HITTING THE TARGET, BUT MISSING THE POINT ?

Assessing donor support for inclusive and legitimate politics in fragile societies

A publication of the International Network on Conflict and Fragility (INCAF)

OECD

HITTING THE TARGET, BUT MISSING THE POINT?

Assessing donor support for inclusive and legitimate politics in fragile societies

Erwin van Veen and Véronique Dudouet

with support from Jort Hemmer and Stina Lundström

January 2017

DISCLAIMER

This paper was commissioned under the auspices of the OECD's International Network on Conflict and Fragility (INCAF) and funded by the German Federal Ministry for Economic Development and Cooperation (BMZ). However, this paper should not be reported as representing the official views of the OECD or of its member countries, including either the German Federal Ministry for Economic Cooperation and Development or the German Government. The opinions expressed and arguments employed, as well as any errors or omissions, are solely those of the authors.

Comments on the paper are welcomed and may be sent to: incaf.secretariat@oecd.org.

EXECUTIVE SUMMARY

The International Dialogue on Peacebuilding and Statebuilding's 'New Deal for Engagement in Fragile States' ("New Deal") of late 2011 promised an end to 'business as usual' with regard to development efforts in fragile environments. It did so by putting the politics of development assistance front and centre in two big ways. First, it promoted greater partnership and cooperation among bilateral donors, multilateral organisations, governments of self-declared fragile states (g7+), and civil society organisations in development efforts. This reflected the need for a permanent conversation about the politics of development among these actors. Second, it stimulated these same partners to increase their focus and efforts on the New Deal's five Peacebuilding and Statebuilding Goals (PSGs) – in particular by advancing 'legitimate and inclusive political settlements and conflict resolution' (PSG1) as a vital aspect of achieving sustainable exits from fragility that permeates all other elements of the agreement. This reflected the fact that the roots and dynamics of much of today's fragility and conflict are political in nature, i.e. they are the result of political decision-making processes about the nature and use of public authority, as well as the allocation of public resources.

At the end of the five-year pilot phase of the New Deal, this report takes stock of the question of how bilateral and multilateral donors, as one of the main groups of signatories of the New Deal, have conceptualized and implemented their commitment to promote PSG1. On the basis of empirical evidence acquired through case studies in the four g7+ pilot countries Afghanistan, Somalia, South Sudan and Timor-Leste, the report finds that, at best, donors work with an incomplete and inadequate understanding of the typically fragmented and highly contested politics of fragile societies beyond the formal representatives of their governments and administrations.

The report also finds that in response to perceived or real deficits in governance legitimacy and/or inclusivity, donors tend to continue to offer a standardised 'political-support package' that focuses on the technical and procedural aspects of an idealised democracy. This is exemplified by the continued international emphasis on holding national elections as a critical pathway for enhancing legitimacy. Given the state of knowledge about the nature of governance in fragile polities, this is unlikely to help develop more representative or credible systems of governance that deliver public services and goods to their subjects in the short to medium term.

Although appreciable efforts have been made in recent years to advance the thinking about, and practice of, the politics of development, the case study findings suggest that these are largely experimental efforts. In fact, they are still quite far from influencing mainstream development practice in the realms of politics and governance in fragile environments, and have not yet been brought to scale.

These findings are not necessarily new, but rather strengthen the existing evidence base, as they are grounded in four case studies that comprise a total of around 100 interviews. They do, however, suggest at least two new conclusions:

- The New Deal has – so far – not encouraged a fundamental rethink of how donors can effectively and feasibly support inclusive and legitimate politics in fragile environments or with whom they should work toward this end. On the basis of the findings, it can be argued that the tension inherent in the New Deal between the largely state-based character of the

agreement and the hybrid/informal nature of governance in many fragile environments has not been resolved. As part of their forward agenda, New Deal signatories should discuss whether they can jointly address this issue and if not, what the consequences ought to be.

- As many of the constraints that prevent donors from promoting inclusive and legitimate politics more effectively are both recurrent and internal to their own operations (procedures, programmes, finances, etc.), far greater attention should be focused on whether such constraints can be overcome as a basis for gauging the level of future ambition and type of support for PSG1 that should be offered responsibly. The OECD is well placed to conduct intense scrutiny of the political-economy of its members' development operations in collaborative fashion. This study strongly suggests that doing so is an essential precondition for better support for PSG1, perhaps as spin-off of the existing peer-review process.

More importantly, with a view to the New Deal signatories' recent renewal of their 2011 commitments (embodied in the 'Stockholm Declaration' of April 2016) and the United Nations' 2015 endorsement of the Sustainable Development Goals, the report also asks what donors can do to improve and possibly increase their support for PSG1. The evidence gathered suggests five recommendations that can be grouped in two categories:

What donors need to consider for improving their ability to support PSG1 effectively:

Recommendation #1:	Conceive development engagement more politically, i.e. a political frame must drive each initiative
Recommendation #2:	Conduct political-economy analysis of internal donor operations to identify which constraints on current PSG1 support are malleable
Recommendation #3:	Enhance analytical capabilities for understanding the realities of political settlements in fragile societies and improve risk-management capacities

What donors need to consider for re-orienting their existing PSG1 support:

Recommendation #4:	Broaden the scope of PSG1 engagement beyond the state
Recommendation #5:	Dedicate more attention to the output inclusivity (i.e. equitability) of political processes

The conclusion makes these recommendations actionable. Figure 1, below, summarises the flow of the argument and the report's main substantive findings for quick reference.

Figure 1. Visualisation of key findings

CONTEXTUAL VARIABLES
'independent variable'

DONOR VARIABLES
'indendent variable'

Fragmented political settlements

… reduce ruling elites' 'resistance' to donor support for formal and informal aspects of inclusive and legitimate politics *(Afghanistan, Somalia)*. In 'big tent' political settlements, ruling elites try to focus donor support on input-legitimacy and the state *(Timor-Leste; South Sudan until late 2013)*.

High levels of political violence

… make support for 'formal' and 'informal' aspects of inclusive and legitimate politics difficult because social distrust increases, further violence is triggered, peaceful capacities for conflict resolution are inhibited, and donor access is reduced *(Afghanistan, Somalia, South Sudan 2014-2015)*.

The toolkit for political analysis

… tends to be unfit for its purpose, due to its superficiality, static and state-centred nature, insufficient triangulation of local staff knowledge, limited use of local research outfits, and the difficulties of translating new analytical insights into programming.

Internal operational constraints

… such as high staff turnover, risk aversion, poor local language skills, short-termism, inter-donor incoherence, a lack of focus on learning and institutional incentives, sharply reduce donor ability to understand and act upon the complexity of the inclusiveness and legitimacy of domestic politics in fragile societies.

Core finding:
DONOR SUPPORT FOR INCLUSIVE AND LEGITIMATE POLITICS IN FRAGILE SOCIETIES (NEW DEAL 'PSG1') IS LIMITED IN UNDERSTANDING, SCOPE AND IMPACT
'dependent variable'

Aspect 1:
There is significant bias in how donors support legitimate and inclusive politics

Analysis of the initiatives and programmes donors use to promote more inclusive and legitimate politics across the case studies suggests that

- legitimacy is understood in state-centric terms at the national level, whereby it is assumed that quantitative increases in process inclusivity improve input and output legitimacy;

- conflict-resolution initiatives are not generally considered from an 'inclusive and legitimate politics' perspective;

- various aspects of state-society dynamics are supported, but such support is largely limited to state institutions and NGO-type civil society organisations;

- technical activities such as capacity building and tool-development dominate programming, at the expense of political dialogue/engagement to incentivise PSG1 and without sufficient thought of the political interests, context, and frame in which they take place.

Aspect 2:
Four major gaps exist in donor support for inclusive and legitimate politics

More in-depth analysis of donor engagement suggests four gaps between the political realities of donor support and the political realities of fragile environments:

- A peacebuilding gap: When donors fight war and seek to build peace at the same time, their security priorities trump developmental priorities in respect of inclusive and legitimate politics;

- A statebuilding gap: Donors work on the basis of a reductionist emphasis on the procedural, technical and formal aspects of politics;

- An empowerment gap: Donors focus on process inclusivity through greater representation in formal state institutions. Such inclusion, though, is not necessarily effective in terms of bringing about greater influence;

- An ownership gap: Donor activity is characterised by insufficient time and understanding to generate more meaningful results.

… in a context of variable levels of New Deal implementation and use of Peace- and Statebuilding Goal 1 (PSG1) on 'inclusive and legitimate politics'.
The variance of New Deal implementation and use of PSG1 seems, however largely influenced by the contextual and donor variables listed.

FIVE ESSENTIAL RECOMMENDATIONS TO IMPROVE THIS STATE OF AFFAIRS

Recommendation 1:
Conceive of development engagement more politically, i.e. a political frame must drive each initiative

Recommendation 2:
Conduct political-economy analysis of internal donor operations to identify malleable constraints on current PSG1 support

Recommendation 3:
Increase analytical capabilities for understanding the realities of political settlements in fragile societies and improve risk-management capacities

Recommendation 4:
Broaden the scope of PSG1 engagement beyond the state

Recommendation 5:
Dedicate more attention to the output inclusivity (i.e. equitability) of political processes

ACKNOWLEDGEMENTS

TABLE OF CONTENTS

TABLES

FIGURES

INTRODUCTION

In December 2011, at the 3rd High Level Partnership Meeting on Aid Effectiveness in Busan, South Korea, the International Dialogue on Peacebuilding and Statebuilding (IDPS) – around 60 bilateral donors, multilateral organisations and governments of self-declared fragile states (g7+) as well as a broad range of civil society organisations – developed a landmark political agreement on how to improve their collaboration to enable sustainable exits from fragility. The agreement was underpinned by a widely shared recognition among its signatories that the Paris Declaration, Accra Agenda for Action and Millennium Development Goals represented unfinished business, both in terms of their general apolitical nature and in not being adequately tailored to the political and security challenges of effective collaboration in fragile environments. The resulting agreement, known as 'the New Deal for Engagement in Fragile States', has three main components: first, a set of evidence-based, general objectives that reflect the sort of substantive achievements required for exiting fragility (called Peace- and Statebuilding Goals, PSGs); second, a set of processes that outline a political pathway for international and national actors to develop and implement these objectives together (FOCUS principles); and third, a set of resource enablers to deliver them (TRUST principles). [2]

The first of the agreement's Peacebuilding and Statebuilding Goals (also known as PSG1) – 'Legitimate politics: Foster inclusive political settlements and conflict resolution'[3] – is the key to New Deal implementation because it puts the influence of domestic politics on the conflict and development potential of fragile societies at centre-stage. This prominence of 'politics' is based on hard-won knowledge suggesting that the dynamics, negotiation, and exercise of influence and power in fragile societies are decisive factors for socio-economic development, as well as leading causes of conflict. Available evidence also makes clear that domestic politics in fragile societies is hard to understand due to these societies' low level of institutionalisation and high level of personalisation – and the fact that they are not very permeable to foreign influence.[4]

It is against this dilemma of high relevance versus low accessibility that the report gathers initial evidence on how donors[5] support 'legitimate and inclusive politics' (shorthand for PSG1) in fragile and conflict-affected societies. The report examines how donors analyse the domestic politics of such environments; the level of understanding they achieve; whether/how they use this understanding to select, shape and improve their politics/governance-oriented engagement; and what internal and contextual factors influence their ability to do so. It does so through four case studies: Afghanistan,

---

2 For a full overview of the purpose, activities and results of the International Dialogue on Peacebuilding and Statebuilding initiative (IDPS) that led to the New Deal: http://www.pbsbdialogue.org/en/ (accessed 27/12/15). For a recent review of implementation efforts: International Dialogue on Peacebuilding and Statebuilding 2014.

3 The concepts of political settlements, inclusiveness and legitimacy are defined in Annex 1 along the lines of both academic and policy (International Dialogue) understandings.

4 One can, for example, consider: Lindemann 2008; Papagianni 2009; Di John and Putzel 2009; North, Wallis and Weingast 2009; Park and Cole 2010; OECD-DAC 2011; Laws 2012; Rocha Menocal 2015.

5 The term 'donors' in this study refers to the countries and multilateral development organisations that are members of the OECD DAC. Donors that are not members of this network, like Turkey and China, are excluded from the analysis. We stick with 'donors' instead of using the wordier 'international development actors/partners' because our analysis suggests that the fairly transactional, transfer-dominated, charitative and dependency-oriented image conveyed by the term 'donor' holds up quite well for this research. Where the argument either goes beyond aid as a stimulus for development or where local perceptions do not differentiate between foreign aid and foreign diplomacy, we refer to external actors or foreign countries, depending on whether the actors are non-governmental or governmental.

Somalia, South Sudan[6] and Timor-Leste. It should be noted upfront that the report represents a synthesis of key findings and messages that echoed relatively strongly across the four cases, which does not necessarily imply that they can be generalised beyond these four cases. Also, because of the heterogeneous nature of the four contexts under study, and the range of donors interviewed, most research findings are more applicable to some donors than to others. The report should be read as offering analysis and advice 'buffet-style' – donors can decide which aspects of the findings are most relevant to them and act accordingly. More details on the methodology and the range of interviewees across the four case studies can be found in Annex 2.

In the main, the report finds that at best donors work with an incomplete and inadequate understanding of the typically fragmented and highly contested politics of fragile societies beyond the formal representatives of their governments and administrations. The report also finds that in response to perceived or real deficits in governance legitimacy and/or inclusivity, donors tend to offer a standardised 'political-support package' that focuses on the technical and procedural aspects of an idealised democracy. This is exemplified by the international emphasis on holding national elections as a critical pathway for enhancing legitimacy.[7] Given what is known about the nature of governance in fragile polities, this is unlikely to help develop more representative or credible systems of governance that deliver public services and goods to their residents in the short to medium term.[8]

Although appreciable efforts have been made in recent years to advance the thinking about, and the practice of, the politics of development (brief examples of such initiatives will be provided throughout the text), the case study findings suggest that these are largely experimental efforts. In fact, they are quite far from influencing mainstream development practice in the realms of politics and governance, and have not yet been brought to scale.

What makes this research both timely and relevant in policy terms is the signatories' recent renewal of their commitment to implement the New Deal with greater focus in the 'Stockholm Declaration' of April 2016.[9] Moreover, the Sustainable Development Goals endorsed by the United Nations in 2015 (and especially SDG16: "Inclusive and peaceful societies") can be understood as building on the New Deal while giving it global reach. Hence, New Deal implementation so far holds valuable lessons for future work on SDG16. This report contains a number of such lessons in respect of a key aspect of the New Deal, namely PSG1. Finally, the report also helps fill evidence gaps in existing research on political settlements, 'good-enough inclusivity', and the nature of legitimacy in contexts of contested statehood by offering empirical analysis of how donors develop a political understanding of conflict-affected environments and how their support can be further professionalised and/or scaled.[10]

In terms of the report's structure, Section 1 analyses the current state of donor support for inclusive and legitimate politics in the four case studies. In doing so, it places a focus on the nature and relevance of

---

6 Note that the South Sudan case study essentially consists of two case studies: 'South Sudan until late 2013' and 'South Sudan 2014-2015', which matters in Section 2 in particular.

7 A recent example includes the UN calling for elections in Syria within 18 months of the March 2016 ceasefire while half the Syrian population has been displaced, a devastating five-year civil war continues to be fought in parts of the country, and many of its major cities lie in ruins. Al-Jazeera, http://www.aljazeera.com/news/2016/03/syria-civil-war-calls-elections-18-months-160311171845233.html (accessed 16/3/16).

8 See for example: North, Wallis and Weingast 2009; Booth 2012; Booth 2015 (ed); Acemoglu and Robinson 2013.

9 IDPS 2016. The declaration notes, for example, that signatories will be "identifying and addressing obstacles to the implementation of New Deal principles, and difficulties in operationalising country-led fragility assessments." This report identifies a range of such obstacles in relation to PSG1.

