international capacity to provide assistance should build in this flexibility of response. That assistance should also be available to help national authorities deal with specialized transboundary challenges—from financial crimes to trafficking issues. These specialized challenges will be covered in the next section.

The starting point for improving the international response to criminal justice capacity-building is increasing the supply of personnel. National governments, both high and middle income, could usefully invest (or continue to invest) in increasing the pool of police and other criminal justice personnel available for overseas deployment, whether through bilateral or multilateral programs. There are three main options available to increase this supply, all desirable: drawing on retired officers as advisers; secondment of active service members; and provision of formed police units. Formed police units are requested by a relatively small number of countries under UN peacekeeping missions, but demand has clearly grown in recent years in relation to military deployments. Secondment of active service members can be assisted by career and promotion systems that recognize and reward international experience. In all three areas, deployment of women police officers has proved valuable.

For other functions of the civilian justice system, current capacity to supply personnel is weaker than for police. Within ongoing efforts to develop rosters of civilian expertise, the availability of justice professionals and administrators should continue to receive particular attention—but with a focus on capacity from the South that can provide experience of reform of weak systems in difficult environments of political contest.

Police and justice personnel must also be deployed with appropriate training. In both policing and broader civilian justice, national systems differ greatly in their organizational structures, legal frameworks, and practices, far more so than for military capacity. As described in chapter 6, the UN's Standing Police Capacity and its Office of Rule of Law and Security Institutions have begun to make headway on standardized doctrine and training for police units willing to deploy into UN operations. But there is no similar mechanism for joint training of national judicial personnel to expose them to different systems and practices, and less of a body of knowledge on approaching institution-building in fragile settings. Extending training in both areas through global and regional centers would improve the impact of additional personnel capacity. Within bilateral assistance programs, long-term institutional partnerships between agencies providing technical assistance and national counterpart agencies may be another mechanism to strengthen the sensitivity of assistance to the local context.

As with employment, combined security and developmental approaches will be needed to support justice issues. There are areas where, at the request of government, the Bank and other international financial institutions (IFIs) could consider playing a greater role in supporting the developmental underpinnings of violence prevention within their mandates—such as the links between public financial management and security sector reform and institution-building, legal administration, justice systems development and multisectoral approaches at the community level that combine community policing and justice services with social cohesion, developmental, and employment creation programs.

But the IFIs are not well placed to support the core operational aspects of a criminal justice system. A clear lead within the UN system would help. Softer options for change in this area include the "global service provider" model currently under discussion, with one agency leading on police and another on other aspects of the civilian justice system, or one leading on deployments for executive functions and the other on institutional transformation. Since a consistent theme throughout this Report has been the need to link support to police and civilian justice systems, the division of labor in the international system would ideally facilitate this linkage rather than further separate capacities. Bolder options for change could involve breaking down barriers between police and justice assistance, either at a country level by facilitating an integration of the financing and program management of police and justice support, or by identifying a single organizational responsibility.[4]

Track 2: Reforming internal agency procedures

New international commitment to programs that combine citizen security, justice, and employment linkages and an increase in structural capacities to support justice, and employment challenges will be effective only to the extent that international agencies can provide assistance fast, and take the risks necessary to support national institutional development. Without these actions, an increased emphasis on prevention will not be reflected in improved performance on the ground. To address this, internal agency reforms, new tools to manage risks and results, and mechanisms to end the stop-go pattern of international assistance are needed.

Principles for internal agency reforms

To support countries with rapid confidence-building assistance and longer-term institutional transformation, internal reform is needed for international agencies to improve responsiveness. Many individuals working on fragile and conflict-affected states are dedicated professionals attempting to support national efforts. But they are held back by structures, tools, and processes designed for different contexts and purposes. Best-fit approaches designed to fit the local context are as important for international approaches as for national reforms. Budgeting, staffing, results measurement, and fiduciary systems require significant changes to achieve a best fit in fragile situations in almost all the multilateral agencies—and in many bilaterals. Existing systems that implicitly avoid risk—insisting on sophisticated controls initially developed for more stable and higher-capacity countries, and often choosing to delay assistance when risks are high—have not delivered consistent results. For the g7+ group of leaders of fragile states[5] who have begun to meet regularly as part of the International Dialogue on Peacebuilding and Statebuilding, reforming internal agency procedures, particularly procurement procedures, was the number-one suggestion for international reform. Principles to bridge the different perspectives of donors and recipient countries on risks and guide internal agency reforms that emerge from this Report's analysis are as follows.

- First, accept the links between security and development outcomes. Few internal systems in the multilateral agencies are designed to support the links between security and development outcomes. Program objectives tend to be narrowly set. Economic and social interventions in situations of insecurity can justifiably be designed to contribute to citizen security and justice outcomes (a decrease in homicides, for example). Security programs can also be designed to contribute to development outcomes (an increase in trade, for example). This would require agencies to use outcome measures outside their traditional "technical" domains, and work together within the combined program frameworks described above. Rewarding staff for partnership would also help facilitate cooperation.

- Second, adapt to the reality of the absence of security, institutional capacity, and fully competitive markets in fragile situations. When insecurity is high, both the costs and benefits of interventions may change dramatically over a short period. This argues for greater flexibility in administrative budget and staff planning. In program budgets, it implies careful sequencing where some programs will be more beneficial at a later date, but also placing more weight on speed (over some cost-efficiency and quality concerns) in contracting of personnel, goods, works, and services where benefits to fast action are high. Where competitive markets are very thin and not transparent, different procurement controls—such as pre-tendering internationally under variable quantity contracts, or contracting processes that allow direct negotiations with knowledge of regional markets—can be appropriate. Where institutional capacity is insufficient, procedures need to be distilled to the simplest level of due process, together with flexible mechanisms to execute some activities on behalf of recipient institutions.

- Third, balance the risk of action with the risk of inaction. The first implication of this principle is that countries in need of assistance and their international partners have to accept each other's concerns on risk. The prime minister of a country in a fragile situation is not wrong to seek immediate help to pay salaries and provide equipment for the security forces; a minister of development cooperation is not wrong to worry about risks of corruption or human rights abuses. To align their interests, they must understand each other's constraints. The second implication is that solutions will require that these needs are balanced, rather than risk aversion dominating. Decentralizing greater responsibility and accountability to international staff on the ground can increase responsiveness to the risks of inaction. Transparent publication of achievements against target timelines for donor funds release and ac-

tivities—and reasons for delays—would also help to shift international incentives in favor of action. Donors, though, will need to have different ways to manage the risks of their engagement, which will be covered in the next section.

