Foreign Assistance and Political Development in Fragile States Conference

May 15-16, 2020

"Foreign Assistance and Political Development in Fragile States" was a conference held by The Pearson Institute for the Study and Resolution of Global Conflicts at the Harris School of Public Policy at the University of Chicago virtually on May 15-16, 2020. This conference was attended by academics and practitioners, including current and former policymakers.

The conference was focused on state-building. Participants began by exploring the inherent political nature of state-building driven by the interests of various stakeholders, including contenders for power in the host state and foreign state-builders seeking allies to promote their own political agendas. Considering these nuances, participants discussed how to best achieve successful democratic development.

One participant suggested the solution may lie in a balance between state and local political institutions, resulting in clearer accountability structures and a devolution of public spending. Other ideas included a model of neo-trusteeship, drawing on the 12th century Italian podestá as an example with contemporary relevance.

Another participant observed that the current landscape and trajectory of state-building and international relations is characterized by: (1) increased major power competition and friction, and increased competition among regional powers; (2) the spread of state collapse and major armed conflict to the MENA region; and (3) greatly reduced willingness of OECD country publics to engage in or even pay for boots-on-the-ground peacekeeping operations and other interventions with state-building aspirations.

The participants then turned to the challenges and shortcomings of foreign involvement in armed conflict. According to one participant, in the case of Afghanistan, foreign occupiers lacked the local context needed to inspire civilians and Afghan soldiers and police alike. Meanwhile, the Taliban continued to experience broad success in the region because it embodied an ideal which made it more powerful in battle; unlike many Afghan soldiers, the Taliban remained steadfast in its ideology, and its fighters were much more willing to sacrifice themselves for their cause as compared to their opponents. The comparative weakness of nationalist motivations among fighters for a state that was aligned with foreign occupiers may have influenced the outcomes of military operations in the region.

After considering many other challenges that have faced these operations, including disunity, grievances, external safe havens, and sectarianism, participants contemplated a strategy of

intervening with a light footprint that would be sustainable over the long haul, instead of making heavy investments that aim to bring about quick change.

Participants also examined the deep political-economy challenges which make it difficult to implement operations, despite there being consensus on what these operations should be, such as: (1) problems within supported countries; (2) issues related to the supporting country's politics; and (3) challenges created by the supporting country's budgeting/staffing/procurement practices. There was a particularly detailed discussion of chronic difficulties in staffing the civilian side of state-building interventions. Participants then considered the basic question of whether it would be better to not engage in state-building at all, or to intervene with strategies that are informed by lessons from the problems of past interventions.

Another topic of discussion was the efficacy of Security Force Assistance (SFA) programs. One participant argued these programs have done little to achieve their goals of developing professional armed forces in fragile states, largely because of three problems. First, the beneficiaries of these programs are often implicated in the types of behavior that the intervention seeks to prevent. Second, leaders in fragile states may intentionally weaken or politicize their armed forces, to strengthen their own personal authority. Third, the professional nonpolitical units that SFA programs develop are often unsustainable without the continuing commitment of foreign actors to pay for them and manage them in the long term. When SFA programs are misaligned with the needs of beneficiaries who do not desire an effective nonpolitical security force, the result is that the foreign intervention can do little to build capacities of armed forces in fragile states.

Another participant illustrated the ways in which the state can be an extension of society itself through the case of the Democratic Republic of Congo. The state apparatus is permeated by society, and social groups will often manipulate the state to the advantage of their social group. The behavior of armed groups is governed by social relationships and incentive structures, and groups will racket their way into the state. As the DRC example illustrates, many states continue to be organized around "big men" who provide services to their loyal supporters, rather than the state maintaining the monopoly of legitimate force.