10 See for example: Lindeman 2008; Jones et al 2012; Perera 2015.

the New Deal/PSG1 frame, how donors understand PSG1, and the scale of the significant gaps in donor programming. Section 2 looks at how the origins and nature of prevailing political settlements as well as the level of violence across the respective case studies help explain the nature of donor support for more inclusive and legitimate politics. Section 3 examines how the analytical, political, institutional and operational limitations of donor operations in fragile societies influence their PSG1 engagements. Together, Sections 2 and 3 explain the state of affairs analysed in Section 1. Section 4 reflects briefly on the opportunities offered by the New Deal and the extent to which these have been harnessed to strengthen the scope of PSG1 support. The final unit, Section 5, offers recommendations for improvement of donor engagement in pursuit of more inclusive and legitimate politics.

SECTION 1. CRITICAL APPRAISAL OF THE SCOPE AND NATURE OF DONOR SUPPORT FOR INCLUSIVE AND LEGITIMATE POLITICS

The 92 interviews conducted across the four case studies highlight that the focus and objective of many donor 'PSG1-promotion initiatives' remain guided by the image of Weberian, Western democratic states. This was the case despite overwhelming evidence, acknowledged by most of the same interlocutors, that conflict-prone states are characterised by hybrid orders, informality, legacies of violence, and contested as well as fragmented governance.[11] It became clear that donors face a major challenge in overcoming critical structural barriers and disincentives that stand between existing knowledge and innovative practices – however imperfect and experimental these might be – and large-scale qualitative improvement of their governance, democratisation, and politics-oriented approaches and portfolios. The incentives behind, and persistence of, barriers have not been examined in great detail in this research project, given its limitations in scope, case studies, and methodology. This would also require greater in-depth analysis of the political-economy of individual donors. However, these internal barriers are likely to be an essential aspect of any future efforts to improve PSG1 implementation.

Moreover, the interviews also identified major substantive gaps in donor support for PSG1. The principal shortcomings include (1) the de-prioritisation of human and community security needs (compared with state security needs) in countries that create negative international spill-over effects; (2) insufficient focus on the substance and results of political processes (compared with their procedures); and (3) a lack of awareness of and engagement with the dynamics of political settlements, including the role of informal (e.g. customary) governance institutions.

Compounding the problematic picture that emerges is the fact that, according to the OECD States of Fragility Report 2015, aid budgets seem slow in adapting to the Peacebuilding and Statebuilding Goals (PSGs) endorsed by IDPS members. PSG1 appears to be no exception: statistics show that in 2012 only 4% of OECD members' overseas development assistance (ODA) to fragile states was allocated to its pursuit.[12] Such a figure suggests that donors have limited political appetite for increasing their support for inclusive and legitimate political settlements within partner countries; they continue to prioritise aid programming in other sectors that may be (perceived as) less politically sensitive. However, in a way this is fortunate, as our findings suggest that it would be a decidedly risky undertaking for OECD donors to increase funding for PSG1 without also addressing the severe shortcomings in their analytical capacity and current programming portfolios.

To substantiate these points, the following sections scrutinise various issues:

Section 1.1 reflects on the nature of an appropriate lens for the interpretation of case study findings in terms of its analytical and policy aspects.

---

11 See for example: World Bank 2011, Collier 2008, Bates 2008, North Wallis and Weingast 2009, Anten et al 2012, Boege et al 2008, and numerous case studies like Philips 2013 (on Somaliland), Smits et al 2013 (on Libya), Van Veen et al. 2015 (on Mali), Hill 2013 (on Yemen). The political settlements of the four case studies covered in the report are discussed in greater detail in Section 2.

12 See OECD SFR 2015, p. 14. Statistics at country level suggest that the proportion of PSG1 funding is not substantially improving over time: in Somalia, ODA (actual or expected) spendings allocated to PSG1 have progressed from 5% in 2014 to 9% in 2015, but fell back to 6% in 2016 (ACU 2015).

Section 1.2 examines the state of New Deal/PSG1 relevance and implementation in the four case studies.

Section 1.3 analyses in broad strokes what actual donor practice tells us about how PSG1 in its 'narrow sense' is presently understood and implemented.

Section 1.4 discusses four significant substantive gaps in donor support for inclusive and legitimate politics that result from current practices.

1.1. What interpretative lens for New Deal and PSG1 implementation?

Examining the state of New Deal implementation and PSG1 usage across the case studies must start with reflection as to the nature of a lens that would be fair and accurate for interpretation of case study data and findings. The analytical aspects of this lens are fairly straightforward, as they are formed by the academic and grey literature that exists on the politics of development. In regard to case study findings, they bring to bear existing knowledge about the nature of power and the type of interventions that are more or less likely to work in conflict-affected and fragile environments. Although this knowledge base features significant gaps, it is largely publicly accessible and generally well known. However, the policy aspects of such a lens are less obvious because they are more implicit and tend not be put into writing. Nonetheless, they are crucial in ensuring that the case study data is interpreted in a reasonable manner. Four policy issues are useful to consider in this regard:

It is not clear whether the New Deal was intended to be implemented 'as a programme' or on the basis of 'political opportunity'. New Deal provisions could have been integrally and conjointly operationalised by donors, host governments, and civil society through, e.g. a fragility assessment that is actioned through a compact, monitored at country level, and subsequently implemented. Another approach might involve more selective implementation of the particular New Deal provisions that are seen as providing opportunities that can be politically seized when they arise in regard to any of its 'fragile' signatories. The authors consider an 'opportunistic' implementation logic to be more reflective of the realities of non-legally binding international agreements, and this reduces overall expectations of coherence in the progress of PSG1 work.

The New Deal is largely an agreement among states: although civil society was regularly consulted during its initial development and has recently intensified its involvement, the New Deal nevertheless privileges a state-centric view of the world, governance, and politics. In practice, PSG1 is therefore largely understood as creating legitimate and inclusive formal state authority at national level. This does not, however, accurately mirror the functioning of many fragile societies, and New Deal implementation is vulnerable to capture by national elites through the international legitimacy of its representatives. In the opinion of the authors, this quandary can be mitigated by increasing the role of civil society in New Deal implementation with due regard for its diversity and resulting challenge of representativeness.

It is not clear whether PSG1 was intended to have a 'narrow' or a 'broad' remit: in other words, should PSG1 be understood as a relatively standalone issue area focusing on political institutions such as national elections, political parties, and customary governance, or is it to be seen as a prescriptive approach to all development activity? Given the limited scope of the research, the report primarily uses a narrow interpretation of PSG1 (defined in Annex 1). This explains why initiatives beyond the realm of politics, but which make an intentional or unintentional impact on national domestic politics, have not been taken into account. This is clearly a matter for future study.

The PSG1 terminology in the New Deal intentionally creates constructive ambiguity: Neither the term 'legitimate' nor the term 'inclusive' was agreed upon in detail beyond the PSG1 headline by those who signed the New Deal. The resulting ambiguity proved helpful since it enabled global agreement on the need for a more political conversation about development. Logically, it also creates trouble from an implementation perspective as it renders the assessment of progress difficult and opens space for discussion about the relative merits of prioritising legitimacy versus inclusivity.[13] The flaws in some of the fragility assessments conducted and the contentious discussions on PSG indicators underline this observation.

In short, when considering PSG1 implementation, one would expect to find selective progress that has a state-centric focus yet is not coherent in either the conceptual or the programmatic sense. The main achievements are rather the advancing-politics-as-possible logic that PSG1 has enabled and the space for (potential) innovation and experimentation it has created. The literature study and case study findings that underpin the report largely confirm these expectations, as is demonstrated in the following sections.

---

13 For example, the self-styled 'fragile state' co-signatories of the New Deal have strongly emphasised inclusivity over legitimacy during post-New Deal implementation, going as far as calling discussions about legitimacy an unacceptable intrusion into their sovereign affairs. Depending on what inclusivity means (e.g. horizontal versus vertical), this skews PSG1 implementation.

1.2 New Deal and PSG1 relevance across the four case studies

The case study findings and the recently concluded review of the entire New Deal suggest that the rate of New Deal/PSG1 implementation and application in Afghanistan, Somalia, South Sudan and Timor-Leste at the end of 2015 can be summarised as per Table 1 below:[14]

Table 1. An overview of New Deal/PSG1 awareness and use as elucidated in the four case studies

Case study	New Deal implementation	Use of PSG1
Afghanistan	*Low*: The New Deal is known across the donor community, with the Afghan Ministry of Finance being its main proponent in government. Some New Deal elements are pursued through the Tokyo Mutual Accountability Framework (TMAF). A fragility assessment is ongoing.	*Low-Medium*: Some aspects are pursued through the TMAF. These tend to be state centred and largely ignore the PSG1 conflict-resolution theme.
Somalia	*High*: A New Deal-based process gained primacy once the violence of the civil war abated sufficiently. The Compact agreed through multi-stakeholder consultations in 2013 (albeit described by many as a rushed process) became the pre-eminent framework for prioritising, aligning, and coordinating aid between government and donors.	*High*: It is the only country where a dedicated PSG1 working group has opened up space for a conversation about the politics of development among most stakeholders. This group, however, retains a classic focus on elections and state institutions.
South Sudan	*Medium*: The government (led by the Ministry of Finance and Economic Planning) conducted a fragility assessment in 2012 and pursued a Compact in partnership with key donors until the process was abruptly halted by the outbreak of large-scale violence in late 2013.	*Low*: No real uptake
Timor-Leste	*Medium-High*: The government has mainly focused on the resource-enabling aspects of the New Deal and on taking on a leading role in the g7+ secretariat. It led self-organised fragility assessments in 2012 and 2015.	*Low*: The government has resisted or constrained progress and work on PSG1, as it considers this an intrusion into its sovereign affairs.

14 See Hearn 2016. Three factors significantly influence the rate of New Deal implementation: 1) whether it was/is "the only game in town" at the time of its introduction or whether pre-existing political priorities and frameworks were already in place with vested interests behind them; 2) whether or not it enjoyed some political support among local elites and/or parts of government; 3) whether the country concerned has a high degree of geopolitical relevance or not, as foreign geopolitical and security interests generally take precedence over priorities set by partner governments and mutual developmental commitments such as those expressed by the New Deal.

A first conclusion that follows from Table 1 is that New Deal implementation varies considerably across the four case studies despite the high level of interest in the agreement expressed by the respective national governments during various IDPS meetings. If one expects full-scale, programme-style implementation of the New Deal, this situation is clearly problematic. However, this is much less the case if one expects New Deal implementation to be more selective and piecemeal, depending on whether several factors align or not.

A second conclusion that follows from Table 1 is that the use of PSG1 to guide development debates and efforts is fairly low in the countries scrutinised and does not necessarily co-vary with the state of New Deal implementation. The case study findings suggest that this is in part a result of terminology, and in part a result of substantial differences of interpretation between the donors and the self-styled 'fragile states' that signed the New Deal. With regards to terminology, the label 'PSG1' was not widely used among interviewees (with the exception of Somalia). Instead, they tended to refer to the issues PSG1 encapsulates (inclusivity, legitimacy, and conflict resolution) by using phrases like 'political settlement', 'elite pacts', and 'state-society relations', as well as more classic terms like 'governance' and 'democratisation'. If the range of PSG1-reference terms is broadened along these lines, its usage becomes more ubiquitous. This strengthens the observation that donors have made little effort to use the PSG1 reference in the New Deal to reconsider the meaning of 'inclusive' and 'legitimate', or associated trade-offs. For their part, 'fragile' New Deal signatories tend to interpret PSG1 through state-centric lenses or to resist it altogether. At the same time, they consistently face precisely the inclusivity and legitimacy challenges that PSG1 was meant to address.

1.3. How donor practice understands PSG1
Using a wider spread of PSG1-reference terms made it possible to establish an overview of the general initiatives donors use to promote more inclusive and legitimate politics within the case studies countries. This is reflected in Table 2 below. It should be noted that this overview is not based on an exhaustive review of existing programming in each of the countries, but has been formulated on the basis of interviews and analysis of a limited number of country strategies, PSG1-relevant programming, and/or activity reports.[15]

---

15 For example, donors and governments have agreed on specific PSG1 objectives in three out of the four countries that inform some of their programming. In addition, some donor agencies have explicit PSG1 portfolios on which they report regularly (e.g. UNDP New Deal Facility). In Somalia, the Aid Coordination Unit conducted an exhaustive mapping of all donor-funded activities in the area of PSG1 (ACU 2015).

Table 2. Overview of general donor initiatives supporting PSG1-related activities

Broad area	General objectives	Typical programmes
Initiatives with a focus on political procedures and frameworks	Enhance input legitimacy[16] and process inclusivity through free and fair elections, democratic rules of the game, and inclusive governance models	• Funding relevant state organs and oversight bodies (e.g. commissions) • Sponsoring inclusive consultation and decision-making mechanisms over the contours of state reform (e.g. federalism, constitution-drafting, electoral reform) • Funding civic education campaigns to increase popular participation in electoral processes • Promoting mechanisms for inclusive representation in regional and national institutions, such as gender/ethnic quotas or power-sharing systems
Initiatives with a focus on political actors at national level	• Increase output legitimacy by fostering the state's capacity to deliver on its core service functions to all segments of society • Enhance incumbent elites' interest in extending governance inclusivity	• Building up the knowledge base of national political institutions (e.g. ministries and parliaments) on the benefits and contents of inclusive governance models through peer-to-peer exchange or technical support • Supporting capacity building, policy articulation and dialogue skills within political parties • Strengthening administrative capacities to design inclusive policies through, e.g. focus groups, research, surveys, and effective monitoring of implementation
Initiatives with a focus on actors engaged in politics at grassroots level	Enhance vertical inclusivity (state-society) and input legitimacy by promoting participatory policy-making and decision-making processes	• Capacity-building projects for civil society actors (NGOs, community-based organisations, traditional and religious leaders, etc.) and marginalised groups (women, youth, minority groups/clans, IDPs, etc.) to empower them to articulate their own inclusion claims and to promote their agendas in the political arena • Promoting the inclusion of civil society actors and marginalised groups in peace negotiations • Creating and facilitating spaces for such actors to organise, strategise and campaign for equal political participation

---

16 The terms 'input' and 'output' legitimacy are defined in Annex 1.

Initiatives with a focus on influencing the culture of inclusive conflict prevention, conflict resolution and peacebuilding	• Promote a culture of consultation and inclusive governance • Institutionalise and internalise dialogue as primary mechanism to resolve conflicts	• Building consultation and participatory methodologies (e.g. focus-group discussions, dialogue seminars, participatory conflict analysis) into peacebuilding and statebuilding support projects • Offering capacity building for civil society (e.g. community leaders) on conflict prevention/resolution skills • Mainstreaming conflict-sensitivity awareness within development programmes • Sponsoring high-quality public and media coverage of issues like participatory democracy, accountability, minority rights, gender equity, and reconciliation

Table 2 offers an imperfect generalized overview of the current practice of donor support for inclusive and legitimate politics as presented in the four case studies in the narrow sense of political actors, processes and institutions.[17] It does not, though, convey a sense of the quality or volume of activities under each of its headers. Within the methodological constraints noted above, this can, however, be culled and/or induced from the interviews conducted and documents examined for this report to at least some extent (see also Annex 2). Such an analysis suggests the following 'interpretative statements' of Table 2:

• Legitimacy seems to be primarily understood in procedural and state-centric terms at the national level, whereby quantitative increases in process inclusivity, such as representation quota, consultation/meeting frequency, or participation rates, are assumed to improve input and output legitimacy;
• Conflict-resolution initiatives, such as supporting mediation or reconciliation efforts, receive limited attention in development donors' portfolios and do not generally seem to be considered from a PSG1 perspective;
• The need to support various aspects of state-society dynamics seems to be recognised, but such support is largely limited to state institutions and NGO-type civil society organisations;
• Technical activities such as capacity building, (international) exchanges, and tool development dominate programming at the expense of political dialogue/engagement to incentivise PSG1 and without sufficient thought devoted to the political interests, context, and frame in which they take place.