- Fourth, accept that some programs will fail, and adapt rapidly in response. Rates of success in assistance programs should be lower in fragile situations than in stable development situations, since the contextual risk is by definition higher. This is justified because returns are also far greater when programs work—in peace and security terms, but also in development terms because these countries start from such a low baseline on the Millennium Development Goals (MDGs). The political problem for donors in accepting a certain degree of failure is the perception that international actors are naive about risks and slow to act when problems arise. Having a menu of options to shift modalities rapidly when failures occur is crucial in managing donor risks without abandoning support to national institutions. To avoid disrupting program continuity, embedding contingencies into program design from the beginning is crucial, as will be discussed in the next section.

Adopting these principles would help bilateral and multilateral agencies reform internal systems in an appropriate way, to both manage risks and deliver better results. These principles could be incorporated into agency procedures in several ways: (1) increasing the use of adequate contingency funds under appropriate oversight; (2) adapting models, such as community procurement, already geared to thin markets and low institutional capacity in national procurement processes; (3) putting in place effective best-fit measures to increase transparency and control costs, such as staff able to monitor reasonable regional prices in noncompetitive procurement processes; (4) simplifying processes, delegating authority, and accelerating turnaround times; and (5) changing incentives and performance monitoring mechanisms for staff to

ensure that those who learn from failure and adapt quickly are rewarded. Responses will and should vary by agency—but common principles would help improve the complementarity of international agency support.

Risk and results management

Current donor risk management relies on two primary mechanisms: postponing or suspending assistance when risks are too high, and using headquarters controls rather than best-fit delivery mechanisms adapted to local conditions. Both are driven in large part to meet the dual-accountability pressure from domestic constituencies to avoid risks of corruption, wastage, or abuse. This may manage donor risk, but it constrains real progress in institution-building on the ground. Where continuity in aid is needed, risks do exist, and innovation is needed in national strategy to fit the political context (see figure 9.1). An alternative is to embrace faster and more consistent engagement through national institutions but to vary the ways aid is delivered to manage risks and results. Some donors have a higher risk-

tolerance and will be able to choose modes that go more directly through national budgets and institutions; others will need greater oversight or nonstate involvement in delivery. Various options exist for managing risk, including the following:

- **Increasing the contingencies in budgets, under transparent planning assumptions.** Where governance is volatile, development program budgets, as well as the budgets for political and peacekeeping missions, would benefit from greater contingency measures so that activities and delivery mechanisms could be adjusted when new risks and opportunities emerge without disrupting overall support. The planning assumptions for such contingencies—for example, that additional oversight mechanisms will be adopted if certain agreed-on measures of governance deteriorate—should be transparent to both recipient governments and the governing bodies of international agencies.

- **Varying the oversight mechanisms when engaging through national budget and institutions.** Oversight mechanisms to

FIGURE 9.1 *Adapting the modality of assistance to risk*
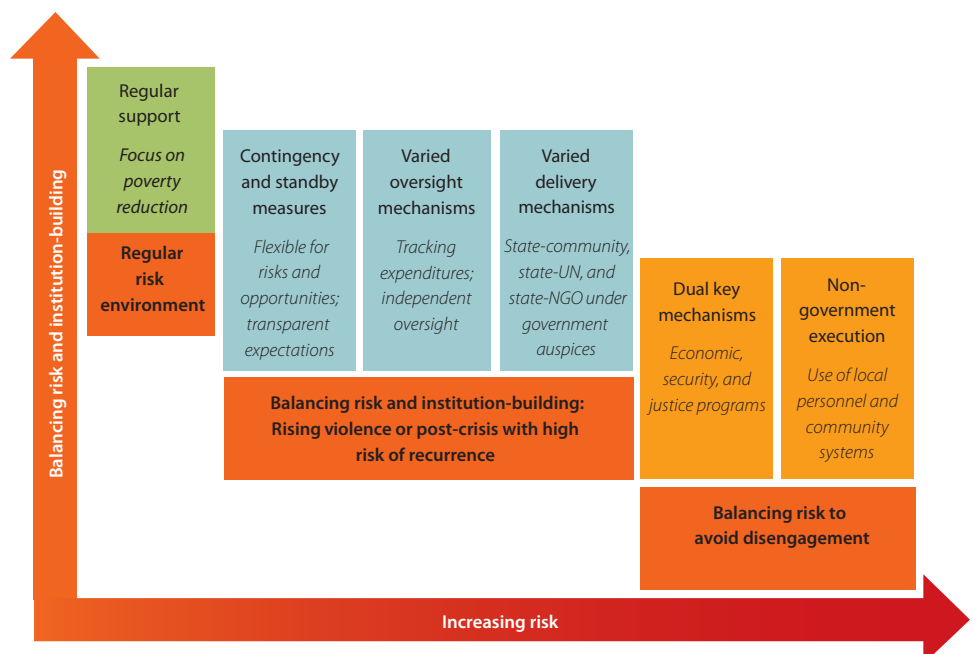
Source: WDR team.

adapt to risk include shifting from budget support to "tracked" expenditure through government systems,[6] and from regular reporting and internal control mechanisms to independent financial monitoring agents, independent monitoring of complaints, and independent technical agents.

- **Varying the delivery mechanisms when engaging through national institutions.** Variations in delivery mechanisms include community structures, civil society, the private sector, and the UN and other international executing agencies in delivering programs jointly with state institutions.

In situations of more extreme risk where donors would normally disengage, the following options could be considered:

- **Consider executive capacity to supplement national control systems,** as with "dual key" mechanisms, where international line management capacity works alongside national actors, and agency processes are governed by joint national and international boards.

- **Use local personnel and community structures** for delivering humanitarian, economic, and social programs, which still maintains some focus on local institutional capacity, mitigating the brain drain of local skills overseas.

Risk can also be shared by pooling funds. To achieve results at scale, pooling funds can provide recipient governments with larger single programs and international partners with a way to support programs that greatly exceed their own national contribution. Pooling funds can also be an effective way to pool risks, shifting the burden of responsibility for risks of waste, abuse, or corruption from the shoulders of each individual donor to the multilateral system. Multidonor trust funds (MDTFs) have delivered excellent results in some situations. But the performance of these funds is mixed, with criticisms ranging from slowness and cumbersome procedures and governance arrangements to a lack of robust monitoring and evaluation of results and limited support through national systems. A small fraction of international assistance in violence-affected countries flows through MDTFs, undermining their overall impact. The combined security-justice-development programs and internal agency reforms described above would help mitigate some of these challenges.