Participants turned to the topic of elite bargaining for political stabilization. It was argued that violent conflict can be reduced only when the allocation of benefits and resources reflects the existing power distributions in that society. The alignments between peace processes, elite bargains, and political settlements are essential for determining whether the results of elite bargaining will be a return to violence, or elite capture, or a developmental peace. However, external interventions can also affect these distributions of power and thus can contribute to destabilization, consolidation, or transformation in a region. Participants also discussed ways in which the COVID-19 pandemic might influence these elite bargains, using Sudan as an example.

There was also discussion of state-building in the face of counterterrorism, with one participant arguing that it can be a constricting form of intervention, where corruption and coercion actually become products of strict guidelines enforced by external interveners. This participant observed that political constraints imposed by the United States, for purposes of counterterrorism or liberal governance reform, compelled Afghanistan's President Karzai to rely on a system of palace politics and patronage networks to maintain control of the state.

Historically, state-building interventions have focused on developing the capabilities of the central government. One participant suggested that this centralized approach neglects local social and political structures as well as problems that are inherent within the central state itself. Rather than continuing to pursue this top-down approach, the participant urged a more bottom-up structure in which society helps to shape the state. This polycentric state-building approach identifies existing institutions that are already working locally and uses those institutions as a foundation for governance.

Another participant similarly proposed that a balance between national and local politics is essential for democratic development. Interventions should not focus only on supporting the national political leadership; interveners should also work to cultivate local leadership structures. With this goal in mind, it was argued that state-building assistance should be driven by local coordinators, who should distribute foreign assistance to promote inclusive coalitions for local governance.

A conference participant examined reasons why Western donors have been more effective at supporting political development in some countries than in others. Different incentive structures both in the receiving countries and in the donor countries can help explain why aid has yielded varying results in different contexts. Leaders of weak states who seek to stay in power may rely on revenue from natural resources or from foreign aid. The donors who provide foreign aid may consider the recipient state to be strategically important or not strategically important. Then it was observed that non-strategic aid to recipients without significant revenue from natural resources is the most conducive to state-building. When aid is non-strategic, it allows donors to impose stricter accountability conditions for how the money is used, with a threat to withhold aid if these conditions are not met. This credible threat to withhold aid can incentivize leaders without natural resource revenue to honor their aid agreements. A decrease in infant mortality in Mozambique was cited as evidence for this effect, compared to Angola where oil wealth did little to improve conditions.

Another participant continued the discussion by turning to state-building operations that occur with the host state's consent. These consent-based missions allow for foreign entities to assist in reforming states and strengthening security forces within them. However, efforts to bring peace and stability are often challenged by the difficulty of host nation leaders making credible commitments to terms of a peace agreement. Such commitment challenges are known as

reversion problems. International actors can mitigate these reversion problems by providing monitoring mechanisms or by enforcing compliance as a condition to continue receiving aid. It was argued that the effectiveness of these mechanisms depends on the interests of domestic and international actors satisfying two conditions: (1) international actors' interests must meet a "Goldilocks" condition that they care about the host nation enough to offer assistance but are not so tied to the incumbent leadership that they could not punish it for violating agreements; and (2) domestic actors in the host nation must have great need for the assistance that international actors can provide.

Another participant extended this discussion by considering interventions in Haiti, Afghanistan, Darfur, and Colombia, emphasizing the need for localized interventions which take into consideration the context and challenges specific to different states.

The discussion then turned to the fact that state-building cannot be disentangled from the broader international context, as there is almost always a problem of international politics, not just a problem of domestic politics. One participant explained how the post-WWII era can be disaggregated into three periods, each with distinct features of conflict and post-conflict: (1) the Cold War (1945-1990) characterized by bipolar superpower competition; (2) the Liberal International Order (1990-2001) emphasizing US hegemony; and (3) post-Liberal order (2001-) reflecting the changes after the September 11, 2001 terrorist attacks. The current post-Liberal order combines elements of the prior two periods, including revolutionary rebels, decisive military outcomes, lack of settlements, and authoritarianism as in the Cold War era, along with widespread state weakness as in the Liberal Order period.