In short, current donor practice in support of more inclusive and legitimate politics arguably reflects fairly standard, longstanding aid modalities that do not demonstrate fresh thinking in regard to the promotion of inclusivity and legitimacy in terms of 'what we do', 'with whom', and how we do it. This suggests that little effort has been made to reconceptualise or innovate in respect of existing understandings and practices of 'inclusive and legitimate politics' using the PSG1/New Deal frame. Despite promising initiatives in the direction of 'thinking and working politically', the role of leadership

---

17 It should be noted that the four areas highlighted in Table 2 are not mutually exclusive and that programmes can contain elements of several areas to achieve a particular objective or effect.

coalitions in developmental change, political-economy analysis, and political-settlements thinking, these conceptual efforts have not really found their way into practice yet.[18]

1.4. Gaps in donor practice in respect of PSG1

The analysis so far suggests that there is an appreciable gap between donor activity in support of PSG1 and the political reality of many fragile societies, as already pointed out by numerous research efforts preceding this report.[19] More specifically, the case study research highlights four main gaps between donor activities that are state centred, 'formal' governance oriented, and input/process legitimacy focused, and fragile realities that are state light, customary governance heavy, and output legitimacy focused:

#1 A peacebuilding gap: When donors fight war while seeking to build peace

Although inclusive conflict resolution is defined as a core component of PSG1, donor countries' engagement in sustained international military interventions and counter-terrorism operations have imposed severe constraints on foreign development assistance in various ways. These include making aid subservient to military or strategic objectives focused on short-term stabilisation; reducing the scope and instruments that can be mobilised in support of PSG1 (i.e. typically by shortening time horizons and focusing on quick wins); and preventing donors from in-country engagement with all relevant political stakeholders.[20]

For example, in Afghanistan and Somalia – two countries whose political settlement is violently contested by armed actors who hold sway over substantial segments of the territory (as described in Section 2) – the hard security approaches supported by most DAC donor countries impede developmental support for dialogue initiatives that include the armed opposition and can help generate options for a peaceful political transition. While political (re)integration schemes enabling the evolution of armed insurgents into peaceful political actors have been effectively supported by development agencies as part of DDR efforts in various countries, the research was not able to find equivalent activities in PSG1 portfolios in Afghanistan and Somalia.[21]

In fact, in Afghanistan, the exclusion of the Taliban and their support base from the 2001 Bonn agreement and all subsequent statebuilding and peacebuilding efforts in the name of 'defeating terrorism' has not only failed to bring about long-term inclusive governance but also created a permanent group of potential spoilers. Meanwhile in Somalia, peacebuilding efforts have also been overshadowed by the continuous focus on countering terrorism and extremist violence. The political dimension of the conflict with the Islamist insurgency is completely ignored within PSG1-related discussions and activities.

---

18 On 'thinking and working politically', see e.g. Booth 2015 and https://twpcommunity.org/; on the role of leadership coalitions in developmental change processes, see http://www.dlprog.org/; on political-economy analyses, see http://www.clingendael.nl/publications/topics/1/subtopics/73/ (all accessed 16/3/16).

19 For example: Bates 2008; North, Wallis and Weingast 2009; Phillips 2011 and 2013 (on Yemen and Somaliland), Smits et al. 2013 (on Libya) and De Vries and Glawion 2015 (on the Central African Republic).

20 This finding does not apply equally to all types of donors. Support for long-term peacebuilding objectives seems to be higher among smaller donor countries with fewer competing foreign policy priorities and/or fewer diplomatic or security influences on their development programming.

21 There are valuable DDR efforts in both countries (such as the Afghanistan Peace and Reintegration Programme supported by UNDP), but these are primarily interpreted through a security (SSR) – rather than political – lens. On a political approach to UNDP support for the reconversion of armed groups: Dudouet and Planta 2016.

Donors' failure to wrestle with the question of how armed groups presently excluded from a political settlement can be re-included in a more thoughtful manner typically results in continued exclusion of the already excluded, undermining the longer-term sustainability of local peace efforts and broader governance initiatives. It is not necessarily the case, of course, that inclusion will somehow lead to the level of de-radicalisation or moderation required to make excluded groups part of a governance structure that can realistically govern a country on the basis of compromise. In fact, groups like the Taliban or Al-Shabaab might not even be interested or capable (due to fragmentation) of engaging in serious negotiations. The point here, however, is that from a PSG1 perspective, the label 'terrorist' is probably applied too swiftly and facilely to such locally rooted groups that enjoy some legitimacy, exercise at least some governance and service-delivery functions, and have long histories of evolution that show how terrorist methods can emerge gradually in response to the interplay between domestic legacies of exclusionary politics and interventions by foreign entities.[22]

Finally, from the perspective of wartime legacies of violence in many fragile societies, the relative lack of donor support for grassroots reconciliation across the four case studies is remarkable.[23] In post-independence South Sudan, for instance, there has been limited direct support for various 'home-grown' reconciliation initiatives to heal the rifts caused by the several episodes of war despite reconciliation being a core focus of the 2012 fragility assessment. Many donors have been discouraged by, inter alia, the number and fluctuating composition of actors involved in various locally and nationally driven processes, possible elite agendas at play, and the risk of supporting competing forums, as a result of which they have decided to keep their distance. In Somalia, donors are sponsoring various inter-community reconciliation projects, but they tend to conceive of them as strategic tools to advance the process of state formation in areas 'liberated' from insurgency control, rather than instruments to strengthen social cohesion and heal the rifts between clans and communities affected by past or ongoing episodes of violence. Finally, in contexts characterised by high levels of social violence such as Timor-Leste, there is surprisingly little donor support for conflict resolution efforts targeting, for example, youth gangs.

#2 A Statebuilding gap: A reductionist emphasis on procedural, technical and formal aspects of politics

Donor activity related to PSG1 regularly featured a fairly reductionist interpretation of the statebuilding paradigm across the case studies. Several explanations can be considered as to why this remains the case. A first explanation is that donors simply focus on those state functions that are most familiar to them as a matter of habit and in reflection of their own mental and operational capabilities. Despite donor acknowledgment of the relevance of formal as well as informal power and their realisation that the state is often part of the governance problems they seek to address, donors nevertheless continue to focus on strengthening institutional state capacity to bring about longer-term development in a number of cases. Of the four case studies, South Sudan offers the best example of this dynamic, but all cases match this explanation. A second explanation is that donors prioritise state functions whose

---

22 If one considers that Al-Shabaab was formerly the youth wing of the Union of Islamic Courts, which restored a measure of order that many Somalis perceived as reasonably legitimate, only to be displaced by the US-supported Ethiopian invasion in 2006, it becomes clearer that, like the Taliban, the organisation (or its members) cannot be solely reduced to a 'terrorist' movement. On the governance function and social legitimacy of non-state armed groups: Mampilly 2011; on the need for political (vs. military) approaches to insurgency violence in Afghanistan and Somalia: Abdi Elmi and Aynte 2012; ICG 2014; Derksen 2015; Barfield 2010.

23 By way of background: Jones and Elgin-Cossart 2011.

effective execution matters most to their own foreign policy interests. This can be most clearly seen in the cases of Afghanistan and Somalia. A third explanation is that donors lack the political courage, skills or insights/tools to try out innovative approaches with different interlocutors on a greater scale. The case study evidence suggests that a mix of these explanations typically tends to apply, albeit with significant variation across different country contexts. Some concrete consequences of such reductionism are worth highlighting.

First, support for political processes has mostly focused on Western models of input legitimacy (such as free and fair universal elections, formal rule-based politics, or federalist structures), which are not necessarily transposable or adaptable to the domestic realities of fragile societies. They might, in fact, legitimise or exacerbate political infighting, as the introduction of such 'Western' governance elements tends to come with material and non-material resources that some local actors are better placed to benefit from than others. For instance, the prioritisation of technically successful electoral cycles in Afghanistan entailed great financial and diplomatic cost, but skipped the question of whether the playing field and capabilities for political competition were relatively even, creating electorally legitimised power distortions. This emphasis on input legitimacy provided the Afghan population with a welcome opportunity to express their views, but did not necessarily improve output legitimacy in terms of the new rulers' ability to increase services, provide security, and create better economic prospects for the population.[24] A similar trend was noted in Somalia, where joint New Deal objectives – constitution, elections, and federalism – focus on a formal and legalistic approach to governance, instead of a more practical output-oriented statebuilding agenda such as the 'Six Pillar strategy' initially put forward by the current president.[25] Several interviewees, in fact, recognised that a democratic 'one person one vote' election would destabilise the current power-sharing system by benefiting the majority clans and stirring opposition among leaders of minority groups.

Second, donors have tended to attribute exclusionary features of prevailing political settlements to issues of capacity instead of 'political will'. In South Sudan, many interviewees look back critically on the donor community's optimism (or 'wishful thinking') about the nascent political elite, accompanied by a widespread notion that problems like corruption, exclusionary governance, and human rights abuses were mostly products of weak capacity and inexperience. This translated into a working culture in which donors demanded little accountability and few results from their South Sudanese counterparts, while the growing symptoms of a deeply rooted crisis of governance were left obscured. The same trend was identified in Timor-Leste, where civil society interlocutors questioned donors' inclination to assume that the government was genuinely interested in the needs of its people, despite a widening gap between the self-enriching elite and the majority, who were deprived of most basic services. Another factor that played a role in understanding such a forgiving attitude to harmful political decisions in cases like South Sudan and Timor-Leste was donor sympathy for the daunting challenges that the 'new' power holders faced in building their country 'from scratch'. This created reluctance among donors to raise sensitive political topics regarding the legitimacy and inclusivity of the new government, as efforts to (re-)establish central state institutions tended to take centre stage.

Focusing solely on formal government structures and Western attributes of democracy might well lead to wrong diagnoses of the nature and level of legitimacy of state institutions. An illustration of this is the long-standing misperception of Somalia and Afghanistan as 'failed states' despite the legacy of parallel

---

24 See for example Barfield 2010; TAF 2015; Giustozzi 2008.
25 See Balthazar 2014.

governance structures throughout the years of civil war. Another is the inability to understand the foundations of political legitimacy in Timor-Leste and South Sudan, which is based on, inter alia, war-veteran status and personal charisma. The question thus arises as to how donors can address legitimate politics if they have a biased understanding of its functioning.[26]

Finally, the research found that donors' inclination to focus on the government and its priorities reduces incentives to support other actors who have the potential to 'spoil' peacemaking and state-building efforts or to contribute to transformative change. Most prominent among these are sub-national[27] and traditional elites, as well as political parties (especially of the opposition type) and 'social contestation' initiatives that resist non-representative or self-enriching elite capture of the state. Donors both struggle and are reluctant to engage with the informal power dynamics and holders, oftentimes preferring instead the easy route of relying on Western-educated staff or advisors within key ministries, which come to act as privileged interlocutors and sources of information for donors.

#3 Empowerment gap: A focus on process inclusivity through greater representation in formal state institutions

Although the political inclusion of non-state actors and marginalised constituencies is seen as a primary goal of the PSG1 component of the New Deal, in donor support efforts, it largely takes the form of strengthening the representation of such constituencies in the state apparatus and formal political bargaining processes. This matches the indicators developed to measure legitimate politics in the Progress Report on Fragility Assessments and Indicators (2012). However, it is a well-known fact that informal power and governance structures dominate many conflict-affected environments, and there is often a wide discrepancy between formal participation or representation and actual power or influence in any given political decision-making arena – usually privileging informal arrangements.[28]

The issue of too great a focus on representation in formal institutions can be illustrated by the quest for greater political participation of women in Somalia. The 2013 Somalia Compact states that "concerted efforts will be made to fulfil the 30% quota for women's participation in representative bodies", and that "the electoral process must pay special attention to women's equal participation as candidates and voters". These goals are laudable, but fail to be complemented by similar statements on the importance of gender-sensitive policy design and implementation arenas where, arguably, the real decisions are taken in a much more informal manner.[29] In terms of actual donor programming, although gender was a 'principal' or 'significant' objective for 59% of 532 reported PSG1 activities in 2014 and 2015, the vast

---

26 There is, of course, the additional problem that the insights that donors do gain in respect of political legitimacy, power relations, and governance dynamics in fragile societiies are not adequately applied in their actual diplomatic or developmental activities. This is discussed in greater detail in section 3.2.

27 To some extent, this does not apply to Somalia, where sub-national units are at the center of attention of international donors at the moment, given their strong support for the ongoing process of building a federal state – to the extent that some observers have described the donor community as a mediator between the central government and the federal administrations, given their access and support to both, and the lack of institutionalised channels for state-regional dialogue. Aid-mapping statistics confirm that projects and disbursed funds are relatively well distributed geographically (ACU 2015), and as such there does not seem to be a central state bias in the sense of having all activities concentrated in the capital.

28 See for instance White 1996, and the political settlement literature. On donors' over-emphasis of process inclusivity, see: Castillejo 2014.

29 A more promising example comes from Timor-Leste, where donors such as Australia (AusAID) have helped put in place effective gender-responsive budgeting mechanisms in order to expand the government's capacity to implement gender-sensitive changes in policies, expenditure, service delivery, and revenue-raising priorities. See Costa et al. 2009.

majority of programmes focused on improving women's quantitative representation in legislative, executive or consultative bodies rather than on their actual influence on resulting policies (ACU 2015).[30]

It is of concern that interviewees attribute the participation/influence disconnect to a capacity gap that prevents – in the example above – women from assuming greater governance responsibilities. The real barriers, however, are more likely to lie in the socio-cultural expectations and informal nature of decision-making processes. Quite apart from the limitations of technical support and capacity-building activities, when conceived of as 'training', interviewees pointed out that such activities also risk missing the point by focusing on individual capacities rather than collective habits and frames that empower or disempower. Other respondents stressed the failure of existing capacity-development activities to reach out to the constituencies with the greatest needs by organising such activities abroad or in locations inaccessible for 'normal' citizens, hence only benefiting already privileged elite-based NGOs.[31]

This gap, finally, evidences the limitations – noted in the introduction – linked to the fact that the International Dialogue on Peacebuilding and Statebuilding is dominated by states. As long as empowerment is pursued along the lines of existing power structures, the result is arguably likely to be the strengthening of these structures rather than posing a positive challenge to the way in which they function socially and culturally. If, moreover, donors cannot directly support customary or informal power structures that might represent legitimate local actors or interests because doing so would put relations with the government at risk, a further limitation to PSG1 support emerges.

#4 Ownership gap: A lack of time and understanding to generate more meaningful results

The call for 'local ownership' is quasi uniform among donors, national elites, and civil society alike, in line with New Deal principles like 'donor alignment with country systems' and 'support for country dialogue'. Domestically led and owned processes are considered more sustainable than externally imposed settlements, given that institutions can only cohere if they emerge out of existing social forces and represent genuine interests.[32] Since the term 'local ownership' tends to be interpreted as (formal) 'state' as opposed to 'national' ownership, and despite the fact that many fragile countries are characterised by fragmented legitimacy and hybrid formal/informal governance, donors typically rely on – and need to retain – the confidence of government interlocutors to advance PSG1 objectives.[33] In short, PSG1 activities that are either too critical or too sensitive to the central government are likely to be reduced or avoided. Unsurprisingly, this view was voiced in particular by civil society and donor representatives. While donors increasingly recognise this problematic, it remains challenging for them to mobilise the political courage and practical modalities required to sustain a balanced and coherent approach that combines assistance for the formal state apparatus, as well as non-state and traditional governance structures, while maintaining an independent critical voice. Support for formal governance could be modulated more strongly by the extent to which it seeks to advance inclusive and legitimate politics.

---

30 For an example of such logic, see the reported activities of the UNSOM on women's empowerment, which are primarily assessed through the number of parliamentary seats and key positions granted to women (UN Security Council 2015).
31 On this, see also: Paffenholz 2015
32 See e.g. Chandler 2006, OECD-DAC 2011
33 See for example: Marquette and Fisher 2016.