Measuring transitional progress—as discussed in chapter 8 from the perspective of national reformers—can also give international actors help in responding to risks. National reformers and donors need to show results to their parliaments, media, taxpayers, and citizens. Standard development measures, such as economic growth and the MDGs, are excellent long-term goals and indicators, but they are not always helpful in fragile situations in the short term. These indicators move too slowly to give feedback to governments and

TABLE 9.2 *Compelling and feasible short-term indicators*

		Current data coverage: Most recent 5 years		
		Violence		Trust in national institutions
		Battle deaths	Homicide rates	
Low-income countries	Fragile	100% coverage, low precision	24% coverage	Many every 3 to 4 years, some more infrequently
	Non-fragile	100% coverage, low precision	48% coverage	Biennially
Middle-income countries		100% coverage, medium precision	64% coverage	Annually, some more frequently
High-income countries		100% coverage, high precision (low incidence)	78% coverage	Monthly/weekly

Source: WDR team calculations.

their international partners on the speed and direction of progress, and they do not directly measure security, or citizen concerns over issues such as inequality, unemployment, or trust in national institutions.

The development of indicators that can show short-term progress is not just a technical issue—it is important at a political level for both national governments and donors to show short-term improvements and to maintain support for continued investments—and at times for the occasional risky and difficult institutional reforms. The indicators presented in chapter 8 on security, trust in national institutions, and progress in governance in relation to the historic record of how long transformations have taken in other countries can help donors as well as national reformers—by showing that progress is being made even when some setbacks occur.

International actors could also play a role in helping countries develop the capacity to measure these indicators (see table 9.2). WDR estimates indicate that information on deaths in civil conflict is available for all developing countries, although only 24 percent of fragile countries have homicide data and the precision of battle-death information is likely lower. A partnership of member states, the UN Office on Drugs and Crime (UNODC), the IFIs, and the universities and NGOs that collect conflict data could take this forward. A similar effort could develop another useful indicator: measuring confidence in institutions through polling. With regard to trust in institutions, regular information on security and citizen perceptions of the state is available in most high-income and some middle-income countries, but is rarely available in the fragile states, which need it most. Polling surveys are cheap and can be administered frequently—and new technologies are emerging to conduct surveys by cell phone, which this Report did as part of its background research in the Democratic Republic of Congo.[7] The Report estimates indicate that most countries have some polling data—but in fragile states the data are collected very infrequently. A partnership of the regional barometers, Statistics

40, and the IFIs could support poorer and more fragile countries in using the polling tools that richer countries draw upon.

Ending the stop-go pattern of assistance

International agencies will also need to think carefully about how to lengthen the duration of assistance to meet the realities of institutional transformation over a generation without raising costs. As suggested by Commissioner for Peace and Security, Ambassador Ramtane Lamamra and Under-Secretary-General for Peacekeeping Operations Alain Le Roy (box 9.2), the flexible use of alternative modalities for peacekeeping can aid substantially in this regard, including over-the-horizon capacities. Building on growing cooperation, the multilateral security agencies—the African Union Peace and Security Council, UN Department of Peacekeeping Operations, the European Union (EU), and North Atlantic Treaty Organization (NATO)—could work with the IFIs to conduct a thorough examination of the costs and benefits of over-the-horizon deployments and other forms of flexible peacekeeping to provide long-term assistance in fragile situations at reasonable cost.

Better resourcing for mediation and diplomatic facilitation is also an easy win, since it is always low cost and can reduce risks of violence escalation. This could be linked to efforts to foster a norm that mediation or facilitation support should be on call for states longer than is currently the pattern, so that it is available to facilitate ongoing confidence-building beyond the immediate resolution of a crisis.

For development agencies, ending the stop-go pattern of assistance to programs delivering results in citizen security, justice, or jobs—or simply preserving social cohesion and human and institutional capacity—can increase impact without increasing overall cost. As described earlier, volatility greatly reduces aid effectiveness and is twice as high for fragile and conflict-affected countries as for other developing countries, despite the

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BOX 9.2 *Flexible peacekeeping arrangements*

Ramtane Lamamra, Commissioner for Peace and Security, African Union; *WDR Advisory Council Member;* with **Alain Le Roy,** United Nations Under-Secretary-General for Peacekeeping Operations

Societies trying to move away from violence face acute problems of mistrust, uncertainty, and lack of confidence in the basic institutions of the state. The use of mediation and peacekeeping as "commitment mechanisms," as this Report describes them, can help overcome these obstacles to settlement. It can also extend the authority of the state and contribute to the establishment of the rule of law.

In this context, we welcome the messages in this Report about the role that peacekeeping can play in helping states move away from violence, which broadly accord with our experience. The Report's finding that the deployment of international peacekeepers extends the duration of a political settlement accords with our experience. The conclusion that it also contributes to positive economic growth reinforces the argument that development and security go hand in hand. We also share the Report's emphasis on the importance of transforming national institutions into guarantors of security and prosperity in the long term.

In order to achieve these goals, peacekeeping needs to be given the right capabilities. Although the African Union and the United Nations have different mandates and face different demands, we share the challenge of managing peacekeeping operations deployed to difficult areas, without the full range of capabilities needed to succeed. The international community learned the hard way in the mid-1990s the human and political costs of failing to equip peacekeepers with the necessary resources to fulfill their mandates. In some cases, this is a question of scale; in others, quality or flexibility. Far from the Cold War days of static peacekeeping in buffer zones or alongside contested borders, contemporary operations are dynamic, operate in politically complex environments, and often cover enormous areas.

The UN and the African Union (AU) operate together in Sudan and Somalia to try to meet such challenges. The important partnership between the two organizations is not without complexity and controversy, but represents the shared determination to meet the immediate challenges we confront.

The WDR points to the fact that uncertainty and weak institutions that enable violence can endure in a society for several decades, long after the traditional period of intensive peacekeeping. In too many cases, peacekeepers had to be recalled when a brief period of recovery was followed by a relapse into a new cycle of violence.

The dilemma here is that national authorities and international mandating bodies are often reluctant to contemplate longer term peacekeeping engagements. More creative solutions must be found. These could include combinations of long-term programs for security sector development and reform, light monitoring, and over-the-horizon reinforcements. Over-the-horizon arrangements have been used to good effect in the intensive phase of peacekeeping, for example, with the European Union's Operation Artemis in the Democratic Republic of Congo. If development and security indeed march hand in hand, so too should peacekeeping and economic support to the process of transforming national institutions—including through joint programs, for example, on security sector reform and in the management of natural resources. We welcome the Report's call for a deeper examination of the costs, benefits, and possible arrangements for longer term security and political support to national actors seeking a more permanent shift away from the risk of violence.

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fragile countries' greater need for persistence in building social and state institutions. There are options for reducing volatility (see box 9.3), including providing threshold amounts of aid based on appropriate modalities, topping up aid allocations to the most fragile states when specific types of programs have demonstrated the ability to deliver effectively and at scale (as proposed in a recent working paper by the Centre for Global Development),[8] and dedicating a target percentage of assistance to larger and longer-term programs in fragile and conflict-affected states under the OECD-DAC (Development Assistance Committee) framework. As outlined in chapter 6, a 30 percent decrease in volatility could deliver value of around US$30 million per annum to each fragile and conflict-affected state.