Understanding the effects of global and regional power competitions on state-building in fragile states is essential for finding potential solutions and opportunities for diplomacy in these states. A participant observed that diplomatic solutions can include: (1) dividing up control or influence in the weakly governed areas, with varying degrees of direct or indirect control by major powers; (2) agreeing to respect some degree of autonomy of a "buffer" or "neutralized" (weak) state; or (3) reducing the force of international competition by détente among the major powers.

Participants concluded the conference by contemplating the future of state-building, especially in the context of worldwide challenges such as the current pandemic. One participant recommended that intervening nations should recognize the limits of their influence and choose where and when to intervene based on the resources and human capital available. While democracy is the end goal of such interventions, perhaps there are more critical, immediate goals to be met, which can catalyze larger reforms. Another participant emphasized the need for person-centered approaches to state-building, arguing that state-building interventions cannot possibly deliver on anything complex before securing the most basic freedoms of average civilians.

Participants recognized the need to address the disillusionment of the American public after so many unsuccessful state-building endeavors. Successful interventions in the future will require state-building agents who can develop good working relationships with their counterparts in the host government, helping them to earn the trust and support of their people.

Participating speakers and discussants in the conference:

Rick Barton
Former US Assistant Secretary of State for Conflict and Stabilization Operations

Christine Cheng
Senior Lecturer in International Relations, King's College London

James Fearon
Theodore and Frances Geballe Professor in the School of Humanities and Sciences, Senior Fellow, Freeman-Spogli Institute for International Studies, and Professor, by courtesy, of Economics, Stanford University

Desha Girod
Associate Professor of Government and Director of the Conflict Resolution Program, Georgetown University

Jonathan Goodhand
Professor in Conflict and Development Studies, SOAS University of London

Stathis Kalyvas
Gladstone Professor of Government at the Department of Politics and International Relations and Fellow of All Souls College, University of Oxford

David Laitin
James T. Watkins IV and Elise V. Watkins Professor in the School of Humanities and Science, Stanford University

David Lake
Distinguished Professor of Political Science, Jerri-Ann and Gary E. Jacobs Endowed Chair in Social Sciences, University of California San Diego

Carter Malkasian
Former Special Assistant for Strategy to Joint Chiefs of Staff Chairman Gen. Joseph Dunford; Author; Historian

Aila Matanock
Associate Professor of Political Science, University of California Berkeley

Michael Miklaucic
Senior Fellow, Institute for National Strategic Studies, National Defense University; Editor of PRISM

Keith Mines
Senior Advisor, Colombia and Venezuela, Applied Conflict Transformation Center, US Institute of Peace

Dipali Mukhopadhyay
Associate Professor of International and Public Affairs, Columbia University

Jennifer Murtazashvili
Associate Professor, Director of the Center for Governance and Markets, University of Pittsburgh

Roger Myerson
David L. Pearson Distinguished Service Professor of Global Conflict Studies, Harris Public Policy, the Griffin Department of Economics, and the College, University of Chicago

Rufus Phillips III
Author, Why Vietnam Matters: An Eyewitness Account of Lessons Not Learned (Naval Institute Press, 2008)

Patrick Quirk
Senior Director of the Center for Global Impact, International Republican Institute

Will Reno
Professor and Chair, Department of Political Science, Northwestern University

Larry Sampler
Former President, One Earth Future Foundation

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Assistant Professor, Harris Public Policy, University of Chicago

Jacob Shapiro
Professor of Politics and International Affairs, Princeton University; Director, Empirical Studies of Conflict Project

Barbara Smith
Principal and Founder, Mountain Time Development; Former Director for Afghanistan and Pakistan, US National Security Council

Barry Weingast
Ward C. Krebs Family Professor, Senior Fellow at the Hoover Institution, Professor, by courtesy, of Economics, Stanford University

Kael Weston
Former US Representative to the UN Security Council's Al Qaeda/Taliban Sanctions Committee

The Conference Agenda (with speakers' notes and slides) can be found online at
https://thepearsoninstitute.org/fragilestatesconf2020/agenda