

Dilemmas and directions

Capacity development in fragile states

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How can donors and their partners support sustainable capacity development in fragile states? This article addresses key issues and dilemmas that members of the international community confront in answering this question.

Definitions of fragile states vary, yet all of them highlight the link between fragility and capacity deficits. Fragile states have governments that are incapable of assuring basic security for their citizens, fail to provide basic services and economic opportunities, and are unable to garner sufficient legitimacy to maintain citizen confidence and trust. In fragile states, citizens are polarised in ethnic, religious or class-based groups, between whom there is a history of distrust, grievance and/or violent conflict. Civil society lacks the capacity to cooperate, compromise and trust each other. When these capacity deficits are extreme, states move toward failure, collapse, crisis and conflict.

?Capacity? means having the aptitudes, resources, relationships and facilitating conditions that are necessary to act effectively to achieve some intended purpose. ?Sustainable capacity? involves the endogenous processes that exist within a country, apart from whatever donors do. Capacity can be addressed at a range of levels, and a commonly used set includes the following: individuals, organisations and institutions. Institutions comprise the rules, policies, laws, customs and practices that govern how societies function. Donors sometimes refer to this level as the ?enabling environment?.

Significant interdependencies exist among these three levels of capacity. For example, the capacity of community health workers to contribute to better health outcomes is linked to the capacity of the local clinic where they are based. The capacity of that clinic to perform is influenced by its relationships with the health ministry and with other partners (e.g. private providers, communities), the technical support it receives, and the resources it has. The capacity of the ministry and its partners to produce health outcomes for the population is affected by the resources they receive from the national government and international donors, by the policies governing how service provision is financed and managed, by the degree of corruption, by what kinds of services societal elites want, and so on.

Fragile states and capacity development

Much of what is considered desirable for effective capacity development in general applies to fragile states as well. The differences are often a matter of degree. For example, a donor's national foreign policy objectives always influence their choice of countries, intervention strategies and funding levels. In the case of fragile states, two factors intensify the donor politics: a) fragile states engage other interested constituencies beyond the development assistance community, and b) the high visibility of some fragile states, especially post-conflict countries, mobilises public opinion and puts a media spotlight on intervention efforts.

In Afghanistan, for example, the decision to rely on local warlords to maintain security in the interests of fighting the Taliban undercut efforts to build the governance capacity of the newly elected administration of President Hamid Karzai. The highly political 'global war on terrorism' can lead donors to make decisions that are not optimal from a capacity development perspective.

There is one major difference in the environment of fragile states which affects capacity development efforts. In societies that have been fragmented by deteriorating or conflict conditions, people's trust and tolerance levels tend to be lower and their suspicion levels are heightened. They are likely to be less willing to cooperate across societal groups and to give others the 'benefit of the doubt'. Thus capacity development efforts that fail to yield quick results or that deliver benefits to one societal group and not another risk being perceived as intentionally unfair or as demonstrating favouritism.

Capacity-development dilemmas

For donors aiming to support capacity development in fragile environments, the overarching dilemma is between providing for basic needs and services in the near-term and contributing to capacity development for the long-term. Initially, little or only weak capacity may exist, yet there is an immediate need for action and results requiring some capacity. All donor programmes face the challenge of supporting the transition to country-owned and country-led development. Embodied in this challenge are several specific dilemmas which are discussed below.

State versus non-state service provision

In fragile states, donors have often made commitments to fund the delivery of basic services, and in situations where the public sector is weak the vehicle of choice is usually non-state delivery. The pressures for a quick response in post-conflict states where much public service capacity is weak and destroyed drive interveners to look to alternative sources of capacity. These include foreign experts, private sector firms, NGOs (local and international), or international donors themselves. On the other side of the equation is the need to rebuild sustainable public-sector capacity. The trade-off concerns what some have termed the 'two-track problem' of service delivery and public sector capacity building, where the two tracks have fundamentally different strategies, resource levels, and timeframes.

However, donors should cooperate with local governments on policy, resource allocation, and service planning, even when the majority of services are delivered by non-state providers. The dilemma tends to be diminished when donors constructively align their capacity development support, whether at the national or sub-national levels, with public-sector agencies to:

- capitalise on existing sources of capacity (even if very small) as starting points to visibly demonstrate coordination;
- structure service provider contracts to create incentives for local capacity building and partnerships with state actors; and
- as soon as is feasible, develop linkages to community groups that can begin (again even in very small ways at first) to build their capacity for oversight and to enable them to make their voices heard.