Track 3: Reducing external stresses: New regional and global action

Direct assistance to states needs to be complemented by action at a regional and global level to reduce external stresses. The analysis in this Report has consistently emphasized

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BOX 9.3   *Preventing violence: Prioritizing investment in citizen security and justice reforms*

Resolving the donor risk and results dilemma: Learning from the Tinbergen rule

Paul Collier, Professor of Economics and Director for the Centre for the Study of African Economies, Oxford University; *WDR Advisory Council Member*

In allocating aid, donors currently consider two fundamental objectives: aid should follow need and aid should be well-used. Unfortunately, in fragile states, these two objectives are commonly in conflict: needs are far greater than elsewhere, but governments lack the capacity to spend aid well. The result has often been that aid volumes oscillate around an inadequate average as donors shift between concern for need and concern for effectiveness.

Jan Tinbergen, one of the most revered Nobel laureates, formulated a simple principle which illuminates the donor dilemma and points to a resolution. He showed that a given number of objectives can be achieved only if there are at least as many independent policy instruments. Donors have been attempting to achieve two objectives, meeting need and assuring effectiveness, with a single instrument—the volume of aid. Such an approach is doomed to failure: either one of the objectives must be sacrificed or a second instrument must be introduced. Since clearly neither objective can be abandoned, the implication is that donors must develop another instrument.

That instrument is the modality for aid delivery: modalities should vary according to the capacity of government. While unconditional and unmonitored budget support or unhurried project investments are appropriate for secure and well-governed states, it is essential to develop alternative mechanisms for channeling aid inflows in fragile situations. New types of instruments are needed and should recognise the spectrum of risk, from governments who are well-intentioned but face insecurity and weak institutions, to those who are more abusive. Recurrent

expenditures can be supported, and indeed often need to be, if governments are to regain legitimacy in the eyes of their citizens, but should support actions linked to stabilization and be provided only with additional oversight mechanisms which track expenditures. Funds through government can be channeled directly to the local level and monitored through community reporting. Social service provision could be scaled up if aid were channeled through public agencies outside the conventional civil service, co-supervised by government and third parties such as civil society, and donors. The agencies could fund clinics, schools, and public works run by churches, NGOs, and local communities, in return for public accountability and agreed standards of quality.

Tinbergen's rule also says how objectives should be linked to instruments. The donor dilemma can be resolved by linking the objective of meeting needs to the volume of aid, and the objective of using aid well to the choice of delivery modalities. Fragile states need large volumes of aid, but aid delivery should look very different from contexts in which government ministries are effective. Spending money effectively in fragile states is not complicated: for example, community-driven approaches, mission schools, and clinics have been operating successfully in the most difficult environments for many years. The needs are manifestly greater than other environments and so returns on aid can be commensurately higher. But to establish that those needs can indeed be met cost-effectively and build long-term institutional resilience, delivery modalities that encourage experimentation, are evaluated for results, and are adapted to respond quickly to experiences of success and failure are required.

WDR Note: Additional approaches for reducing volatility

The Centre for Global Development proposes the scaling up of successful projects in fragile and conflict-affected states. As outlined in Gelb 2010, this would involve timely monitoring, full transparency, and independent evaluation of projects. Projects that demonstrate early results could then draw upon additional financing through a special multi-donor trust fund designated as a tranche for scaling up. By reducing the length of the feedback loop in project monitoring and evaluation, this approach would align incentives for those delivering aid and those receiving aid and reward successes early in the project cycle, making this approach wholly compatible with output-based aid.

OECD–DAC commitments. A further possibility is to explore a commitment under the OECD-DAC framework for a percentage of aid programs to go into long-term, larger scale support. There is a value to small, rapid interventions in fragile situations, and it would not be desirable to lose the flexibility to provide this type of assistance. But the percentage of aid currently in small, fragmented, and short-term assistance appears to be too high (see chapter 6) to benefit long-term institution-building. The Accra Agenda commits donors to developing long-term modalities to support the building of "capable, accountable, and responsive states."

the role of external stresses in increasing the risks of violence, and it is therefore important that the recommendations for action do not ignore this important area. Firm, practical, and coordinated action can diminish the external stresses that hinder stability in the short and long term. And support can be increased to develop regional and international "buffers" to absorb and mitigate these stresses. Analysis for this Report suggests three areas for such action: cross-border cooperation, strengthening action against the trafficking and illicit financial flows that can fuel violence, and protecting fragile states from food and resource shocks.

Cross-border goods: Development, security, and administrative pooling

Support for regional goods is underresourced. In recognition of the importance of external stresses for violence, donors could increase the proportion of their financial and technical support going to cross-border development programming and regional infrastructure, as well as for various forms of regional administrative and economic cooperation—giving priority to violence-affected regions. Such support could take the following forms:

- **Trade and transit infrastructure.** Numerous conflict and violence-affected regions face obvious gaps in the infrastructure for trade between producer and consumer areas and for ports and airports. They include large regions, such as Central Africa and Central Asia, but also smaller subnational areas that have little access to trade, such as the northeastern states of India. Where infrastructure is constructed in violence-affected areas, care should be taken to use labor-intensive technologies and provide for local labor to avoid tensions over the benefits. In some regions, discussions about shared economic infrastructure with joint benefits could also create an opening for later political or security discussions. In most cases, some simple policy reforms need to be undertaken in parallel as these can be

as great a constraint to cross-border trade as lack of infrastructure.

- **Cross-border development programming.** Many insecure border areas share similar social and economic structures, in which a shared terrain, ethnicity, or history creates natural bonds. Yet very few countries take advantage of this to share lessons for development programming on both sides of insecure border areas. Community-driven development programs, for example, are likely to face similar strengths and weaknesses in community organization, as is the private sector. Development sectors like health, which has regional and international public-good aspects, can be a noncontentious form of cross-border cooperation. Cross-border development programming could simply involve special arrangements to share lessons, or it could in some cases move toward formal joint arrangements to design and monitor programs.

- **Regional security support.** Although violence frequently crosses borders, international responses remain largely within them. Two approaches that have been piloted warrant further consideration: regional political missions—including UN offices in Africa and Central Asia, the latter of which has a mandate for preventive diplomacy linked to border and customs management and counter-trafficking initiatives. A second is regional initiatives for counter-trafficking, such as the joint UN/ECOWAS (Economic Community of West African States) West African Coast Initiative on organized crime.

- **Shared regional technical and administrative capacity.** As chapter 7 noted, pooling subregional administrative capacities can allow states to develop institutional capabilities they could not manage on their own. There are a range of initiatives that could be undertaken in this area, depending on regional needs—from programs that deliver the specialized assistance for reform of security and justice

sectors and multisectoral community programs at a regional level, to pooled administrative capacity to address skills and training for youth, as with shared university facilities.

