

ANTI-CORRUPTION IN FRAGILE SETTINGS: A REVIEW OF THE EVIDENCE

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TABLE OF CONTENT

1 Introduction	4
Defining the main concepts	4
Fragility	4
Corruption	7
2. Relationship between corruption and fragility	8
Are all forms of corruption equally detrimental to resilient states and societies?	10
How do different types of fragility impact anti-corruption interventions?	12
Types of anti-corruption interventions	16
Direct vs indirect	16
Technical vs political	17
3. Managing corruption risks in fragile settings	19
Box 1: International oversight	21
Support initiatives by non-state actors that foster social cohesion	21
Civil society	22
Independent media	23
Legal empowerment	24
Evidence from the field on the effectiveness of donor support to non-state actors in fragile settings	25
Coordinate and sequence activities with other international actors	26
Evidence from the field on the effectiveness of coordinating and sequencing interventions	28
Conduct robust political economy analysis	28
Evidence from the field on the importance of conducting robust political economy analysis	30
Box 2: Leveraging political Will	31
Be patient and realistic	32
Evidence from the field on the importance of pragmatism and patience	33
4 Connecting the dots: controlling corruption to enhance stability	34

Abstract

This paper presents a meta-analysis of the existing literature on corruption and fragility. It seeks to firstly identify points of contention and consensus within the literature, and secondly to compare these with various lessons emanating from the field, drawing notably on aid agencies' project evaluations. It provides a structured summary of the academic and grey literature to assess a number of measures widely held to be effective in reducing corruption and enhancing resilience in fragile settings. The paper also provides a framework for designing anti-corruption interventions in fragile settings based on insights from the literature.

1. INTRODUCTION

Over the past couple of decades, the concept of “fragility” has gained much traction in development discourse. The concept, however, remains rather nebulous and has been used both as an explanatory factor of aid failures in “difficult” settings, as well as means to promote an agenda encouraging the design of tailored responses to seemingly intractable development challenges, especially in post-conflict settings. The question of how to respond to the kind of challenges associated with fragility is becoming increasingly urgent in the face of climate change, a rise in violent conflict and the concomitant spike in the number of displaced people.¹ Development practitioners therefore require a sophisticated understanding of the drivers of fragility to ensure – at the very least – that their programmes “do no harm”.²

A growing number of studies have begun to interrogate the risks *associated* with fragility, as well as the ability of countries to respond to and cope with the challenges it entails. In particular, a considerable amount of scholarship has been devoted to studying corruption as both a cause and consequence of fragility. Consequentially, it has become evident that corruption is a key variable in the trajectory of states seeking to escape cycles of violence and crisis; the OECD for instance notes that “corruption is one of the biggest obstacles to strengthening governance structures in fragile contexts.”³ Less apparent is how to design effective strategies to curb corruption in fragile settings, and the role that donors can play in supporting these efforts. Despite the large number of fragile environments in which aid agencies have conducted anti-corruption activities,⁴ Johnsen speaks of a “strategic vacuum” in fragile states.⁵ The purpose of this paper is thus to provide a scoping of the academic and policy literature to identify anti-corruption strategies that have shown promising results in fragile settings and identify relevant recommendations. The paper looks at fragility as a complex multidimensional phenomenon and finds that different forms of corruption can have widely divergent and nuanced effects on fragility’s various components depending on the setting.

Defining the main concepts

Aid agencies’ strategies to curb corruption in fragile settings are inherently contingent on how they conceive the problem. To understand under which conditions anti-corruption interventions can work, it is therefore important not only to be clear about the key terminology, but also to have a robust conceptual explanation for fragility. Without this, anti-corruption efforts will not be rooted in a sound theory of change and may actually do more harm than good.

Fragility

The concept of fragility has been both slippery and contested since it rose to prominence in the 1990s. While the OECD, World Bank, the European Commission and bilateral donors all have their own idiosyncratic definitions of fragility,⁶ Kaplan contends that fragility has often been employed as a catchall term by development practitioners to explain virtually any governance problem in low-income countries.⁷ Stewart and Brown point out that the term itself is often considered politically provocative, note that its use has in some cases negatively affected relationships between donors and recipient governments.⁸

1 OECD. 2018. States of Fragility 2018, OECD Publishing, Paris. p7

2 Johnston, M. 2010. [First do no harm, then build trust: anti-corruption strategies in fragile situations](#), World Bank Working Paper.