Services now versus institutional strengthening

A related trade-off is how to balance the humanitarian imperative to provide immediate services in low-capacity settings against the need to rebuild public institutions and their capacity to deliver services. The immediacy of humanitarian needs leads to a reliance on international actors (both NGOs and private contractors), and on local NGOs (if they exist) for capacity. This strategy solves a short-term problem, but creates a long-term one. So the question arises, how can donors and capacity builders rapidly improve services while at the same time enhancing, in the long-term, the effectiveness and accountability of public institutions?

When the state is weak, responding to the immediate needs of the population takes priority over building the government's capacity to assume its lead responsibility. Debates arise regarding how to do the former without doing damage to the latter. Quick-fix and bypass interventions that ignore existing local capacity and delay paying attention to institution building are accused of creating dependency, reducing the chances for sustainability, and squandering opportunities for nascent governments to increase their capacity and legitimacy. The power and resource imbalances between donors and country governments can exacerbate this trade-off.

Immediate security versus long-term stability

In post-conflict states, the first priority is ensuring security. The United Nations-led stabilisation and reconstruction missions in Liberia and Sierra Leone are clear examples where the need to re-establish law and order was paramount following decades of war and destruction, particularly given the significant numbers of armed ex-combatants that were in place. However, concentrating capacity development largely on immediate security (disarmament, demobilisation and reintegration) does not address the factors that contribute to long-term security and stability. Capacity development needs to target service delivery and employment generation, and to seek ways to support committed government actors in providing basic services.

Technical versus political strategies

Capacity builders often focus more on deficits in resources, skills/knowledge and organisation than on politics, power and incentives. Outsiders have access to resources, can provide training and technical assistance, develop management systems, and support service delivery. Furthermore, national counterparts often view capacity development as a technical issue in which the lack of skills can be addressed through training of individuals, or by strengthening organisations through increased funding and equipment and improved management systems.

Providing such technical capacity development also enables donors to meet performance targets and to report progress to their constituents in the donor countries. Projects funded, disbursements made, NGO grants awarded, training courses held, individuals trained, and organisations assisted are all inputs that can be counted. Performance outcomes that are the assumed result of capacity development, for example, immunisation and literacy rates, percentage of government spending on social services, can also be tallied and reported on.

Input and performance metrics lend a reassuring concreteness to capacity development. However, long-term results are contingent upon the murkier, less measurable, and less manageable realm of political and power dynamics, both those between donors and national actors, as well as among the country's societal groups themselves. Sustainable capacity depends upon changes in the enabling environment.

The selection of capacity development strategies and targets can be highly political, which may be at odds with technical considerations of where and how interventions should be pursued. For example, in Sierra Leone and in Afghanistan, one of the key political issues is the power and capacity of the centre relative to provincial and local entities. In Afghanistan, political deals are cut with local warlords partly because of the weakness of central government's outreach. In Sierra Leone, local chiefs control access to minerals and other resources. Their power hinders the nascent democratic local government structures.

Strengthening the centre is a necessary component of capacity development, but is not the complete answer. Local capacity is required as well, although developing it is difficult for a variety of reasons. Donors often tend to focus their efforts at the central government level due to logistics (it is easier to work in capital cities), choice of interlocutors (national-level actors tend to be both more visible and adept at interacting with donors), and on occasion the belief that appropriate rebuilding strategies must start there.

External actors and local capacity

Fragile states often need external actors to fill a national security deficit and to lay the foundation for peace and the restoration of law and order. However, a large influx of foreign capital can lead

to corruption if local capacity to manage public resources is not strengthened.

Another issue is the brain drain from local organisations, government, civil society and the private sector as people are attracted to employment with international NGOs, consulting firms and transitional administrative units. This phenomenon has been referred to as 'capacity sucking-out'. It is important for sustainable capacity development to avoid diverting existing capacity. Over time, the islands of capacity that exist in individual donor-funded projects must be spread more broadly within the public sector.

A third challenge derives from the fact that external experts command higher wages and greater privileges than local actors. Resentment can arise, for instance, in situations where diaspora members return to their countries of origin as members of reconstruction and technical assistance teams. Sentiments of frustration and irritation are not only related to financial and power differentials; particularly in humanitarian and post-conflict crises, external actors may find it difficult to avoid a 'saviour' mentality (whether conscious or not) which can increase resentment towards the outsiders.