Rather than these somewhat incremental approaches to specific cross-border initiatives, international donors could take a larger step to finance regional approaches. The principle of such an initiative would be to build on the local political knowledge and legitimacy of regional institutions, in combination with the technical and financial capacity of global agencies. Delivered through regional institutions in collaboration with global agencies, this approach could adapt lessons from initiatives that have already successfully pooled developed shared regional capacity, such as justice in the Caribbean.[9] It could also draw lessons from existing cross-border cooperation, such as the Greater Mekong Subregion, West Africa's initiatives on trafficking and economic integration, and the European Union's programs for previously conflict-affected border regions.[10] It would support political initiatives of regional institutions (such as the African Union Border Programme[11] and ASEAN's subregional initiatives) with financial and technical expertise from global partners. Well designed, the expansion of such regional initiatives would also have the advantage of protecting activities from some of the aid volatility caused by fluctuations in national governance.

Stemming the trafficking and illicit financial flows that can fuel violence

Follow the money: at the heart of action against the illegal trafficking of drugs and natural resources is tracking illicit financial flows. For areas seriously affected by illegal trafficking and corruption, such as Central America or West Africa, most countries have nothing approaching the national capacity needed to gather and process information on financial transactions or to investigate and prosecute offenders. Along with initiatives that help to support a global community to address cor-

ruption issues, such as the International Corruption Hunter's Alliance and the Stolen Asset Recovery Initiative (STAR), three measures would help in this effort to reduce violence and the illicit financial flows that support it:

- **Strengthening the capacity to conduct strategic analysis of these flows in key countries with the majority of global financial transfers.** About a dozen financial intelligence units in major financial markets or hubs have the integrity, independence, and technical capacity to conduct such analysis. Concerted efforts to analyze suspicious flows and exchange information could greatly increase their ability to detect illicit financial flows.

- **Global financial centers could increase the openness of information provision and their cooperation with stolen asset recovery processes.** As part of this effort, global financial institutions could perform strategic analysis and make it available to countries affected. To respect privacy, this analysis could be based on shifts in aggregate flows rather than individual account information. The analytical tools exist, as chapter 7 describes for Australia's analysis of illicit flows generated by corruption or money-laundering. But these approaches have not yet been applied globally.

- **Developed states and financial centers could commit to ensuring that investing the proceeds from corruption in their countries is a violation of their anti-money-laundering laws.** As part of this commitment, they could also step up their cooperation with law enforcement authorities in fragile states. This would build on recent precedents for joint and parallel investigations, such as those between the United Kingdom and Nigeria, and the United States and Haiti, described in chapter 8.[12]

Mechanisms to coordinate the international spillovers of domestic policies are crucial. Spillovers from successful action against illegal trafficking in one country can

affect another—Colombia's actions against drug cartels have had ripple effects across Central America, Mexico, and even West Africa.[13] Similar effects can pertain to other commodities: a ban or restraints on logging in one country, for example, will increase demand in other countries that do not have similar policies. Without limiting sovereign decisions, a platform for dialogue between countries would help governments identify potential impacts in advance, debate costs and benefits at a regional level, and consider options to coordinate policy or take action to mitigate impacts in countries affected by the decisions of others. Regional institutions could lead such a dialogue, as could a global agency such as UNODC.

Joint efforts on trafficking in natural resources can also produce more effective action. The new Natural Resource Charter is an effective way to build on earlier initiatives, such as the Kimberley Process and the Extractive Industries Transparency Initiative, by focusing on widespread communications and citizen pressure.[14] International market regulatory requirements are another form of consumer country action to combat trafficking. In timber, these schemes include certification requirements in the United States under the Lacey Act, European procurement policies that require government agencies to purchase only verifiably legal timber, and forthcoming EU due diligence regulations involving bilateral cooperation with select producer countries. Such market requirement systems could be strengthened by information-sharing arrangements between enforcement in producer and consumer countries to assist consumer countries in acting against suspect shipments. Consumer nations and international actors should also provide additional assistance to build capacity within producer nations to implement effective chain-of-custody systems that keep illegally sourced commodities out of the supply chain.

Forging a new sense of co-responsibility for countering trafficking would also produce better analysis of options. For example, there would be value in joint efforts between producing and consuming countries to understand the implications of current debates on combining demand-side options on drugs, including legalization, with supply-side enforcement. This would require in-depth analysis of the health, social, and economic implications of legalized drug use under different regulatory regimes, as well as trends in consumption patterns. It would also require analysis of the systems to regulate and control drugs that become legal and to ensure enforcement where drugs remain illegal.

New action to protect fragile states from food insecurity and resource shocks

Knowledge about the impacts of food, energy, and resource shocks is limited. Rising global demand for food and energy may impact fragile and violence-affected states severely. New analytical efforts are an important first step in understanding this phenomenon. One forward step would be for the relevant agencies—the World Bank, UN Energy Programme, International Energy Agency, and others—to work together on a World Resources Outlook, bringing together the multiple reports and analysis already undertaken by these agencies independently.[15] Such a report could give policy makers the valuable integrated analysis they currently lack. It could examine the state of scientific knowledge about the availability of key resources, including oil, food, water, and potentially land, together with how climate change will affect each of them; the economic dimensions of resource availability, including the risk of price spikes, inflationary trends, and how resource prices interact with wider trends in the international economy; and vulnerability to scarcity trends among poor people and regions affected by violence. Without such analysis, the risk of unintended consequences from policy may remain unaddressed—as with biofuels, where the possible food security implications of measures to promote energy security were inadequately considered.

For fragile states unable to support comprehensive food security initiatives, best-fit options may be desirable. A reliable global food stock system would be ideal, but a smaller independent emergency reserve—managed regionally—could bridge the lags in food aid response. Held in existing national storage facilities at strategic locations, such a reserve could allow for rapid response. An example is the East Asia Emergency Rice Reserve program established by the 10 ASEAN Member States, China, Japan, and the Republic of Korea, to provide food assistance and strengthen food security in emergencies and for poverty alleviation.[16]

Effective early warning schemes can also be a second-best approach to addressing food insecurity. While reducing the likelihood and impact of food price shocks would be a first best option, effective early warning systems on food and agriculture can be put in place to identify, assess, and monitor the evolution of conflict risks and food security levels, especially in fragile countries. Examples of early warning systems that use satellite data to anticipate crop failure and food shortages are the UN-sponsored Global Information and Early Warning System,[17] which aims at improving food-security response planning in 22 drought-prone African countries, and the United States Agency for International Development (USAID)–sponsored Famine Early Warning System Network,[18] which monitors food supply and demand in all countries with emphasis on 80 low-income food deficit nations.