3 OECD. 2018. States of Fragility 2018, OECD Publishing, Paris. p101

4 Disch, A. et al. 2009. Anti-Corruption Approaches: A Literature Review, Norad.

5 Johnsen, J. 2016. Anti-Corruption Strategies in Fragile States, Elgar Publishing, Cheltenham. p211

6 See Olowu, D. and Chanie, P. 2016. ‘Introduction: Renewed Interest in State Weakness and Fragility’, in Olowu, D. and Chanie, P. (eds), *State Fragility and State Building in Africa*, Springer, Heidelberg. p2

7 Kaplan, S. 2014. [“Identifying truly fragile states”](#), Fragile States blog.

8 Stewart, F., & Brown, G. 2010. [Fragile states](#), Centre for Research on Inequality, Human Security and Ethnicity, No. 3.

Moreover, the operationalisation of fragility frameworks by development agencies in their programming has a somewhat chequered history, not least in light of the challenges of developing credible indicators to measure, interpret and predict fragility.⁹ Separating “the complex cocktail of causes and effects” has likewise generated conceptual headaches.¹⁰ Early conceptualisations of fragility posited it as an expression of “state failure”; a state’s inability to assert its *authority* through a monopoly on and control of violence, lack of *capacity* to extract, manage and allocate resources and weak *legitimacy* in terms of citizen acceptance of state rule (see Table 1).¹¹ In particular, fragility was viewed largely through the lens of violence and political instability, which have long been recognised as crippling a state’s ability to provide public goods and services, enforce the rule of law and prevent corruption.¹²

Table 1. Attributes and broad indicators of state fragility

	ATTRIBUTES	INDICATORS
AUTHORITY	Monopoly of violence; Peace and security of persons	Absence of civil strife and war Law and order maintenance Enforcement of contracts and property rights
CAPACITY	Effective policy process for economic management and service delivery; Societal innovation	Competent, non-corrupt, well compensated and high-performing public institutions; Solid and improving infrastructure and basic services; Research and development/ economic success
LEGITIMACY	Virile institutions for state-society interface; Accountable and transparent institutions	No repression or politically motivated emigration; Guaranteed freedoms (association, religion, expression, movement, political participation); Effective state-society and central-local engagement

Source: Olowu, D. and Chanie, P. 2016. 'Introduction: Renewed Interest in State Weakness and Fragility', in Olowu, D. and Chanie, P. (eds), *State Fragility and State Building in Africa*

9 Ferreira, I. 2016. 'Measuring state fragility: a review of the theoretical groundings of existing approaches', *Third World Quarterly*, vol. 38 (6), pp1291-1309;
Brinkerhoff, D. W. 2007. *Capacity development in fragile states*, Discussion paper 58D, Maastricht: ECDPM.

10 Menkhaus, K. J. 2010. 'State fragility as a wicked problem', *PRISM* vol.1(2).

11 See Gravinghoholt, J. et al. 2012. *State fragility: Towards a multidimensional empirical typology*, German Development Institute Discussion Paper 3/2012;

Anten, L. et al. 2012. *The political economy of state building in situations of state fragility and conflict: From analysis to strategy*, Clingendael Institute, The Hague;
Bellina, S. et al. 2009. *The Legitimacy of the State in Fragile Situations*. Norad Report 20/2009 Discussion Paper, Oslo.

12 Collier, P. 2009. 'The political economy of state failure', *Oxford Review of Economic Policy*, vol.25(2), pp219-240;
Di John, J. 2008. *Conceptualizing the causes and consequences of failed states: A critical review of the literature*, Crisis States Research Centre Working Paper 25, London.