Apart from the general difficulty donors have in dealing with the concept of 'ownership' in a more nuanced and sophisticated manner, they do realise that progress in improving the legitimacy and/or inclusivity of politics in fragile societies is slow work for reasons such as tense social relations, identity conflicts, grievances resulting from past violence, and entrenched 'enemy images'. However, this realisation does not necessarily translate into programmes that are longer in duration and more focused on stimulating unifying, accountable, and skilled leadership. Instead, donors tend to take shortcuts by creating delivery mechanisms parallel to the state and by adding more (external) staff to weak capacity spots. For example, a lack of national capacity tends to negatively influence the willingness of donors to use/support national planning, implementation, and financing mechanisms because, due to their performance and capacity deficits, reliance on these mechanisms slows disbursement rates (and hence makes it more difficult to meet donor domestic spending targets). Instead, they tend to take shortcuts and work through (I)NGOs or multilaterals to deliver services that are more easily measurable – reducing the output legitimacy of national governments in the process – instead of taking on the harder work of sustainable, local capacity building that is potentially more transformational – which requires an in-depth understanding of a country's political dynamics.

For example, in Somalia donors are very reluctant to channel aid through country systems, and to support the government's own development plans. Although there may be legitimate concerns with on-budget support due to, e.g. past experiences and remote access, current practices preclude the exploration of more creative modalities to enhance the capacity of federal Somali structures, thus raising their legitimacy in the eyes of the public, who see them delivering services. The Norwegian Special Financing Facility and the World Bank's Multi-Donor Trust Fund are worth noting, as they represent rare attempts to create risk-tolerant pooled funds to support Somali priorities through on-budget contributions.[34] Another example is that donors may get too involved with supporting ministries' daily business in their drive to promote better governance and end up taking on too many tasks and responsibilities themselves. Finally, donors' large-scale use of diaspora-based or foreign consultants also impedes the recruitment, training, and retention of permanent administrative staff (civil servants) – resulting in poor knowledge management and an absence of structural capacity improvement.

A number of interviewees suggested that trade-offs might exist between some of these gaps, e.g. constructive efforts to bridge one particular gap may hinder efforts to address another. They pointed to dilemmas such as how external actors can create local capacity quickly without bypassing existing local entry points or substituting for state functions, and how service delivery can be assured in the short term, while sustainably strengthening institutions and structures for long-term endeavours.[35]

On the basis of the case study evidence for this report, we offer two provocative reflections. First, except for the co-variance of warfighting (gap #1) and a reductionist interpretation of the state (gap #2) in which the need to win a conflict leads to strengthening state functionality selectively – namely those bits relevant to achieving victory – are the trade-offs really among these four PSG1 gaps? It would appear that trade-offs are more obvious between the pursuit of better governance and humanitarian needs or between state-centrist and more hybrid forms of governance. Second, is an appreciable part of these trade-offs, especially the elements that are related to the need to do things 'quickly', not artificially created by donor institutions and mechanisms themselves? Here, pressure issues must be

---

34 See Hearn and Zimmerman 2014
35 See also GIZ 2015

considered, like disbursement rates, low risk tolerance, lack of patience, and the need for politically marketable results yesterday.

In short, the matter of 'trade-offs' – what they amount to, where they come from, and how they are best addressed - is clearly something that needs to be explored in greater detail. The complexity – and limitations – of the case-study findings suggest that the existence of the gaps to which the report points cannot simply be squared away by the parallel – and equally legitimate – existence of trade-offs.

SECTION 2. CONTEXTUAL VARIABLES: POLITICAL SETTLEMENTS AND LEVELS OF VIOLENCE

This section and the following one delve into two sets of 'independent variables' that appear to account for much of the current state of donor support for legitimate and inclusive politics across the four case studies (the report's 'dependent variable'). Unsurprisingly, given the adage of 'taking context as the starting point',[36] the first independent variable consists of contextual characteristics. The research points to two dimensions that influence the levels of inclusivity and legitimacy of the governance systems in the four case-study countries, and in turn the nature and type of donor support, namely, the characteristics of political settlements and the levels of violent contestation of the incumbent elites' 'right to rule'. There are more potential contextual variables to consider of course, such as the role of regional interests or natural resources, but these two factors were most salient and consistent across the case studies and, most likely, across the broader spectrum of fragile and conflict-affected states.

2.1. Centralised vs. fragmented political settlements

Although a short section cannot do justice to the richness of the political settlements that characterise the four case-study countries, for the sake of analytical comparison, they can roughly be divided into two sets of cases on the basis of their historical political trajectories. These trajectories set both groups apart in terms of the nature and dynamics of their political settlement, as well as the manner in which different political interests have – or have not – been accommodated and reconciled. Trajectories include factors such as traditional patterns of rule, legacies of violence, processes of identity formation, foreign intervention, and local norms of loyalty, trust, governance, and reciprocity.

Timor-Leste and South Sudan are essentially young, recently created states (in 2002 and 2011, respectively) that are governed by newly established, inclusive big-tent coalitions.[37] They have (Timor-Leste) or had (South Sudan until late 2013) relatively centralised political settlements in the sense that all major national elites with capacities for violence were or are co-opted into a 'national government of unity' that operated largely out of the capital city. Their comprehensive elite pacts have enabled their governments to maintain relative peace domestically (South Sudan until late 2013) and to engage fairly coherently on the international scene.[38] A further consequence of the comprehensiveness of their elite pacts is that no meaningful domestic opposition emerged from outside these pacts in either country during peacetime.

More specifically, in both Timor-Leste and South Sudan, successful self-determination struggles led by national liberation movements saw a subsequent conversion of former power contenders into new power holders. These now-governing-elites had previously formed and mobilised around inclusivity claims on behalf of an excluded ethno-political constituency, yet were now faced with the challenge of delivering the promised post-independence dividends to their people. These elites have mostly sought to promote horizontal inclusivity among peers through the accommodation and co-option of former

---

36 See for example the OECD's fragile state principles: http://www.oecd.org/dac/governance-peace/conflictfragilityandresilience/principlesforgoodinternationalengagementinfragilestates.htm (accessed 27/05/16).

37 In South Sudan this only holds until December 2013, of course. At the time of writing this report, renewed efforts were being made to form a new, power-sharing transitional government between the country's main elite groups with capacities for violence. In Timor-Leste, this is especially the case with the current government, which took office in 2015.

38 Huge differences in governance characteristics also exist between South Sudan and Timor-Leste of course, particularly in terms of the heterogeneity/homogeneity of their populations and associated identities. South Sudan is much more diverse and contested than Timor-Leste, and there are also contrasts in territorial size and prevalent types of customary authorities (such as tribes and village-level communities).

political opponents and civil-society allies, ex-combatants, or potential challengers by distributing revenues from natural resources (oil and gas) and turning the nascent governance and security institutions into instruments for patronage.[39] In both countries meanwhile, the genesis of the current ruling elites in successful rebellion has endowed them with a substantial reservoir of normative and cultural legitimacy (much like the ANC in South Africa) that is, however, being gradually eroded by poor public policies, a lack of public accountability and absence of effective service delivery for the majority of citizens. While the underlying unifying strategy of 'buying the peace' has so far preserved stability in Timor-Leste, power contests within the ruling party plunged South Sudan into civil war in late 2013.

Afghanistan and Somalia are characterised by more fragmented political settlements in two regards. The political systems in both countries are marked by decades of civil war, multiple foreign invasions, and competing governance systems that alternate among warlordism, Islamist rule, and patronage politics in Western-style democratic trappings. As a result, both countries have oscillated over time between being more or less unified states and patchworks of warlord-dominated or foreign-held territories that were nominally represented by a relatively powerless central government. In the last few years, they have seen the establishment of a firmer formal political system, although the political settlement remains unstable and incomplete (in the sense of elite agreement on power arrangements). In particular, although both countries notionally feature a national unity-type government, its legitimacy continues to be violently contested by a significant excluded elite group that rules over substantive parts of the territory (as described below).[40] Moreover, both countries have witnessed an appreciable array of sub-national political settlements beyond directly contested territory, for example in autonomous provinces of Somalia and more remote regions in Afghanistan. There have also been informal elite pacts or parallel systems of governance along clan, ethnic or ideological/religious lines in which the writ of local governance authorities, not necessarily incorporated into the formal government but typically having links with it, rules supreme.[41]

Such fragmentation severely limits the legitimacy, authority and reach of the central government and enables continued competition between different power centres without an obvious way out. While democratic reforms (e.g. constitutional and electoral reviews) that may bring about greater unity and cohesion via more inclusive representation of regional and local elites in formal institutions are ongoing in both countries, they tend to be foreign driven and template based. In the absence of greater and more comprehensive agreement between elites on how to share power and resources, the structure of the state will remain contested. Apart from the state representing a prize for capture because it serves as a conduit for attracting and sharing foreign aid as well as engaging with foreign diplomacy, there is little agreement on its intended purpose or desired functionality. Legitimate authority seems to be contested among traditional, customary, religious and 'modern' institutions, and citizens still lack a common sense of identity that might unify a highly fragmented society and foster social cohesion across various clans or ethnic communities. Meanwhile, corruption, nepotism and legacies of violence continue to reduce social trust in the ability of the central state to restore stability and distribute resources in a more balanced manner with a view to maintaining the peace and stimulating development. The combination of such elite disagreements and popular perceptions not only negatively affects the fragmentation of the exercise of power, but also the legitimacy of much governance activity.

---

39 See Hemmer and Grinstead 2015.
40 Today, this is also the case for South Sudan.
41 On Somalia, see e.g. Menkhaus 2007. On Afghanistan, see e.g. Barfield 2010.

2.2. High vs. low levels of violence

There is arguably a relation of two-way causality between the level of fragmentation of the political settlement and the level of violence applied in the process of its contestation. In other words, greater fragmentation invites more violence, while more violence facilitates greater fragmentation. Yet, while fragmentation affects the nature, multi-polarity, depth, and reach of authority, violence has a broader range of socio-economic effects – both material and non-material – and thus a distinct impact of its own on the ability of donors to understand and support legitimate and inclusive politics. Unsurprisingly, the case studies manifest significant variation in the nature and levels of violence that can be witnessed.

On the more peaceful side of the spectrum, Timor-Leste has remained largely stable with low levels of political violence since the termination of Indonesia's decades-long exclusionary and repressive politics in 1999. An exception is the unrest, rioting and violence that occurred in 2006-2008 and which led to large population displacements and assassination attempts on then-President Ramos-Horta and Prime Minister Gusmão. It was arguably rapid international intervention by both the United Nations and an Australian-led stabilisation force that prevented this street violence from escalating into a larger conflict. Since then, Timor-Leste has returned to calmer waters, in large part thanks to the accommodating political approach of its ruling elites enabled by the country's newfound oil wealth. Nonetheless, domestic violence remains prevalent (in particular for women in rural areas), and maintenance of effective law and order is still an appreciable challenge.

On the more violent side of the spectrum, Afghanistan, Somalia and South Sudan (2014-2015) all have a long history of violence that has alternated between periods of intense fighting and more-or-less static conflicts with sporadic yet low levels of violence. Their political settlements are violently contested by a significant minority that includes excluded elite groups. These have manifested themselves in the form of armed actors who (claim to) represent politically marginalised but sizeable ethnic-religious groups. Each country features an internationalised civil war (less so in South Sudan) that generates significant levels of direct and indirect combat casualties.

Of this group, Afghanistan and Somalia present the additional particularity that the constituencies violently contesting their political settlement are conservative/radical religious groups (the Taliban network and Al-Shabaab, respectively) that are considered 'Islamist insurgencies' by some and that hold sway over substantial tracts of territory. The ideological orientations of these groups have triggered sustained international military intervention, largely because of their falling under the rubric 'terrorists' in the global context of the US-led 'war on terror' (consider the US intervention in Afghanistan in 2001 and that of the US and Ethiopia in Somalia in 2006). The result is that foreign military efforts now co-exist with foreign development-assistance initiatives in both countries. As noted earlier, such co-existence significantly skews or hinders PSG1-type activities as political/security objectives compete for dominance over – and usually trump – initiatives that seek to improve domestic governance.

South Sudan (2014-2015), in contrast, has seen less entanglement of domestic contestation with foreign intervention that leads to high levels of violence. It is better seen as an intra-elite political dispute that has devolved into a return to violence in a bid to renegotiate the terms of the post-independence political settlement and which has further fragmented the country's political elites and divided communities along ethnic and geographic lines. In all likelihood, this means it will endure far beyond the power-sharing deal concluded in August 2015, which has yet to be earnestly implemented. The consequence – appreciable levels of violence – is, however, similar to Afghanistan and Somalia.

Such violence increases social distrust; strengthens incentives for retaining capacities for violence; inhibits pre-existing practices of peaceful conflict resolution; shortens time horizons; and reduces openness, transparency as well as mobility, among other things.

In short, while public power and authority may continue to exist in the form of political processes and organisations, violence crumbles their socio-cultural building blocks and deepens the challenge of reconstituting legitimate and inclusive political processes beyond the level of institutional statebuilding. Moreover, where low and high levels of violence alternate over longer periods of time, the classic distinction of in-conflict and post-conflict becomes much less useful, with the effect that programmes designed to operate on the basis of (marginally) greater levels of political stability, transparency, and social trust characteristic of post-conflict settings are likely to have to shift their approach and implementation modalities at some point.

2.3. Consequences for donors' ability to support inclusive and legitimate politics

Both the nature of the political settlements and the levels of violence prevalent in countries of the four case studies were found to have a strong impact on the nature of donors' political engagement and development programming.

More centralised political settlements (Timor-Leste, South Sudan until late 2013) make it less likely that the full potential breadth of PSG1 support will be promoted or even accepted by the ruling elites that the settlement unifies (e.g. engagement of state *and* customary governance authorities). It is, in fact, more likely that these elites will try to steer donor support towards the other PSGs or to a classic input-legitimacy, state-focused understanding of PSG1 that strengthens their own position. In contexts of state formation, in which emerging power-holders are perceived to face the daunting challenges of building a country 'from scratch', donors seem reluctant to broach sensitive questions about the legitimacy and inclusivity of the new government and the nature of the social contract between state and society. As a result, efforts to (re-)establish central state institutions tend to take centre stage.

In addition, the 'big-tent coalitions' that characterise such centralised political settlements increase horizontal inter-elite inclusivity, but also prevent the rise of any meaningful political opposition outside the elite pact. This limits donor's opportunities to support developments toward a multi-party democracy or to promote the participation of marginalised groups in political processes. As civil society tends to be nascent, ill-organised, and/or partially dominated by the same elites that control central governance structures, this reinforces donors' propensity to partner with the 'usual suspects', i.e. Western-born or educated, moderate, middle-class NGO professionals and women's groups.

In contrast, more fragmented political settlements that exclude major elite groups or players (Afghanistan, Somalia) paradoxically seem to enable greater diversity in support for different aspects of PSG1, as their elites are more competitive and unstable. As a result, they lack the necessary authority and coherence to 'resist' donors' political influence.

In addition, greater levels of violence (Afghanistan, Somalia, and South Sudan 2014-2015) make meaningful PSG1 initiatives – i.e. covering the full width of formal/informal governance in respect of its process, institutional, and delivery aspects – much more difficult for two reasons. To start with, greater levels of violence introduce a new level of complexity in supporting legitimate and inclusive politics by eroding the very socio-cultural foundations on which the institutional practices that manifest these concepts are based. More practically, they also decrease donors' intellectual and territorial access

because of the decline in trust and physical safety that they bring about. As an example of the latter, consider how donors typically find themselves restrained to compounds, zones or capital cities of divided and large countries with multiple centres of governance and authority that subsequently become very difficult to understand.[42]

---

42 Interestingly, in such highly violent contexts, one might expect greater emphasis on conflict-resolution activities, yet this domain remains fairly dissociated from the mainstream development discourse on PSG1. The research findings tentatively suggest that the fragmentation and politicisation that accompany high levels of violence make it difficult for donors to effectively support dialogues to explore the potential for peace, or peace processes themselves. They can, however, represent another route towards more inclusive and legitimate politics. Donors as defined in this report are of course not the only actors in peace processes, but they do play essential roles. See: OECD 2012.