International trading systems should protect fragile states from the pressure of international resource competition in the search for land or energy. Initiatives addressing these issues, such as the Extractive Industry Transparency Initiative (EITI), the Equator Principles,[19] and the Santiago Principles,[20] have formulated standards to guide engagement in certain sectors, and many institutions and large enterprises have produced guidelines of their own. But broader efforts to build on such ongoing private initiatives are needed. In large-scale agro-investing, where

no industry agreement has been reached on self-regulation, the World Bank and the UN Food and Agriculture Organization (FAO), the International Fund for Agricultural Development (IFAD), the UN Conference on Trade and Development (UNCTAD), and other partners have recently formulated a set of principles for responsible agro-investment that stress respect for land and resource rights; food security; transparency; good governance; a proper enabling environment; consultation and participation; and social and environmental sustainability (see box 7.9).[21]

Ahead of potential new impacts from climate change, international support could be provided to subregions where fragile countries share river boundaries. Depending on the circumstances, this effort could encompass a shift from agreements based on precise volume to agreements based on percentages, to account for the potential impact of reduced flow, and to agreements based on sharing the benefits from expanded development of river basins that benefit all riparians, as well as new agreements where none exist. Efforts to foster cross-border or subregional water management arrangements can ease regional tensions even if climate impacts do not end up affecting flow rates.

Track 4: Marshaling support from lower-, middle-, and higher-income countries and from global and regional institutions

The landscape of international assistance in fragile and violence-affected countries has changed in the last 20 years, with more aid and policy input from middle-income countries with a history of solidarity support. Several regional institutions are also playing a greater role in security and development issues. Yet discussions of global conflict and violence, the norms of responsible leadership to respond to them, and the shape of international assistance have been driven more by northern than southern actors. The Interna-

tional Dialogue on Peacebuilding and State-building has been created to help address this deficit. The WDR process has also conducted wide-ranging consultations with violence-affected lower- and middle-income countries, regional policy makers, and regional institutions, as well as with traditional donor partners. It found many areas of agreement—the focus on institution-building and governance and on citizen security, justice, and jobs—but also some areas of difference.

WDR consultations frequently revealed divided views among national actors, regional bodies, middle-income countries, and OECD actors over what is realistic to expect from national leadership in improving governance, over what time period, and over the "forms" versus the "functions" of good governance (for example, elections versus broader democratic practices and processes, and minimizing corruption in practice versus establishing procurement laws and anti-corruption commissions).

Perceived double standards were also criticized by WDR interlocutors, who reflected a sentiment that donor countries and organizations that have faced their own internal governance challenges could approach short-comings in fragile developing states with more humility. Developed countries are not immune to corruption, bribery, human rights abuses, or failures to account adequately for public finances. Thus, effective implementation of standards of good governance is also a challenge in advanced countries, even more so when the international community has played an executive government or security role in violence-affected areas.

Lack of concerted support for the norms of responsible leadership is a concern, because progress in global norms is crucial for reducing the risk of violence. Regional and global standards, as well as recognition and sanction mechanisms in constitutionality, human rights, and corruption, have provided support and incentives for national leadership, particularly where the capacity of the domestic system to provide rewards and accountability is weak. Human rights

standards, for example, have been important reference points for reformers that led efforts to transform authoritarian military regimes in many regions toward more accountable systems, with benefits for citizen security and broader development. The Lomé Declaration in 2000, establishing African standards and a regional response mechanism to un-constitutional changes in government, has, as described earlier, underpinned a significant decrease in coups since the 1990s and strong continental action to uphold constitutional government.[22]

Modest actions that could strengthen collaboration among higher-, middle-, and lower-income countries on shared problems of violence and development, both global and local, are as follows:

- **Increase both South-South and South-North exchanges on violence prevention**. South-South exchanges have enormous potential to provide relevant capacity and lessons in current fragile and violence-affected situations.[23] Lower- and middle-income countries that have gone through their own recent experiences of transition have much to offer to their counterparts—as demonstrated in this Report, where Latin American countries offered perspectives on urban violence prevention and security and justice reforms, China on job creation, India on local public works and democratic practices, Southeast Asian and African countries on community-driven development in conflict areas. Yet, South-North exchanges are also important. While institutional capacities differ, many Northern and Southern countries, provinces, and cities face some similar stresses. Program approaches—such as addressing trafficking, reintegrating ex-gang members and disengaged young people, and fostering tolerance and social bonds among communities that are ethnically or religiously divided—will have lessons relevant for others. Such exchanges would increase understanding that the challenges of violence are not unique to developing coun-

tries and that developing countries are not alone in struggling to find solutions.

· **Better align international assistance behind regional governance efforts.** When regional institutions take the initiative, as with the African Union (AU) on constitutionality, they have great comparative advantage in traction with their member states. The potential convening role of regional institutions was also widely recognized in WDR consultations by higher-, middle-, and lower-income country interlocutors alike (see box 9.4). Supporting regional platforms to discuss the application of governance norms is an effective way to increase ownership. Adopting clearer structures to discuss responses to major improvements or deteriorations in governance (such as coups d'états) among bilateral and multilateral actors would also improve information-sharing and the potential for coordinated responses without creating unacceptable binding obligations on international actors.[24]

· **Expand initiatives to recognize responsible leadership.** While there is always a role for frank and transparent criticism, approaches from the North that are seen as disproportionately focused on criticism in fragile situations can be divisive. Initiatives, such as the Ibrahim Prize for African leadership, could be emulated to recognize leaders in different roles (for example, ministers who have a lasting impact on corruption or military leaders who implement successful security-sector reform). Multistakeholder initiatives, such as the Extractive Industries Transparency Initiative, could consider provisions to recognize individual leaders or leadership teams who have improved the transparency of resource revenues and expenditures, whether in governments, civil society, or companies.

More focused and realistic expectations built into the timetables for governance improvements would also help bridge gaps

in perspectives among countries receiving international assistance, their middle- and higher-income international partners, and global and regional institutions. This is particularly crucial in the light of recent social protests that demonstrate strong grievances and expectations over governance change—that were not picked up by standard analyses of security and of development progress. The indicators described in chapter 8 aim to address this deficit through a focus on whether countries are on track to make institutional and governance improvements within the realistic generational time frames that the faster reformers have achieved, and how citizens perceive trends in the legitimacy and performance of national institutions across the political security and development domains.

These would be a simple way, as Louise Arbour suggests in box 9.4, to compare progress, stagnation, or deterioration. Ensuring that such indicators measure outcomes rather than just the form of institutions (laws passed, anti-corruption commissions formed) is also important to ensure that they encourage rather than suppress innovative national action and that they foster learning among low-, middle-, and high-income country institutions. The UN Peacebuilding Commission—which brings together fragile states, donors, troop-contributing countries, and regional bodies—has unexploited potential to advise on realistic timelines.