A fourth challenge concerns selection criteria for external capacity developers. Typically, meeting immediate needs leads to a preference for hiring 'doers', who are recruited for their technical knowledge, not expertise in technology transfer and capacity development. This pattern suggests a need to differentiate roles and related criteria for external actors: are they to be capacity substitutes? Are they hired for targeted technology transfer? Or are they responsible for long-term capacity development? In practice, it is likely that expatriate consultants and international NGOs and contractor organisations are expected to perform all three of these functions. Realistically, faced with performance pressures, external actors will focus their efforts on the results most easily measured: capacity substitution and gap filling.

Conclusions

Fragile states are not all alike, despite being tagged with the same label. Capacity development templates tend to lean toward conceptual homogenisation and 'one size fits all' oversimplification. They discount the impact of situational, historical and individual leadership factors. Among the lessons learned from experience is the value of leaders who can set direction, engender legitimacy for change and build constituencies. Identifying and working with such leaders is a critical step toward country-led capacity development and ownership in fragile states. Communicating actively with national actors regarding capacity development plans and programmes can help to avoid possible misunderstandings, and to engage national partners in a two-way exchange of ideas regarding capacity issues.

In summary, there is no one 'right' way to develop capacity. Yet this does not mean that there are no signposts. This article closes with five suggestions for effective capacity development in fragile states.

Successful capacity development in fragile states benefits from harmonised purposes. Harmonisation is difficult when the objectives and perspectives of the external partners vary. The difficulty in harmonising purposes derives from the blend of technical and political objectives for

each donor. Capacity development in fragile states is highly political, and often politicised, although capacity development strategies tend to lean toward technical and bureaucratic approaches. Capacity development suffers when politics drives the strategies to the exclusion of considerations of technical feasibility and sustainability. On the other hand, capacity development also suffers when technical prescriptions ignore political realities. If harmonisation is not possible, then complementarity among interveners is a next-best alternative.

Selecting the optimal organisations for capacity development is crucial. The selection of government agencies, NGOs, civil society and/or private firms for capacity development should take into account which ones appear likely to make the best use of external support and which are favoured by local decision makers. The choice of target organisation has implications for the speed at which service delivery will be strengthened or restored, that legitimacy will be built, and the degree of ownership, political reconciliation, and so on, that will be achieved. Endogenous capacity will best be improved when the selection process involves local decision-makers, and which capitalises on taking advantage of windows of opportunity that open with the emergence of political will.

Capacity development needs to recognise which mix of targets needs to be addressed (among resources, skills/knowledge, organisation, politics and power, and incentives). Clearly all of these aspects need to be addressed in order to create lasting development. In reality, however, the costs of improving each element, in terms of time, energy, difficulty and commitment, must be confronted. All too frequently, the difficulty of supporting the capacity development effort is underestimated. The pressures on the aid missions and their funders to demonstrate results push donors to support activities with quantifiable capacity outcomes. These strategies generally favour a focus on resource inputs, skills transfer and technical assistance. However, neglecting the socio-cultural and psychological elements of capacity development places the long-term reduction in national fragility and societal reconstruction at risk.

Capacity development needs competent capacity developers. As experience from around the world has demonstrated, not all of those who serve as members of aid agencies are equally endowed with the ability and mentality necessary to work with local actors and organisations. This can be especially true in post-conflict fragile states, when capacity development is assigned to military units whose 'can do' orientation leads soldiers to step in and 'do for' rather than 'do with' their counterparts. This orientation, however, is not limited to the military; the issue of the capacity of capacity builders in general is highly salient.

Capacity development requires in-depth knowledge and understanding of specific country contexts. Local knowledge is essential in order to move beyond standard intervention templates and generic recipes. An understanding of the local context is especially critical for country-led assistance strategies and support to endogenous capacity development. One way in which donors can increase their knowledge of local contexts is to improve their analysis and rapid reconnaissance tools. Several international actors have already invested in such tools. Another approach for donors to increase their contextual knowledge is to make better use of individuals with country-specific knowledge, both prior to intervention and as members of reconstruction efforts on the ground. This can be accomplished through greater incorporation of members of the national diaspora as well as by increasing the participation of local actors earlier in planning and implementation processes.

Further reading

This article is based on D.W. Brinkerhoff (2007)
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Development Policy Management.

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