SECTION 3. DONOR VARIABLES: ANALYTICAL AND OPERATIONAL LIMITATIONS

The research also points to a second set of 'independent variables' that influence donor support for legitimate and inclusive politics, alongside contextual ones: namely, analytical and operational limitations to donor engagements. Although these donor variables are linked with contextual variables in certain respects (for example, higher levels of violence lead to reduced access), they are sufficiently distinct to treat them independently because they appear to be largely rooted in donor organisational and administrative policies. The following subsections examine, in turn, key limitations that impede effective political analysis by donors (including the toolkit they employ for this purpose) and internal (political, institutional, or operational) constraints related to how donors translate political analysis into developmental programming.

3.1. An inadequate 'toolkit' for political analysis

Nearly all donor agencies combine a range of analytical tools to gain a better understanding of the prevailing political settlement. They also triangulate internal and external sources of information to obtain a picture that is as realistic as possible. However, efficacy of these tools tends to be insufficient for purpose in terms of their regularity of use, quality, appropriateness, and/or reliability of findings. It is worthwhile to elaborate on this insufficiency because it taps into the ongoing debate on the (de)merits and progress of political-economy analysis.[43]

Many donors, for example, undertake or commission occasional countrywide conflict analysis or political-economy analysis to generate a comprehensive understanding of the political context. However, most such analysis seems to be done at the project level and usually at the inception or design phase of new initiatives. Interviewees themselves pointed to the superficial and snapshot nature of many such analyses, suggesting that they tend to be conducted in short time frames, occasionally by individuals not adequately familiar with the country, and to rely on incomplete information. The result is a product that is not sufficiently robust to inform and improve programming as it develops. Donors are aware of this limitation, and improvement efforts have been made in places. For example, in Somalia, an analysis of aid-flow data conducted in 2015 by the Aid Coordination Unit encouragingly suggested that 50% of development projects conduct regular conflict analysis. However, the same analysis also highlighted that 15% of projects conducted conflict analysis only once and 35% not at all (ACU 2015). In short, such efforts seem to remain incomplete at best.

Naturally, conflict and/or political-economy analyses are not the only tools donors use to deepen their understanding of political dynamics. A number of donors also make use of the normal bread-and-butter business of diplomacy to develop a better structural understanding of the webs of political interests, relations, and power bases in conflict-affected countries and make the resulting insights available for developmental purposes. This approach has its own limitations, however, as diplomatic analysis tends to rely on a limited range of interlocutors, and thus results can be skewed by over-representation of government abettors and selected (often: accessible) groups of civil society actors.

---

43 For recent thinking on political-economy analysis: Hudson and Leftwich 2014; Fisher and Marquette 2014.

A third tool that a more limited number of donors use in a more restricted number of settings to understand local political dynamics is 'intelligence' – usually when their countries also have military forces deployed. Yet, military intelligence is often biased from a security perspective, which is not necessarily appropriate for development purposes, and tends to focus on security threats to the forces of the foreign country that deployed them.

Finally, interviewees pointed to the use by donors of local staff, implementation partners, and/or local research organisations to (help) conduct political economy and/or conflict analysis. While this could be argued as reflecting the application of progressive developmental principles, such as basing PSG1-related projects on participatory methodologies like inclusive consultation or action research with local communities, it is more commonly an imperfect response to restraints on mobility such as in Somalia or Afghanistan due to high levels of violence. Moreover, local staff are influenced by their own backgrounds and experience, and perhaps loyalties, that colour their view of reality. To be fully dependent on such staff for field visits or project development without structural triangulation processes in place is risky in itself. Local implementing partners obviously also have an interest, consciously or subconsciously, not to frame political developments in a way that might jeopardise the continuity of their own project.

Interviewees also reported several challenges in making good use of the work that local research outfits produce for them. To start with, donor staff have only limited capacity to absorb sophisticated political analysis in their daily schedules – especially as much of this falls on the shoulders of generally understaffed political affairs units that also have to deal with a range of other tasks. Moreover, donors tend to engage such local research outfits on the basis of specific activities rather than on a structural basis, which removes incentives for deeper cooperation with local experts. This, in turn, typically prevents a more continuous, progressive exchange of context knowledge, countrywide strategic planning, and development programming between donors and local experts.

3.2. Internal donor constraints on translating political insights into programming

In view of the above-mentioned deficiencies in some of their tools, donors consequently struggle when seeking to translate hard-won political insights into development programming. Research findings across the four case studies suggest that despite a decade of rhetoric on integrated, comprehensive, or 3D approaches, political analysis and development programming remain largely separated lines of thinking and activity for many of the donors interviewed. This notwithstanding, most of these donors also pointed to relatively good collaboration between their diplomatic and development staff/units in country. In short, the issue here is less the lack of recognition of the need for day-to-day collaboration on working level, and more the relative absence of structures, procedures, and human-resource arrangements that systematically stimulate the exchange and collaborative use of knowledge generated by either general diplomatic activity or developmental analysis for more sophisticated interventions.

A practical challenge that the research identified in this regard is the mismatch in the level of specificity of information supplied and required. Knowledge acquired through country-level diplomatic, political-economy or conflict analysis will tend to be fairly general and abstract, while development activities require information on political power and relations at the sector, issue, or area level. On the other hand, when projects generate such data themselves, it is typically not aggregated upwards in a way that makes it of interest beyond the purpose for which it was originally created. Bringing about a better connection between the supply and demand of such information requires an overall organisational

mindset that would appear to be at variance with what is extant in most national donor agencies, as well as time and resources that are not readily available.

Related to the mindset challenge, a more fundamental impediment identified is that programming approaches generally seem to be too rigid to be able to accommodate and use good analytical inputs. For such inputs to be meaningful, modifying programme's purposes, structures and implementation parameters in midstream must be possible. While some donors are able to do this, the interviews suggest that many are not. To cite a recent example that occurred in Afghanistan during the course of the research, few development programmes in the northern city of Kunduz (which fell to the Taliban for two weeks around the end of September 2015) were pro-actively adjusted despite local networks having already provided credible early-warning signals in June/July that a Taliban offensive would shortly be on the way. This suggests a certain bureaucratic 'sluggishness' in responding to evidence that does not fit the prevailing – or perhaps desired – understanding of the state of play at a particular point in time. The case of South Sudan offers another illustration of donors' weaknesses in acting on analysis in the face of an impending crisis, even though most donors were well aware of the fragility of South Sudan's political settlement. In countries that feature a brisk pace of political events that can bring about rapid change and reversal, this means that development programmes are generally ill-equipped to respond to such events, let alone anticipate them in their planning process.

The range of institutional limitations that prevent donors from translating 'thinking politically' into 'working politically' is summarised in Table 4.[44]

---

44 These findings strongly echo in existing literature: Booth and Unsworth 2014; Dasandi 2016; Hudson and Marquette 2015; Hout 2015.

Table 3. Internal constraints arising from the institutional setup of donor agencies[45]

Constraint	Origins	Impact on ability to support inclusive and legitimate politics
(1) High staff turnover	On average, donor employees seem to spend about 1-2 years in country.	• It reduces the incentives and exposure necessary to learn the local language and accumulate political knowledge and local contacts required to develop a sophisticated understanding of the context. • This, in turn, increases the risk of political narrative and framing capture by local elites with experience abroad; it also drowns out alternative local voices.
(2) Security constraints and risk aversion	Donors can be forced to operate on remote or lack access to large parts of the country.	• It limits the range of interlocutors, opinions, and interpretations of political developments that donors are exposed to; facilitates rumour; and reduces access to alternative narratives. • It considerably reduces trust-building relationships at the local, community, and provincial level which, in turn, reduces the provision of local security guarantees. • It also makes support of PSG1 difficult beyond the capital.
(3) Short-termism	Development thinking as well as operations remain largely driven by short-term planning and funding cycles.	• It prevents donors from adopting a long-term vision of PSG1 aims and strategies and addressing deeper governance issues that need more time to bear fruit. • This hinders time-intensive efforts to foster local dialogue, conduct deep analysis and strengthen local voices. • It introduces significant fluctuation in governments' budgets, which reduces their effectiveness and ultimately their output legitimacy. • The near-constant crisis mode of many conflict-affected countries encourages a focus on events rather than structural issues; on quick wins with tangible outputs rather than more sustained engagement efforts.

---

45 This table focuses primarily on operational constrains, as strategic considerations are discussed in Section 1 (i.e. the peacebuilding and statebuilding gaps). Moreover, as a result of the methodological limitations listed in Annex 2 and the limited number of interviews conducted at donor-headquarter level, insufficient data are available to analyse the more political and institutional constraints (e.g. a lack of political focus or institutional incentives) on donor activity that will predominantly play out at headquarter level. However, these are also likely to influence the level and nature of PSG1 progamming and deserve further reflection.

(4) Low adaptability to the dynamics of political settlements	Most political-economy analysis is overly static, while current development programming approaches are ill-suited for regular adjustments to constantly evolving political dynamics.	• Programmes feature fixed objectives and budgets or are subject to heavy bureaucratic/financial procedures necessary to effectuate changes in their design or implementation. • Low programme adaptability is reinforced by the trend – encouraged by the New Deal framework – of pooling resources and outsourcing programming to large multilateral organisations.
(5) Incoherent approaches between different donors	In the absence of a coordinating body (as exists in Somalia), donors struggle to maintain a unified position when it comes to their political engagement and preferred strategy for the medium and longer term.	• This reduces the political clout and leverage donors might wield to advance sensitive PSG1 issues, which is fatal in situations where the stakes for national elites are high (consider e.g. South Sudan). • It is difficult to align INCAF donors, but close to impossible to align with 'emerging' donors (e.g. Turkey, China or the Gulf states).
(6) Limited institutional capacity for learning	This largely takes the form of a lack of policy and programming integration within governments and insufficient space for critical reflection.	• In integrated ministries, development priorities are sidelined by political and security priorities in times of diplomatic tension or local crisis, which reduces long-term efforts to advance PSG1 objectives; does not tap into lessons learned in earlier periods or elsewhere; and may preclude donor engagement with all relevant political stakeholders in country. • With exceptions, there is insufficient identification or application of lessons across countries and programmes as well as a lack of ongoing, imaginative thinking and experimentation in many donor organisations on how PSG1 objectives can be supported in ways that navigate the dilemmas and issues raised previously.

These constraints are hardly new and will probably not surprise many.[46] In fact, most are long-standing concerns despite efforts – and a lot of rhetoric – to address them. In short, it is tempting to think that this set of operational limitations to improving donor support for PSG1 is significant and not very amenable to change.

---

46 See for example Riddell 2007; Andrews 2013; Valters, Van Veen and Denney 2015.

In any case, it suggests that unless there is a significant mobilisation of political energy and capital to re-balance the overall strategic approach to development (e.g. less security-focused and less central-state focused); to re-allocate resources from programmes to program enablers (such as more/better human resources and more sophisticated approaches to risk); and to implement some longstanding aid commitments (such as longer-term programmes), these constraints severely limit what donors can realistically do to improve their support for PSG1. In the short term, therefore, it seems useful to redirect the focus of the conversation away from overcoming these constraints toward ways of improving outcomes in spite of them.

SECTION 4. WHAT DIFFERENCE CAN THE NEW DEAL MAKE?

Having discussed the external and internal limitations to effective donor support for inclusive and legitimate politics, it remains to be analysed whether the implementation of the New Deal has created any opportunities to improve such practices. From this perspective, it is worthwhile to recall that the New Deal's 'FOCUS' elements outline a political pathway for international and national actors to develop and implement the agreement's Peace- and Statebuilding Goals and has thus opened space to address politically sensitive issues around fragility in g7+ countries. The agreement's 'TRUST' elements provide a set of resource enablers to deliver on the PSGs via such political pathways. Certain FOCUS and TRUST elements – particularly those calling for joint analysis, joint risk assessment, and 'better aid' in the sense of the modalities by which it is delivered – constitute incentives for donors that could have been, and can yet be, used to enhance their support for PSG1-type activities.

4.1. Opportunities for joint analysis and risk assessment

In addition to already existing tools that donors employ unilaterally to analyse the political economy and conflict dynamics of fragile environments, the New Deal framework created two instruments for donors, g7+ governments, and civil society partners to jointly assess the developmental impact of political settlements. These two instruments are country-led fragility assessments and joint risk analyses. The question logically arises whether these instruments have been used, and perhaps even mitigated some of the shortcomings of the unilateral tools discussed above. Unfortunately, this does not seem to be the case. Fragility assessments that have been conducted so far have largely proven to be flawed on essential points of either substance or procedure. As to joint risk analysis, more of it has been undertaken, yet it has typically been 'joint' in the sense of between donors only.

Country-led fragility assessments seek to foster dialogue and collaboration between g7+ governments, donors and civil society organisations by jointly analysing the causes and features of fragility and sources of resilience in a participatory and consultative fashion. Some reviews found that although fragility assessments were conducted in most New Deal pilot countries, they suffered from the same one-off character as unilateral tools for political analysis, and so failed to stimulate both sustained dialogue and programmatic activity among donors, partner governments, and civil society representatives on pathways out of conflict and fragility.[47] Among the four case studies, fragility assessments were conducted in South Sudan and Timor-Leste, but both efforts have come under significant criticism from experts as well as several interviewees.

South Sudan's 2012 fragility assessment was criticised for offering a partial and therefore incorrect diagnosis on the state of conflict and stability in the nascent country. For instance, the assessment asserted that the country was in a 'rebuild and reform phase' rather than in a 'crisis' or 'emergency' phase. This was based on an overly optimistic appreciation of the legitimacy and inclusivity of its political affairs and a failure to adequately capture divisive issues like the level of political factionalism, the split loyalties of the security services, and the depth of corruption.[48]

For its part, Timor-Leste's 2012 fragility assessment contained serious procedural flaws from the perspective of inclusivity outlined by the New Deal. The failure to include the security forces and political parties as stakeholders to be consulted was particularly noteworthy. Moreover, its assessment

---

47 See Hughes et al. 2014.
48 See De Waal 2014, and Sustainable Peace, State Building and Development CSO Working Group 2015.

did not really identify or discuss key features of the political settlement (e.g. the 'buying the peace' strategy mentioned before), mostly because the government managed the selection of those to be consulted and excluded key groups that would likely have offered a different story from the governmental line. A second fragility assessment was conducted in 2015 that is said to be of higher quality, suggesting that learning effects between different rounds of fragility assessments may have occurred.

Finally, Afghanistan was in the process of conducting a fragility assessment at the time of writing that has not yet been published to the authors' knowledge, although it was presented at the g7+ global meeting in Kabul in March 2016. Somalia has not yet conducted a fragility assessment.[49]

The New Deal's encouragement of joint risk analyses appears, at face value, to have enjoyed greater success in terms of creating collective platforms that help build a shared understanding of risks, including political ones, to development initiatives. Interviewees across the case studies suggested an increased willingness to share such analysis among development agencies, especially by organisations with larger teams of political advisors and an extensive field presence (e.g. UN agencies), or those with an established culture of information sharing with their own member states (e.g. EU delegations).

Two recent examples of joint donor risk-management programmes can be mentioned in this regard: namely, the risk-assessment framework for the Somalia Development and Reconstruction Facility (SDRF) and the Conflict Sensitivity Resource Facility Program (CSRFP) in South Sudan.[50] Their recent nature, however, means that it is too early to assess their effectiveness in improving donors' understanding of domestic politics and associated developmental activities. It should also be noted that these risk initiatives are joint in the sense of multi-donor, but not joint in the sense of being implemented between donors and g7+ governments as intended in the New Deal. As a result, they will struggle to produce more multifaceted analysis that takes account of views, arguments and narratives on both sides of the risk equation.