A continuing global learning platform

This Report draws together many rich strands of existing research on security and development, adding to them through new quantitative and qualitative work. But its preparation has made clear the gaps in knowledge—from evolving issues such as the links between organized crime and political violence, glaringly underresearched, to the lack of firm conceptual models and testing of the processes of institutional transformation, and to the absence of evaluation data on key policy

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BOX 9.4 *The role of regional institutions and initiatives in norm-setting and violence prevention*

Reaffirming consensus on international norms and standards—The role of regional organizations

Louise Arbour, President, International Crisis Group; former UN High Commissioner for Human Rights; *WDR Advisory Council Member*

Whether based on universal values, such as the sanctity of human life, or on international legal rules, there are some universally accepted norms—reflected in the Charter of the United Nations and other international instruments.

These norms are not self-implementing, and because they include the right to cultural diversity, their interpretation must reflect local, national, and regional diversity. The resistance to the exportation of "Western values" might be no more than the rejection of a foreign way of expressing a particular norm, rather than a rejection of the norm itself.

Regional institutions can bridge the distance between universal norms and local customs. Those customs or practices must conform, in substance, to the core international principles from which the international community derives its cohesion. Otherwise, cultural diversity can simply override, and undermine, the international framework.

In the justice sector, for instance, uniformity of institutional models and procedures may obscure radical differences in the actual delivery of justice. But the adjudication of disputes based on principles of fairness, impartiality, transparency, integrity, compassion, and ultimately accountability can take many forms.

In their assistance to development, international actors must resist the exportation of form over substance, and accept the regionalization of norms that enhance, rather than impede, their true universal character. In the same spirit, regional actors must translate, in a culturally relevant way, international norms and repudiate nonconforming practices.

And all must concede that the standards set by universal norms are aspirations. Measures of performance should reflect either progress, stagnation, or regression in a given country, toward a common, universal ideal.

and program options, such as justice and employment interventions. Priorities for future research and policy work are as follows:

- **Filling gaps in data.** There are gaps in the data on violence (particularly criminal violence) and on citizen trust in national institutions. Other variables to fully test conceptual models and evaluate policy options are also missing. Priorities for following up on the WDR's work would be spending on criminal justice systems, institutional performance indicators of capacity and accountability in security and criminal justice systems, and employment data.

- **Testing conceptual models**. The WDR has put forward hypotheses drawn from regional and country consultations that are consistent with available cross-country data or qualitative case analysis. All would benefit from further testing and research to identify detailed pathways of successful reform and reasons for failure. They include the importance of national institu-

tional transformation and governance outcomes for sustained violence prevention; confidence-building as a prelude to wider institutional transformation; the characteristics of inclusive-enough coalitions for reform in fragile situations; how these are adapted or consolidated over multiple transitions; and the design and benefits of early institutional action on citizen security, justice, and jobs. As discussed in chapter 2 (box 2.5), more research is needed on the link between employment and violence prevention.

- **Evaluating policy and program options.** There is also a dearth of impact evaluations on the relationship between specific policy and program interventions and security outcomes. At a macropolicy level, the costs and benefits of second-best reforms in situations of insecurity and weak institutions merit further attention—as do the sequence of reforms to increase revenues and expand government expenditures and the

costs and benefits of regional integration. At the program level, evaluating the importance of rapid development results and of integrated security-development approaches would greatly assist policy makers. A focused evaluation agenda to analyze the impact of programmatic interventions to address unemployment in situations of conflict or rising violence would also contribute to a more proactive international approach to job creation, including the role of private sector development. Analysis of the economic costs and benefits of flexible peacekeeping options, as suggested by Commissioner Lamamra and Under-Secretary-General Le Roy, can inform future policy developments.[25]

- **Tracking the evolving impacts of new phenomena,** including rapidly increasing demand for energy and scarce resource supplies, as well as climate change, on areas at risk of violence.

The future research agenda is rich indeed,[26] and a strong network of public agencies, think tanks, universities, and NGOs could productively collaborate in tackling it. A shared collaborative platform for knowledge on violence, fragility, and development would also have the advantage of drawing together work led by the political and social sciences, including economics, and by the political, security, humanitarian, and development agencies in this most interdisciplinary of areas. Such a platform could foster research by institutes in fragile and conflict-affected states and in middle-income countries that have experienced violence, thus helping to produce the kind of lessons and learning highlighted here, as well as informing a new consensus on critical norms and their adaptation to national contexts. This platform can also draw from a new research initiative, "Democratizing Development Economics," from the research group at the World Bank, which promotes "Open Data, Open Knowledge, and Open Solutions" to support South-South learning and collaborative research on common challenges and solutions.[27]

A compelling agenda for action

Can the international community help build resilience in countries facing repeated or new threats? Significant areas—North Africa and the Middle East; Central Africa, the Horn of Africa, and West Africa; Southwest and Central Asia; and Central America—currently face risks of new or repeated cycles of violence. Will the international community be able to help, not just to halt one acute episode, but reduce the risk of continuing cycles? Business as usual is unlikely to deliver sustained results. What is needed is a renewed consensus among international actors in their dialogue with national leaders, based on expectations that are both principled and realistic. Supporting this consensus at a practical level will require focused and timely assistance to institutions that can help prevent an escalation of violence. It will also require a willingness to try new ways of doing business in humanitarian, development, security, and mediation assistance in order to help build national institutional legitimacy. And it will require decisive action to prevent stresses outside these countries from overwhelming fragile progress.

All the recommendations of this Report have at their heart the concept of shared global risk. Risks are evolving, with new threats to stability arising from international organized crime and global economic instability. The landscape of international power relations is also changing, as lower- and middle-income countries increase their share of global economic influence and their contributions to global policy thinking. A fundamental rethink is needed on the approaches of international actors to manage global risks collectively—and as equal partners.

The recommendations are not easy to implement. They require clear political leadership from both developed and developing countries and sustained attention to change in bilateral development agencies and multilateral institutions. Real change will require a strong rationale for political leadership. But a dual rationale exists: fragility and violence are major obstacles to development, and are

no longer confined to poor and remote areas or cityscapes. This decade has seen the increasing penetration of instability in global life—in terrorism, an expanding drug trade, and the rising numbers of internationally mobile refugees. Breaking cycles of repeated violence is thus a shared challenge demanding urgent action.