---

49 At the time of the introduction of the New Deal framework in Somalia, the government felt that a fragility assessment carried out by external actors would undercut Somali ownership, while it lacked the capacity and access to execute broad consultations (Hearn and Zimmerman 2014).
50 An overview of the Conflict Sensitivity Program's objectives and expected results can be found here: https://devtracker.dfid.gov.uk/projects/GB-1-204057

4.2. Opportunities for more effective aid coordination and political dialogue

Besides analysis and risk assessment, the New Deal also contains incentives to improve aid coordination among donors as well as between donors and national (government and civil society) partners, which could have facilitated donor engagement on sensitive, political issues such as inclusion, legitimacy, and representation. In reality, this has not happened to a significant extent in Afghanistan, South Sudan or Timor-Leste. The evidence is more positive in respect of Somalia, in part because it is the only case study country where PSG1 was formally implemented as an instrument of aid coordination.

A key factor in Somalia is that the New Deal's provisions on joint work and coordination led to the creation of a PSG1 Working Group, which is co-led by the government and donors and structured around the main PSG1 priority areas agreed in the Somali Compact (federal state formation, constitution-making, and democratic elections). This mechanism has fostered inter-donor coordination, a division of labour across the various components of PSG1 and greater use of multilateral funding channels such as the Somali Multi-Donor Trust Fund.[51] The working group has also helped to legitimise donors' political engagement by creating a dedicated space for discussing the politics of development work with the Somali federal government. Other benefits of the formalisation of a body tasked with advancing PSG1 include, according to interviewees, its positive role in harmonising programming and funding among donors, thus ensuring greater mutual accountability and scrutiny of the Somali government; mitigating incipient conflicts and misunderstandings; supporting the administrative capacity of the government by having it (co)chair all meetings; and promoting the norms of inclusivity and participation across programmatic areas – despite the fact that actual political decision-making takes place in domestic (formal and informal) arenas that are mostly outside of donors' influence. Importantly, this mechanism is described as an 'inclusive enough' space by donors, government representatives at central and regional level, and civil society representatives alike. Nevertheless, important stakeholders remain sidelined, such as Parliament, certain ministries (e.g. Gender), minority clans, civil society organisations outside of the capital, and non-DAC donors such as Turkey and the Gulf states.

Several factors account for this high level of donor coordination on PSG1 in Somalia, which seem to impact positively on donors' willingness and ability to advance relevant New Deal objectives:

- The **'internalisation' of the New Deal principles and terminology** within the donor community, by organising dedicated training sessions, aligning country strategies with Compact objectives, and allocating staff dedicated to supporting New Deal portfolios, has enhanced donor understanding of the importance of PSG1 and the political nature of development assistance. According to several interviewees, the mere existence of the New Deal has made a more political approach to development possible simply by virtue of necessitating a conversation about this topic.

- **Integrated strategies between development and diplomatic/political staff** of some bilateral donors have strengthened their ability to coordinate PSG1 programming internally and to align their respective priorities with support for inclusive politics to the extent possible. Notwithstanding the challenge noted above of transmitting political knowledge into development programming, a definite upside of working in such integrated fashion has been that Somali interlocutors do not distinguish between the development and diplomacy counterparts of most donor countries. This has

---

51 Some donors continue to rely primarily on bilateral corridors, but clearly align their programmes to the PSG1 agenda.

proven a key success factor for the effectiveness of the PSG1 (Sub-)Working Groups, in addition to some key donors' assiduity and high level of representation.

- **Domestic – albeit often Western-educated - New Deal 'allies' within the partner government** (key Somali politicians and ministry staff) have played a crucial role in socialising an already reform-minded political elite into the benefits and added value of the New Deal mechanisms. The more authority and decision-making power these individuals have, the higher their ability to prevent New Deal sceptics (or high officials absent from relevant forums) from impeding progress in the implementation of the Compact objectives.

While it is likely to be difficult to create similar PSG1 coordination mechanisms outside of Somalia to good effect for the reasons mentioned in section 1.1, the critical assessment of the PSG1 portfolio offered in Section 2 suggests that these mechanisms may in fact not lead to improved results. The problem here is that the existence, dynamics and inclusivity of the Somali PSG1 coordination mechanisms do not seem to have substantially altered the 'standardised' contents of development programming. Indeed, the Somali PSG1 working group shares both the strong focus on strengthening the role of the central government and the process orientation depicted earlier as being problematic if such approaches are not part of a broader package that also includes support for customary governance and output legitimacy. While this could be a next step that comes with time, the central question for assessing 'success' has clearly not yet been answered.

As pioneered in Somalia with the PSG1 Working Group and in South Sudan with the Conflict Sensitivity Resource Facility Program, the opportunities provided by the New Deal to strengthen and improve the political side of development work beyond traditional areas of state-centred governance support can be used to greater effect. The report's final section turns to recommendations on how this can be achieved.

SECTION 5. CONCLUSION AND RECOMMENDATIONS

PSG1 puts politics at the heart of the New Deal. This represents noteworthy though belated, recognition of a long-under-emphasised aspect of reality in the sense that development logically has always been, and will remain, about politics. It is, after all, political interests, decisions, relations, and dynamics that steer a country's development trajectory. The consequence is that development efforts that are not framed through a political lens, that are not designed on the basis of political interests, and that are not implemented on the basis of political possibility rather than technical requirement, are likely to be short lived and/or ineffectual. This is not to say that there is no space or necessity for high-quality technical work, but it does mean that such technical work must take its direction from and assess its progress in terms of the political, i.e. interest- and influence-based, appreciation of the boundaries, contexts, and stakeholders in which it takes place.

While not new, the analysis underpinning this report has confirmed these observations. The fact that the report finds that donor understanding of, and engagement with, the domestic politics of Afghanistan, Somalia, South Sudan, and Timor-Leste remains limited suggests that progress with more politically oriented development interventions has been conceptual, experiential, and/or gradual. For example, the case studies highlight that donor activities in the area of legitimate and inclusive politics retain a strong focus on representational processes and state institutions, despite years of growing insights and accumulating practice that these elements represent only a part (and sometimes a minor part) of the political realities of fragile societies.[52] Moreover, liberal market democracies continue to serve – implicitly or explicitly, purposely or for want of more appropriate structures and tools – as both templates and benchmarks for development activity across the case studies.

This will not serve the purpose of achieving greater impact in terms of PSG1 implementation in the short- to medium-term because it finds little resonance with, or entry points for, engagement with the realities of governance and politics in most fragile societies. In turn, this implies that the nature of the operational change called for by the New Deal remains in dispute, that stronger barriers to change exist than were anticipated, or that the pace of change is (too) slow. The reality is likely to represent a mix of all three of these factors. In any case, addressing them is critical to delivering the broader SDG agenda as articulated by the United Nations, as well as the International Dialogue's own Stockholm Declaration, which explicitly calls for more innovative development policies to better respond to protracted crises.[53]
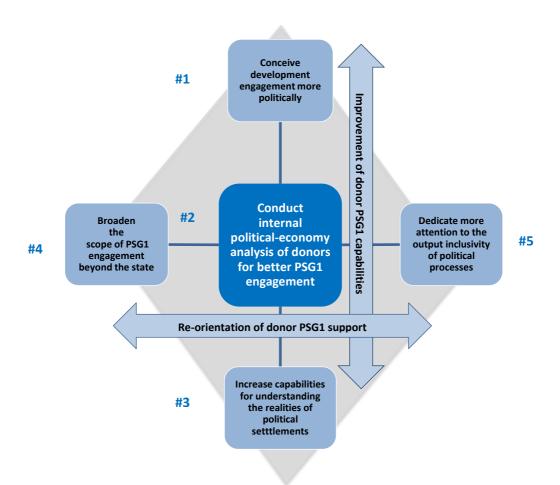
Progress requires parallel efforts on two dimensions. First, internal donor capabilities for engaging politically on PSG1 need to be improved significantly. Key elements of this agenda include a greater ability to conceive of developmental efforts in a more political fashion; devotion of more time, political capital, and resources to donor-organisation introspection regarding their own strategies and programmes; and development of much better analytical capabilities for understanding the politics of fragile societies. This is not about changes at the fringes of present development operations. Instead, the way in which donors operate in fragile societies continues to require wholesale change, and existing pilots/experiments provide useful guideposts for its direction. Second, donor development activities in

---

52 See, for example, Parks and Cole (2010) or the array of case studies conducted on the political economies of Yemen, Somalia, Mali, South Sudan, Libya, and Afghanistan by, for example, the Development Leadership Program (http://www.dlprog.org/) and Clingendael's Conflict Research Unit (https://www.clingendael.nl/cru-overview/subtopics/3/) (both accessed 26 September 2016).
53 United Nations 2015; IDPS 2016.

pursuit of PSG1 need to be re-oriented to include both a greater focus on customary and informal governance beyond the state and on the inclusivity of results rather than (representational) processes, in reflection of the political realities of fragile societies. Putting together balanced and feasible coalitions for political change should be the aim of PSG1 engagement rather than strengthening official institutions.[54] This leads to five proposed sets of recommendations that are visualised in the diamond-shaped figure 2 below.

Figure 2. Putting politics at the heart of PSG1 engagement is key to progress

Each of these recommendations is briefly developed below in terms of what it means and how it can be actioned concretely:

---

54 Useful thinking on this point has been done by Booth 2015 and Dasandi 2014.

5.1 What donors need to consider to improve their capabilities to support PSG1

Recommendation #1: Conceive development engagement more politically (governance in particular).

Donors need to build a greater shared understanding across their organisations and developmental initiatives, as well as in their whole-of-government interaction, that development is an intensely political process, as it centres on the question of how a society can progress with limited resources. In short, choices must be made, which will inevitably create winners and (temporary) losers. Who gets to make these choices, as well as how and why represent essential questions. They are at the heart of PSG1. Thus, this recommendation has two dimensions.

First, donors must conceive of their own development engagement more politically in the sense that they require better political framing of their activities, more political capital mobilized behind them, and the ability to increase/decrease resources on the basis of political pragmatism and windows of opportunity instead of technical benchmarks. Specifically, this can include the following actions:

- *Ensure that every developmental activity operates in a political frame,* i.e. has a political objective, is cognizant of the political interest/stakeholder field in which it operates, and benefits from permanent monitoring of the presence of the political conditions under which it can be implemented. For this to happen, PSG1 themes (conflict resolution, prevention and inclusive/legitimate politics) and corresponding programming need to be prioritised in fragile and conflict-affected contexts. Creating greater institutional incentives and showcasing successful practices are likely to be helpful strategies towards this end.
- *Stop funding activities that do not meet these criteria, or ensure a re-orientation of such programmes in the short term, especially in the area of PSG1*. Political systems cannot be built through technical interventions; they require continuous political engagement and communication.

Second, donors should focus more on creating space in fragile societies for discussing the politics of development that the New Deal enables, in appreciation of the fact that the direct influence of external actors on the domestic politics of other societies is typically limited. Specifically, this can include the following actions:

- *Increase the ability to address politically sensitive subjects diplomatically, realistically (i.e. with respect for the boundaries of feasibility), and at multiple levels* (linking projects and portfolios with political analysis, diplomatic handiwork, and high-level visits). This is largely a matter of altering mindsets, using available political capital, and impulses from organisational incentives, which is hard to capture in general action points, as these will differ from donor to donor. An example could be implementing a multi-pronged strategy to address the issue of "shrinking spaces" for civil society through programmes that enhance its voice, analysis that monitors and publishes trends, and regular diplomatic/political advocacy;
- *Identify and open suitable public spaces for inclusive dialogue and discussions on the politics of socio-economic development where possible*. These will be long-term endeavours that require patience and a dedicated effort to succeed. One aim is to ensure that a greater voice is given to relevant segments of society, a voice beyond the structures of formal political processes; they also strive to raise the quality of political debate and exchange. Aid coordination mechanisms such as the PSG1

(sub-)Working Group(s) in Somalia represent a useful starting point for thinking about sustained multi-stakeholder dialogue among international, government, and civil society counterparts. Donors should consider building upon such frameworks in other New Deal g7+ signatory countries.

Recommendation #2: Conduct political-economy analysis of internal donor operations to find out which constraints are malleable.

Although many of the observations made herein are not new, this report nonetheless proposes a 'new' recommendation since the 'persistence of repetition' suggests the existence of higher and more profound barriers to change within donor organisations than was perhaps previously thought. These barriers may well be grounded in interests that are hard or impossible to move. In short, it is pertinent to question the realism of asking donors to adjust their operations in accordance with the progressive conceptual and empirical insights accumulated in regard to processes of conflict management, peacebuilding, and state formation. Consequently, the fundamental issue of their true ability to implement a paradigm shift like the New Deal must be raised.

This has not yet been the focus of dedicated reflection that combines policy discussion with organisational analysis, although deeper comprehension of the political and institutional incentives, nature, and pace of change within donor organisations is clearly needed to enable effective delivery on both the SDG agenda and the Stockholm Declaration. Specifically, this can include the following actions:

- *Create a dedicated analytical work stream within INCAF that conducts regular political- economy analysis of the ability of its members to implement cutting-edge policies in respect of conflict and fragility.* Political-economy analysis in this context means comparative and structural consideration of the domestic and internal interests, systems, relations, and incentives that create, maintain, and direct the development of donor organisations. Such work should be done in collaboration with existing DAC peer-review formats and procedures and have as its aim the establishment and spreading of operational good practice;
- *Ensure that such a work stream also has a confidential, hands-on component that supports members, the INCAF Secretariat, and selected experts helping each other deliver innovative, high-impact propositions for improving donor abilities to engage more politically on PSG1.* This work stream should be as action oriented as possible, function as a kind of in-house consultancy service for members, and be backed up by high-level political support on the basis of functional authority and expertise.

Recommendation #3: Increase analytical capabilities for understanding the realities of political settlements in fragile societies and improve risk-management capacities.

Donors also significantly need to improve their capabilities for understanding the domestic politics of the fragile societies in which they operate so that they can take better decisions and develop more sophisticated strategies in promotion of PSG1. This will not be cheap, and it will not show immediate results, yet it is essential to achieving more meaningful results in the longer term. In practice, this amounts to working on improving the focus and procedure of the analysis that donors conduct so that it becomes more frequent and more influential, enhances the ability of development programmes (PSG1 in particular) to absorb knowledge, and builds the human resources plus organisational incentives to connect knowledge with programmes. Specifically, this can include the following actions:

- *Improve the quality and impact of donor political analysis.* Given the difficulty donors continue to have creating such capacities in-house, this can take the form of long-term engagements with reputable local research outfits or pooling resources to create a dedicated research outfit per conflict-affected country (perhaps akin to the Conflict Sensitivity Program in South Sudan that is currently being set up by DFID, USAID, Germany/GIZ, Canada, and Switzerland). This in itself could be set up in the form of a 'development programme' and contribute to local research and education capacity building, with the additional benefit that it might also bring about greater donor alignment. An innovative option for such an initiative in the spirit of the New Deal would be to set it up as a joint initiative with both g7+ governments and civil society partners.
- *Develop risk-management practices that enable greater staff mobility.* The case studies suggest that security restrictions on staff are a key barrier to developing a deeper understanding of the political dynamics of fragile societies. Hence, more thought, effort and funds should be funnelled into developing risk-management practices that enable maximum interaction and movement. The operations of the German Risk Management Organisation (RMO)[55] in Afghanistan suggest that a more sophisticated approach to risk is possible that permits greater mobility. Donors are likely to benefit from a more in-depth discussion about its possibilities, limitations and cost.[56]

5.2 What donors need to consider for re-orienting their existing PSG1 support

Recommendation #4: Broaden the scope of PSG1 engagement beyond the state.