Notes

1. Stewart and Brown 2007.
2. Ojielo 2007; Odendaal 2010; UNDPA 2010a.
3. Following an extensive study carried out by the Office of the High Representative (the chief civilian peace implementation agency in Bosnia and Herzegovina) at the request of the Peace Implementation Council, the coordinating structure of the International Community in Bosnia and Herzegovina was "streamlined" in 2002 to eliminate overlapping effort and responsibilities and increase effectiveness. As part of this process a Board of Principals was established under the chairmanship of the High Representative to serve as the main coordinating body for international community activity in Bosnia and Herzegovina. The Board of Principals meets once a week in Sarajevo and is attended by Office of the High Representative, NATO-led military Stabilisation Force (SFOR), Office of Security and Cooperation in Europe (OSCE), European Union Police Mission, UN High Commissioner for Refugees (UNHCR), European Commission, the World Bank, the International Monetary Fund (IMF), and the UN Development Programme (UNDP). See Office of the High Representative and European Union Special Representative 2011.
4. Recognizing the public-good benefits of some types of security assistance, as the OECD-DAC is considering by providing a separate channel for reporting assistance in these areas, could also help.
5. g7+ is an open grouping of low-income countries experiencing conflict and fragility. It was established in 2008 and comprises the following countries: Afghanistan, Burundi, the Central African Republic, Chad, Côte d'Ivoire, the Democratic Republic of Congo, Haiti, Liberia, Nepal, the Solomon Islands, Sierra Leone, South Sudan, and Timor-Leste.
6. A practical example of this type of shift is Ethiopia in 2005, when government and donors agreed to move from regular budget support to a program of transfers to local and municipal governments. The program included measures to ensure that all regions of the country, irrespective of how they had voted in elections, received continuing central government support.
7. The WDR team, in conjunction with Mobile Accord and with generous donations of SMS (short message service) by Vodacom Congo, carried out a geo-polling project known as *DRC Speaks!* The project utilized cell phone technology to conduct the survey. Using SMS through cell phones, the project allowed more than 140,000 Congolese to share, without any filters, their thoughts, feelings, and concerns. See section on monitoring progress out of fragility in chapter 6 for more information.
8. Gelb 2010.
9. See Favaro 2010.
10. For the Greater Mekong Subregion, see World Bank 2006d; the section on regional stresses and support in chapter 7. For West Africa, see Favaro 2008, 2010; box 7.10 in chapter 7. For the European border region, see Greta and Lewandowski 2010; Otocan 2010; Council of Europe 1995; Council of Europe and Institute of International Sociology of Gorizia 2003; Bilcik and others 2000; box 7.11 in chapter 7.
11. For the African Union Border Programme Cooperation, see African Union 2007a.
12. See Messick 2011; box 8.4 in chapter 8.
13. See Arboleda 2010; UNODC 2010a; WDR team consultations with government officials, civil society representatives, and security personnel in Colombia, 2010; feature, chapter 3.
14. The Natural Resource Charter is a set of common principles and a practical step-by-step guide for escaping the "resource curse." It has no political heritage or sponsorships and was prepared by an independent group of global experts on economically sustainable resource extraction, assembled by Paul Collier, Director of the Centre for the Study of African Economies at Oxford University. The charter aims to foster coordination, both along the decision chain from exploration to expenditure, and among the international actors and stakeholders, by providing a unifying and overarching

framework for action. It provides the tools and knowledge base necessary to avoid the misman-agement of these diminishing riches and ensure they bring lasting benefit. The charter consists of 12 precepts, detailing the broad princi-ples, specific recommendations, and practical guid-ance. It is also an information toolkit to guide governments and societies in their use of natural resources so that the opportunities they provide are seized in a way that results in maximum and sustained benefits for citizens. The charter provides a clearinghouse for the collation and dis-semination of information and best practice in the governance and management of resource-rich economies. More information on the charter can be found at their website: http://www.natural resourcecharter.org/.

15. Evans 2010.
16. Brinkman and Hendrix 2010; Bora and others 2010.
17. FAO 2010.
18. USAID Famine Early Warning Systems Network 2010.
19. The Equator Principles (EPs) are a voluntary set of standards for determining, assessing, and managing social and environmental risk in project financing. The EPs are considered the finan-cial industry "gold standard" for sustainable project finance and are based on the International Finance Corporation (IFC) performance standards on social and environmental sustainability and on the World Bank's Environmental, Health and Safety General Guidelines. The principles are intended to serve as a common baseline and framework for the implementation by each adopt-ing institution of its own internal social and environmental policies, procedures, and standards related to its project financing activities. These principles do not create any rights in, or liability to, any person, public or private, and institutions adopt and implement the EPs without reliance on or recourse to IFC or the World Bank. The Equator Principles can be found in full at http:// www.equator-principles.com/documents/Equator_Principles.pdf.
20. The Santiago Principles were developed in 2008 by the International Working Group of Sovereign Wealth Funds (SWFs) and represent a collaborative effort by advanced, emerging, and developing country economies to set out a comprehensive framework of 24 voluntary "best practices" guide-lines, aiming to provide a clearer understanding of the operations of SWFs. Their adoption on a voluntary basis signals strong commitment to the principles, and their implementation should further enhance the stabilizing role played by SWFs in the financial markets, and help maintain the free flow of cross-border investment. To date, 23 countries are members. For more information, visit the International Working Group of Sovereign Wealth Funds website: http://www.iwg-swf .org.
21. FAO and others 2010.
22. See Organization of African Unity 2000. Also see the section titled "Interstate and civil wars have declined since peaking in the early1990s" in chapter 1.
23. Of the different forms that South-South cooperation has taken, technical assistance has been the most common. Although many technical assistance projects focus on economic and social development, countries in the Global South have also developed specialized capacities in post-conflict peacebuilding. Examples include South Africa's support to build structural capacities for public service through peer learning among public sector schools (Management Development Institutes) at the Ministries for Public Administration in Burundi, Rwanda, and Southern Sudan, all countries that have emerged from violent conflict. Cooperation among 45 municipalities in El Salvador, Guatemala, and Honduras helps to manage regional public goods such as water in the Trifinio region. In Trifinio, regional South-South cooperation has transformed a zone of tensions (no-man's armed borders) into a zone of integration and development. See OECD 2010f.
24. The view of the African Union with respect to West African countries that have recently experi-enced coups d'états was that donor support to social programs and poverty reduction programs should continue in these countries, but that larger scale support should be paced to support the return to a "constitutional path." In practice, donors were divided between those that suspended assistance completely and those that continued assistance with no change (WDR team consulta-tion with officials in African Union in Addis Ababa, 2010).
25. An example of recent advances in evaluation in fragile states includes the new Development Impact Evaluation (DIME) Initiative, which focuses on questions of legitimacy and utilization of public institutions, public service delivery, local collective action, social capital, and trust in elected officials in projects in Aceh (Indonesia), Afghanistan, Angola, Central African Republic, Cambo-dia, and Guinea.

26. This report complements research forthcoming in 2011, including a second issue of the *Global Burden of Armed Violence* from the Geneva Declaration, the next volume of the *Human Security Report* published as this report went to press, and the forthcoming *Oxford Handbook of the Economics of Peace and Conflict.*
27. Zoellick 2010a.