The case studies suggest that donors should rethink with whom they should engage to support more legitimate and inclusive politics. Simply put, there must be far greater engagement with stakeholders and "agents of change" beyond the representatives of the national state, including opposition groups, customary, religious and subnational leaders, social groups, and elites. Donors have to extend the nuanced view of political inclusivity and legitimacy in fragile contexts that their policies espouse to their operational practice in order to enable more effective engagement with the hybrid political orders of such environments, their 'governance without government' as well as 'government without governance' characteristics, and the existence of sub-national and/or parallel political settlements. Specifically, this can include the following actions:

- *Promote local conflict-resolution and peacebuilding initiatives to foster legitimacy and inclusivity from the bottom up.* While there are some innovative examples of donor-funded local 'peace infrastructures' and conflict-resolution mechanisms that foster participatory interactions between formal/customary authorities and grassroots civil society voices (e.g. through SIDA's partnership with the Life and Peace Institute in Somalia, or the German Civil Peace Service in Afghanistan, Timor-Leste and South Sudan),[57] there is a shortage of cross-country platforms to facilitate peer-to-peer cumulative learning. The New Deal's civil society partners can be enlisted as primary points of contact to develop a wider network in fragile New Deal signatories that is less capital and INGO centric. Concrete ideas to this effect were formulated during a Helsinki conference on 'strengthening civil society participation in New Deal processes' in June 2015.[58]
- *Support social and political forces that are not part of the establishment to enhance capacities for peaceful social contestation*. Such support, however, requires an assessment of the extent to which

---

55 For more details: BMZ and GIZ 2014.
56 See also earlier OECD work on risk management: OECD 2012.
57 See: Life and Peace Institute 2016; https://www.ziviler-friedensdienst.org/en
58 See: Civil Society Platform for Peacebuilding and Statebuilding 2015.

it may trigger a repressive response on the part of ruling elites. Donors that engage in such support must be prepared to stand behind it when this happens and have thought through possible scenarios and side effects in advance so that political courage does not fail them when it is most needed.[59] A practical example from elsewhere is DFID's State Accountability and Voice Initiative (SAVI) in Nigeria.[60]

Recommendation #5: Dedicate more attention to the output inclusivity (i.e. equitability) of political processes.

Donors need to broaden the scope of the PSG1-type results to which they aspire and find acceptable. These may well take forms that are dissimilar from the liberal, pro-poor, and inclusive processes they espouse, or they may require locally rooted compromises in hybrid governance traditions that do not satisfy all (or many) normative donor requirements. A key question that seems to be inadequately considered is whether results are development oriented in nature, and as equitable as possible given a society's main cleavages. Simply put, more attention must be paid to the substance and outcomes of politics, and the factors that influence it, to balance the present focus on process and inputs. Specifically, this can include the following actions:

- *Engage in a broader range of creative imagining of governance in situations of fragility that transcends electoral democracy.* The typical post-conflict formula of power sharing followed by elections looks increasingly broken, yet nothing has replaced it. Deeper inquiry and greater imagination on the part of donors is needed as to how governance actually happens and, specifically, what aspects and elements are conducive to development-oriented results. The International Dialogue could easily host a number of experience-sharing sessions supported by analysis to produce new, comparative insights. It is key, however, to move beyond the state parties to the New Deal.

- *Experiment with focusing on output inclusivity to increase process inclusivity.* Donors should consider complementing process-focused support (i.e. inclusive representation and participation in peacebuilding and state-building endeavours) with programmatic approaches in which the realisation of broad, development-oriented outcomes that are inclusive in nature, i.e. that benefit large segments of society, are both accepted and incentivized. It is vital that such approaches are accompanied by the offer of funding for critical enabling initiatives by way of prequel. This will create a longer-term, sequenced approach that is still accountable and quantifiable, but also more flexible and realistic.[61]

What these recommendations have in common is that they work in parallel on issues of internal donor housekeeping and external donor orientation. Greater and more meaningful delivery of PSG1 requires that donors improve their understanding of the domestic political dynamics of fragile societies, focus on unblocking persistent internal bureaucratic constraints, and that they broaden their range of PSG1-support interventions. The slowness of progress in this area is illustrative of both the complexity of the subject matter and of the low adaptability of donor organisations, procedures and practices.

---

59 On this point see: Earle 2011; Gaventa and Barrett 2010; Dudouet and Clark 2009; Kinsmann and Bassuener 2013.
60 See: http://savi-nigeria.org/ (accessed 23/09/16).
61 Such approaches should be informed by, and build on, recent research on output inclusivity, such as the INCAF-supported analysis by the Development Leadership Programme in Birmingham on the ambivalent impact of service delivery on governance legitimacy: McLoughlin 2015.

BIBLIOGRAPHY

Abdi Elmi, Afyare and Abdi Aynte (2012). Negotiating an End to Somalia's War with al Shabaab: Why Military Solutions Aren't Enough. Foreign Affairs, 07.02.2012.

Acemoglu, Daron and James Robinson (2013). Why Nations Fail. London: Profile Books Ltd.

Aid Coordination Unit (ACU) (2015). Aid Flows in Somalia. Available at http://new-deal.so/wp-content/uploads/2016/02/Aid-Flow-Analysis-24Feb2016-1.pdf [accessed 26/04/2016]

Al-Jazeera (2016). Syria civil war: UN calls for elections in 18 months, 11.03. 2016. Available at http://www.aljazeera.com/news/2016/03/syria-civil-war-calls-elections-18-months-160311171845233.html [accessed 16/3/16]

Andrews, M. (2013). The Limits of Institutional Reform in Development: Changing Rules for Realistic Solutions. Cambridge: Cambridge University Press.

Anten, Louise et al. (2012). The Political Economy of State-building in Situations of Fragility and Conflict: from Analysis to Strategy. The Hague: Clingendael.

Balthazar, Dominik (2014). Thinking beyond roadmaps in Somalia. Expanding policy options for statebuilding. CSIS Report. Available at http://csis.org/files/publication/141118_Balthasar_ThinkingBeyondRoadmaps_Web.pdf [accessed 26/4/2016]

Barfield, T. (2010). Afghanistan: A Cultural and Political History. Princeton: Princeton University Press.

Bates, Robert (2008). When Things Fell Apart: State Failure in Late-Century Africa. Cambridge: Cambridge University Press.

Boege, Volker, Anne Brown, Kevin Clements and Anna Nolan (2008). On Hybrid Political Orders and Emerging States: State Formation in the Context of 'Fragility'. Berghof Dialogue Handbook No. 8. Berlin: Berghof Foundation. Available at http://www.berghof-foundation.org/fileadmin/redaktion/Publications/Handbook/Articles/boege_etal_handbook.pdf [accessed 27/05/2016]

Booth, David (2012). Development as a collective action problem: The real challenges of African governance. London: ODI.

Booth, David (ed) (2015). Developmental regimes in Africa: Initiating and sustaining development regimes in Africa. London: ODI.

Booth, David (2015). Thinking and Working Politically. Professional Development Reading Pack No. 13. Available at http://www.gsdrc.org/docs/open/reading-packs/twp_rp.pdf [accessed 27/05/2016]

Booth, David and Sue Unsworth (2014). Politically smart, locally-led development. London: ODI.

BMZ and GIZ (2014). Reconstruction work: Safely and effectively. Kabul: GIZ.

Castillejo, Claire (2014). Promoting inclusion in political settlements: a priority for international actors? NOREF Report, March.

Chandler, David (2006). Empire in Denial: The Politics of State-Building. Ann Arbor: Pluto Press.

Civil Peace Service (2016), https://www.ziviler-friedensdienst.org/en

Civil Society Platform for Peacebuilding and Statebuilding (CSPPS) (2015). Ensuring Impact and Inclusivity in Fragile States: Conference Report (16-18 June, 2015). Available at www.cspps.org/documents/130616042/131257080/Cordaid-CSPPS-Helsinki+conference+report+FINAL.pdf/1b88945f-7526-4a26-a6b8-c86e164141c2 [accessed 29/04/2016]

Collier, Paul (2008). The bottom billion: Why the poorest countries are failing and what can be done about it. Oxford: Oxford University Press.

Costa, Monica, Sharp, Rhonda and Austen, Siobhan (2009)'Unlocking the potential for gender-sensitive public finances in Timor-Leste' in Chester, L., Johnson, M. and Kriesler, P. (ed) Heterodox Economics' Visions, Society of Heterodox Economists 8th Annual Conference, University of New South Wales, Sydney: 151-168.

Dahl, R. (1991). Modern Political Analysis. 5th edition. Englewood Cliffs (NJ): Prentice Hall International.

Dasandi, Niheer (2014). The Politics-Bureaucracy Interface: Impact on Development Reform. Birmingham: Development Leadership Program.

Dasandi, Niheer et al. (2016). Thinking and Working Politically: From Theory Building to Building an Evidence Base. Birmingham: Development Leadership Program.

Derksen, Deedee (2015). The politics of disarmament and rearmament in Afghanistan. USIP Peaceworks Report. Available at http://www.usip.org/sites/default/files/PW110-The-Politics-of-Disarmament-and-Rearmament-in-Afghanistan.pdf [accessed 26/04/2016]

De Vries, Lotje and Tim Glawion (2015). Speculating on crisis: The progressive disintegration of the Central African Republic's political-economy. The Hague: Clingendael.

De Waal, Alex (2014). Is South Sudan "the World's Most Failed State"? World Peace Foundation, Reinventing Peace, Blog Posting, 01.07.2014. Available at https://sites.tufts.edu/reinventingpeace/2014/07/01/is-south-sudan-the-worlds-most-failed-state/ [accessed 27/05/2016]

Department for International Development (DFID) (2010). Building Peaceful States and Societies: A DFID Practice Paper.

Dudouet, Veronique and Howard Clark (2009). Nonviolent Civic Action in Support of Human Rights and Democracy. Directorate-General for External Policies of the Union, EXPO/B/DROI/2008/69. Brussels: European Parliament. Available at www.europarl.europa.eu/activities/committees/studies/download.do?language=en&file=25679 [accessed 27/05/2016]

Dudouet, Veronique and Stina Lundström (2016). Post-war Political Settlements: From Participatory Transition Processes to Inclusive Statebuilding and Governance Outcomes? Berghof Report, Berghof Foundation.

Dudouet, Véronique and Katrin Planta (2016). The Political Transformation of Armed and Banned Groups – Lessons Learned and Implications for International Support. Framework paper, UNDP. Available at www.undp.org/content/undp/en/home/librarypage/democratic-governance/conflict-prevention/the-political-transformation-of-armed-and-banned-groups---lesson.html [accessed 26/04/2016]

Di John, Jonathan and James Putzel (2009). Political Settlements. Birmingham: GSDRC.

Earle, Lucy (2011). Literature Review on the Dynamics of Social Movements in Fragile and Conflict-Affected States. Birmingham: GSDRC.

Fisher, Jonathan and Heather Marquette (2014). Donors Doing Political Economy Analysis™: From Process to Product (and Back Again?). Birmingham: Development Leadership Program.

Gaventa, John and Gregory Barrett (2010). So What Difference Does it Make?: Mapping the Outcomes of Citizen Engagement. Brighton: IDS.

Ghani, Ashraf and Clare Lockhart (2007). Writing the History of the Future: Securing Stability through Peace Agreements. Journal of Intervention and Statebuilding, 1(3).

Giustozzi, A. (2008). Afghanistan: Transition Without End, An Analytical Narrative on State-Making. Crisis States Working Papers Series No. 2.

GIZ (2015). Capacity Development in Situations of Conflict and Fragility: German Approaches and Lessons Learned by GIZ. Available at: https://www.ziviler-

friedensdienst.org/sites/ziviler-friedensdienst.org/files/anhang/publikation/zfd-capacity-development-situations-conflict-and-fragility-4954.pdf [accessed 29/09/2016]

Hearn, Sarah and Thomas Zimmerman (2014). A New Deal for Somalia?: The Somali Compact and its Implications for Peacebuilding. New York: CIC. Available at http://cic.nyu.edu/sites/default/files/new_deal_for_somalia_implications_for_peacbuilding.pdf [accessed 26/04/2016]

Hearn, Sarah (2016). Independent review of the New Deal for engagement in fragile states. OECD/Center on International Cooperation. Available at http://cic.nyu.edu/sites/default/files/new_deal_engagement_hearn_apr14_final.pdf [accessed 26/04/2016]

Hemmer, Jort and Nick Grinstead (2015). When Peace is the Exception: Shifting the Donor Narrative in South Sudan. The Hague: Clingendael.

Hill, Ginny et al. (2013). Yemen: Corruption, Capital Flight and Global Drivers of Conflict. London: Chatham House.

Hout, Wil (2015). 'Putting political economy to use in aid policies', in: Whaites, Alan et al. (eds.), A governance practitioner's notebook: Alternative ideas and approaches, Paris: OECD.

Hudson, David and Adrian Leftwich (2014). From Political Economy to Political Analysis. Birmingham: Development Leadership Program.

Hudson, David and Heather Marquette (2015). 'What's missing in political economy analysis and why it matters', in: Whaites, Alan et al. (eds.), A governance practitioner's notebook: Alternative ideas and approaches, Paris: OECD.

Hughes, Jacob, Ted Hooley, Siafa Hage and George Ingram (2014). Implementing the New Deal for Fragile States. Policy Paper, Brookings Institute. Available at http://www.brookings.edu/~/media/Research/Files/Papers/2014/07/30-new-deal-fragile-states-ingram/Implementing-the-New-Deal-for-Fragile-States.pdf?la=en [accessed 27/05/2016]

International Crisis Group (ICG) (2014). Somalia: Al-Shabaab – It Will Be a Long War. Africa Briefing No.99. Available at http://www.crisisgroup.org/~/media/Files/africa/horn-of-africa/somalia/b099-somalia-al-shabaab-it-will-be-a-long-war.pdf [accessed 26/04/2016]

International Dialogue on Peacebuilding and Statebuilding (IDPS) (2010). Dili Declaration: A new vision for peacebuilding and statebuilding. Available at http://www.c-r.org/downloads/Dili%20Declaration_201004_ENG.pdf [accessed 27/05/2016]

IDPS (2011). Monrovia Roadmap. Available at http://www.icnl.org/research/library/files/Transnational/monrovia.pdf [accessed 27/05/2016]

IDPS (2013). Peacebuilding and Statebuilding Indicators – Progress, Interim List and next steps. Available at http://www.pbsbdialogue.org/media/filer_public/a1/52/a152494f-0bb0-4ff3-8908-14bb007abd25/psg_indicators_en.pdf [accessed 27/05/2016]

IDPS (2014). New Deal Monitoring Report 2014. Available at http://www.pbsbdialogue.org/media/filer_public/a5/df/a5dfd621-00a5-4836-8e20-8fff3afd1187/final_2014_new_deal_monitoring_report.pdf[accessed 27/05/2016]

IDPS (2016). Stockholm Declaration: Addressing Fragility and Building Peace in a Changing World. Available at http://www.pbsbdialogue.org/media/filer_public/1e/23/1e237c73-5518-4a03-9a87-b1aa6d914d20/stockholm_declaration.pdf [accessed 23/09/16]

Jones, Bruce, Molly Elgin-Cossart and Jane Esberg (2012). Pathways out of fragility: The Case for a Research Agenda on Inclusive Political Settlements in Fragile States. New York: CIC.

Khan, Mushtaq H. (2010). Political Settlements and the Governance of Growth-Enhancing Institutions. (unpublished). Available at http://eprints.soas.ac.uk/9968/1/Political_Settlements_internet.pdf [accessed 27/05/2016]

Kinsman, Jeremy and Kurt Bassuener (2013). A Diplomats' Handbook for Democracy Development Support. Third Edition, Centre for International Governance Innovation. Available at www.cigionline.org/sites/default/files/diplomats_handbook_excerpt_0.pdf [accessed 26/04/2016]

Laws, Edward (2012). Political Settlements, Elite Pacts, and Governments of National Unity: A Conceptual Study. DLP Background Paper 10.

Life and Peace Institute (2016). Participatory Action Research (PAR) as a tool for transforming conflict: A case study from south central Somalia. Available at: http://life-peace.org/wp-content/uploads/2016/07/Somalia_PAR_WEB.pdf [accessed 30/09/2016]

Lindemann, Stephan (2008). Do inclusive elite bargains matter? A research framework for understanding the causes of civil war in sub-Saharan Africa. Discussion paper 15. London: Crisis States Research Centre.

Mampilly, Zachariah (2011). Rebel Rulers: Insurgent Governance and Civilian Life during War. Ithaca: Cornell University Press.

Marquette, H. and J. Fisher (2016). "Empowered patient" or "doctor knows best"? Political economy analysis and ownership. Development in Practice, 26 (1).

McLoughlin, Claire (2015). Researching State Legitimacy: A Political Approach to a Political Problem. DLP Research Paper 36. University of Birmigham: Development Leadership Program.

Menkhaus, Ken (2007). Governance without Government in Somalia: Spoilers, State Building, and the Politics of Coping. International Security, 31(3), pp.74-106.

North, Douglas, John Wallis and Barry Weingast (2009). Violence and social orders: A conceptual framework for reinterpreting recorded history. Cambridge: Cambridge University Press.

OECD-DAC (2011). From Power Struggle to Sustainable Peace: Understanding Political Settlements. Conflict and Fragility. INCAF. Paris: OECD Publishing.

OECD (2012). Improving International Support to Peace Processes: The Missing Piece. Conflict and Fragility, Paris: OECD Publishing.

OECD (2015) States of Fragility 2015 - Meeting Post-2015 Ambitions.Paris: OECD Publishing. Available at: www.oecd-ilibrary.org/docserver/download/4315011e.pdf?expires=1474496533&id=id&accname=guest&checksum=86674DB25BFE4F0F618232E24FA9B6A1

Paffenholz, Thania (2015). Inclusive Politics: Lessons From and for the New Deal. Journal of Peacebuilding & Development, 10(1), pp. 84-89.

Papagianni, Katia (2009). Political Transitions after Peace Agreements: The Importance of Consultative and Inclusive Political Processes. Journal of Intervention and Statebuilding, 3(1), pp. 47–63.

Parks, Tom and William Cole (2010). Political Settlements: Implications for International Development Policy and Practice. Asia Foundation, Occasional Paper, No. 2.

Perera, Suda (2015). Political engagement with non-state actors in areas of limited statehood. State of the Art No. 5, Birmingham: Development Leadership Program.

Phillips, Sarah (2011). Yemen and the politics of permanent crisis. London: Routledge.

Phillips, Sarah (2013). Political settlements and state formation: The case of Somaliland. Birmingham: Development Leadership Program.

Riddell, R. (2007). Does Foreign Aid Really Work? Oxford: Oxford University Press.

Rocha Menocal, Alina (2015). Inclusive political settlements: evidence, gaps, and challenges of institutional transformation. Birmingham: University of Birmingham.

Scharpf, Fritz W. (1998): Interdependence and Democratic Legitimation. MPIfG Working Paper 98(2). Available at www.mpifg.de/pu/workpap/wp98-2/wp98-2.html [accessed 26/04/2016]

United Nations (2015). Transforming our world: The 2030 agenda for sustainable development. A/RES/70/1. New York: United Nations.

UN Security Council (2015). Report of the Secretary-General on Somalia. 11.09.2015. Available at www.un.org/en/ga/search/view_doc.asp?symbol=S/2015/702 [accessed 26/04/2016]

Smits, Rosan et al. (2013). Revolution and its discontents: State, factions and violence in the new Libya. The Hague: Clingendael.

Sustainable peace, state building and development CSO Working group (SPSBD-CSOWG) (2015). The New Deal Implementation in South Sudan. A South Sudanese civil society perspective paper. Available at www.cspps.org/documents/130616042/130793247/ New+Deal+Perspective+Paper++Final+2015.pdf/449c693d-61de-4d67-b3ef-4de932d6d788 [accessed 26/04/2016]

The Asia Foundation (TAF) (2015). A Survey of the Afghan People: Afghanistan in 2015. Kabul: TAF.

Valters, C., E. van Veen and L. Denney (2015). Security progress in post-conflict contexts: Between liberal peacebuilding and elite interests. Dimension Paper 2, London: Overseas Development Institute.

Van Veen, Erwin et al. (2015). Beyond dichotomy: Recognising and reconciling legal pluralism in Mali. The Hague: Clingendael.

Whaites, Alan, Eduardo Gonzalez, Sara Fyson and Graham Teskey (2015), A Governance Practitioner's Notebook: Alternative Ideas and Approaches, OECD, Paris. Available at http://www.oecd.org/dac/governance-peace/governance/governance-practitioners-notebook.htm [accessed 27/05/2016]

White, S. C. (1996). Depoliticising development: The uses and abuses of participation. Development in Practice, 6(1), pp. 6–15.

World Bank (2011). World Development Report 2011: Conflict, Security and Development. Available at http://siteresources.worldbank.org/INTWDRS/Resources/WDR2011_Full_Text.pdf [accessed 27/05/2016]

ANNEX 1: DEFINITIONS

Politics

There are a great many definitions of 'politics', all of which tend to refer to the way in which power, however obtained, is exercised and what consequences the nature of its exercise has for the type and quality of decisions that result, for how policy is designed and implemented and/or how resources are allocated.[62] For the purpose of this paper, 'politics' refers to the nature and consequences of processes of (violent) competition for power between and among elites as well as social groups in fragile societies. In the development discourse, a concept of 'thinking and working politically' is being developed that (arguably belatedly) transposes, applies, and refines longstanding political science insights into development thought and practice.[63]

Political settlement

The concept of political settlement was introduced in the last decade within the policy-oriented literature on development, fragility, and conflict with the purpose of shifting away from the focus on technical and state-centric approaches to international development support (Khan 2010; OECD-DAC 2011). The term political settlement has been variously defined, but it broadly refers to an "**expression of a common understanding, usually forged between elites, about how power is organised and exercised**" in a given state (DFID 2010). Political settlements might be articulated through both formal/explicit and informal/implicit mechanisms. On the one hand, they are codified through pacts (e.g. peace accords, constitutions, laws) and institutions adapted or created to manage politics, often emerging from a historical event (such as peace negotiations or the breakdown of a regime). On the other hand, they also reflect the unarticulated and continuously evolving political arrangements and understandings that underpin a political system, such as the informal rules, shared understandings, and rooted habits that shape political interaction and conduct (Khan 2010; OECD-DAC 2011).

There is a dialectical relationship between political settlements and armed conflict. Exclusionary settlements, characterised by unresponsive states and lack legitimacy in the eyes of large segments of the population, provide a fertile ground for conflict (World Bank 2011). However, armed conflict can serve as a driver of change to the existing political settlement, whereby power contenders seek to gain sufficient leverage to impose or negotiate a settlement beneficial to their interests. In consequence, conflict resolution through a peace process may regress, solidify, or advance the legitimacy and/or inclusivity of a political settlement – the outcome depends on the parameters of any peace agreement and its subsequent implementation. In the best case, it offers a window of opportunity to negotiate a more inclusive political settlement (Ghani and Lockhart 2007).

Inclusivity and legitimacy within political settlements

Most discussions of political settlements focus on the central role of elites, situating the power and interests of key political, economic and security actors at the heart of the development process (Parks and Cole 2010). However, there has been a growing recognition that exclusionary inter-elite pacts are

---

62 Broad definitions are, for example, provided by Dahl (1991) in the political science context, and Unsworth (2015) in the developmental context.

63 More on this emerging paradigm can be found here: https://twpcommunity.org/ (accessed 15/04/16). Whaites et al. (2015) also discuss linkages between politics and development.

unlikely to induce growth and stability in the long run, and the research agenda has thus turned to assessing the properties and benefits of inclusive political settlements.

Inclusivity in political settlements might refer to both process and outcome indicators, as well as horizontal and vertical dimensions. With regard to the **process** of power bargaining, **horizontal (or inter-elite) inclusivity** refers to the degree of active participation (through executive, consultative, or informal roles) by all sectors of incumbent as well as emerging elites (e.g. government, civilian, and armed political opposition; army, business community, religious, and traditional authorities). On the other hand, **vertical (or state-society) inclusivity** might be assessed in terms of access to decision making by (previously) marginalised social sectors (along gender, ethnic, regional, etc. dimensions) (Jones et al. 2012; Laws 2012; Dudouet and Lundström 2016). **Outcome inclusivity** refers to the codification and materialisation of political settlements. These might be assessed according to the levels of representativeness and responsiveness of state reform and policy implementation with regard to the distribution of rights and entitlements across society: whether they favour dominant groups, or fairly reflect the various interests and needs of all social sectors (Di John and Putzel 2009).

The concept of **legitimacy**, generally expressed through citizens' support for political actors, institutions, and order based on the perception that state-society relations are balanced, representative, and fair, may also be defined along two dimensions of input-oriented and output-oriented legitimacy. "In the **input** dimension, 'government by the people' implies that collectively binding decisions should originate from the authentic expression of the preferences of the constituency in question. Government, in other words, is meant to be self-government, and compliance can be expected because the laws are self-determined, rather than imposed by an exogenous will. In the **output** dimension, 'government for the people' implies that collectively binding decisions should serve the common interest of the constituency" (Scharpf 1998).

PSG1 as defined by the IDPS

While a fair degree of academic consensus exists over the meaning and effects of 'legitimate and inclusive politics', the IDPS has also developed its own understanding of these terms in the lead up to its November 2011 endorsement of the New Deal in Busan. Note that the elements below, which chart the development of this understanding, were not replicated as part of the New Deal agreement itself and hence at best serve as moderately reliable guideposts as to the meaning of PSG1 through the eyes of IDPS signatories.

Table 4. Elements from various IDPS documents that seek to define PSG1

2010 Dili Declaration on PSG1	"Improve how peacebuilding and statebuilding are part of the political dialogue between developing countries and development partners, and how in-country political dialogue can ensure better state-society relations and the building of trust between state and citizens. This could address the role of media and communications at the national, sub-national and global levels."
2011 Monrovia Roadmap on PSG1	"Peacefully resolving and managing conflict and (re)building the state require an increasingly inclusive political settlement, and committed and able leadership. It also requires political institutions that ensure accountability and provide opportunities for participation of all key groups in society, including the most vulnerable and

	marginalized. An engaged public and civil society which constructively monitors decision-making is important to ensuring accountability. Conflict legacies and the risk of future tensions make it critical to build capacities for reconciliation and conflict resolution at all levels."
2013 International Dialogue Working Group on Indicators	• Representation in the political system: measured by the diversity in representation (by gender, region and social groups) in key state institutions and the perception of representation in government; • Political participation: measured by the level of and satisfaction with participation in elections and the participation in political processes and civic engagement at local levels; • Societal relationships: measured by the number of intergroup disputes that produce violence and the number of joint initiatives involving different groups in society.

Finally, national governments in three out of the four country cases under study have formulated their own understandings of PSG1 though fragility assessment or compacts:

- In the fragility assessments conducted in Timor-Leste and South Sudan in 2012, PSG1 was divided into three main dimensions (political settlement, political process and institutions, and societal relationship), each with its respective sub-objectives and indicators.[64]

- In the Somali Compact agreed in 2013, PSG1 is defined as a single strategic objective: "achieve a stable and peaceful federal Somalia through inclusive political processes", with three priorities (inclusive political dialogue on federalism and social reconciliation, the adoption of a Constitution, and organising credible elections).[65]

ANNEX 2: METHODOLOGY

The findings presented in this report are based on a mix of desk research (i.e. a review of relevant scholarly, policy, and programming documents) and field-based case study research (i.e. interviews and primary data) conducted between August and December 2015. The field component focused on four case studies pre-selected by INCAF, which are also New Deal pilot countries: Afghanistan, Somalia, South Sudan, and Timor-Leste. Short research visits were made to Kabul, Nairobi (re: Somalia), Juba, and Dili. This generated a total of 92 face-to-face or virtual interviews (see below). Interviews were conducted on the basis of confidentiality.

- Fieldwork in **Afghanistan** was carried out in November 2015. Only a few interviews took place with Afghan government representatives and none with Afghan power brokers outside of government due to restrictions of movement. Five days were available for field work, and there was impetus from INCAF to focus on donor interlocutors. The analysis covers the period from 2001 until today.

---

64 See: www.g7plus.org/sites/default/files/resources/South-Sudan-Fragility-Assessment-Report.pdf;
http://webmania.co/g7plusfr/sites/default/files/resources/Timor-Leste-Fragility-Assessment-Report.pdf
65 See: http://eeas.europa.eu/archives/new-deal-for-somalia-conference/sites/default/files/the_somali_compact.pdf

- The **Somalia** fieldwork was conducted in August 2015, but it actually took place in Nairobi because of security restrictions at the time of travel. Most donors were interviewed in person, while Somali counterparts were interviewed by Skype, phone, or face to face when they happened to be in Nairobi during the visit. The case study covers the post-2012 period.

- The **South Sudan** field work was carried out between August and November 2015; it included a four-day Juba visit. As the 2012-2013 New Deal process did not conclude while most development programming was scaled down or put on hold in late 2013, part of the research focused on donors' experiences with promoting legitimate and inclusive politics during the CPA interim period (2005-2011) and the country's early independence (2011-2013). For this reason, work on the South Sudan case comprises two studies: South Sudan until late 2013 and South Sudan 2014-2015.

- The fieldwork in **Timor-Leste** was conducted by an external consultant (Dr. Deniz Kocak). Additional virtual interviews and desk research were carried out by the Berghof Foundation. The analysis covers the period since independence in 2002. Given the fact that several other donor reviews were ongoing in parallel to this research, INCAF instructed the authors to limit the field work to avoid research overload.

Each visit generated a field report, and these were synthesised via a comparative analysis of similarities and differences between cases. Three more general limitations of the research should also be highlighted that are the result of the modest number of cases covered, the fact that they were pre-selected by INCAF, and the brevity of the fieldwork:

- The report provides neither a systematic review of the nature of political settlements in fragile societies nor a comprehensive understanding of the conditions under which donor support for legitimate and inclusive politics can be effective.

- PSG1 implementation is not assessed across the case studies in the evaluative sense. Instead, the report offers an evidence-based snapshot of current donor support for PSG1 in the four countries examined at the time of research.

- The validity of the findings is limited to the four case studies. Although many similarities with other fragile contexts undoubtedly exist, findings are indicative rather than generalisable.

As the research features donors as its unit of analysis, their representatives in the field and at headquarters constitute the largest group of interviewees. A measure of triangulation on the role of donors in promoting PSG1 was achieved through additional interviews with government and civil society representatives, as well as independent experts. Table 6 and 6 below provide a breakdown of the interviews held and donor organisations engaged per case study.

Table 5. Overview of interviews carried out for this report

Category of interviewee	Afghanistan	Somalia	South Sudan	Timor-Leste
1) Donor representatives in-country (development and diplomatic)	11	11	13	7
2) Donor representatives in headquarters or regional hubs	2	3	6	2
3) g7+ government representatives	3	6	1	1
4) Civil society representatives and independent experts	5	7	9	5
Total (92)	**21**	**27**	**29**	**15**

Table 6. Donor institutions engaged in-country per case study

Afghanistan	Somalia	South Sudan	Timor-Leste	Frequency
			Australia	1 case study
Canada				1 case study
	Denmark			1 case study
European Union	European Union	European Union	European Union	4 case studies
Germany	Germany	Germany		3 case studies
	Italy			1 case study
		Norway		1 case study
Switzerland		Switzerland		2 case studies
	Sweden			1 case study
Netherlands		Netherlands		2 case studies
United Kingdom	United Kingdom	United Kingdom		3 case studies
UNDP	UNDP	UNDP	UNDP	4 case studies
United States	United States	United States	United States	4 case studies
World Bank	World Bank		World Bank	3 case studies
9 donors	**9 donors**	**8 donors**	**5 donors**	