In the last few years, fragility has come to be seen as a more complex phenomenon that goes beyond the traditional focus on state structures, violence and economic growth.¹³ State-centric understandings of fragility have been criticised as overly reliant on Western notions of formal governance by those who contend that the societal dynamics of fragility are equally as critical as the institutional ones.¹⁴ In this view, while robust formal institutions are important, they are not the sole determinants of fragility. Where institutions are weak and vulnerable to corruption, social cohesion and horizontal trust can act as resilient coping mechanisms, helping to resolve tensions and mitigate the consequences of fragility. Conversely, the absence of social cohesion can erode intergroup trust and increase the risk of strife. Indeed, there is now growing recognition that the notion that fragility will be resolved merely by strengthening state institutions is overly simplistic.¹⁵ In settings with a weak rule of law, strong centralised authority may actually transpire to be a conduit for the diversion of resources and other corrupting abuses of power.¹⁶

Similarly, Olowu and Chanie argue that initial policy discussions of fragility were dominated by Western donors driven by a twin strategic desire to improve the effectiveness of development funding and prevent the contagion of fragile countries exporting violence and insecurity.¹⁷ More recent scholarship has emphasised that fragility cannot be reduced to questions around economic development and conflict, pointing to the fact that this is unhelpful in understanding why some low-income countries exhibit instability and others are remarkably resilient.¹⁸ In fact, 30 out of the 58 countries listed in the OECD's 2018 fragility framework are classified as middle-income; illustrating that economic growth alone cannot mitigate tensions generated by growing inequality or the lack of voice and accountability. In a similar vein, while conflict is a key aspect of fragility, of the 27 countries who have consistently featured in the OECD's fragility reports over the past decade, 19 have not witnessed major conflict during this time.¹⁹

The OECD multidimensional fragility framework introduced in 2016 sought to address these concerns by depicting fragility as a combination of exposure to risks and the coping capacities of states and communities to manage these risks.²⁰ The precise manifestation of fragility in any given setting is understood as the product of interaction between risks and coping capacities across five dimensions: societal, economic, environmental, political, security (see Table 2).²¹ While each fragile context is unique, the “mismatch between the risks they face and their capacities for coping” renders these countries more vulnerable to sudden crises or shocks.²²

13 Eriksen, S. 2010. 'The Theory of Failure and The Failure of Theory: "State Failure", the Idea of the State and the Practice of State Building', in K.B. Harpviken (eds), *Troubled Regions and Failing States: The Clustering and Contagion of Armed Conflicts*, Emerald, Bingley. pp77-102.

14 Boege, V. et al. 2008. *On Hybrid Political Orders and Emerging States: State Formation in the Context of Fragility*, Berghof Research Centre for Constructive Conflict Management, Berlin.

Menkhaus, K. 2010. 'Chapter nine: State failure and ungoverned space', *Adelphi Series*, vol. 50(412-413). pp171-188.

15 Kaplan, S. 2008. *Fixing Fragile States: A New Paradigm for Development*, Praeger Security International, London.

16 OECD. 2018. *States of Fragility 2018*, OECD Publishing, Paris. P24

17 Olowu, D. and Chanie, P. 2016. 'Introduction: Renewed Interest in State Weakness and Fragility', in Olowu, D. and Chanie, P. (eds), *State Fragility and State Building in Africa*, Springer, Heidelberg. P9

18 OECD. 2018. *States of Fragility 2018*, OECD Publishing, Paris. P23

19 Roberts, M. 2018. "Unpacking Fragility: Insights from the OECD's New States of Fragility Report", UN Foundation Blog.

20 OECD. 2016. *States of Fragility 2016*. OECD Publishing, Paris. p75

21 The OECD's new Multidimensional Fragility Framework was the result of a broad consultation and is generally in line with most recent literature on fragility, including:

Stewart, F., & Brown, G. 2010. *Fragile states*, Centre for Research on Inequality, Human Security and Ethnicity, No. 3;

Rotberg, R. 2003. 'The failure and collapse of nation-states: Breakdown, prevention and repair', in R. Rotberg (eds), *When states fail*. Princeton: Princeton University Press;

Prest, S. et al. 2005. *Working out strategies for strengthening fragile states: The British, American and German experiences*, Conference on Canada's policy towards fragile, failed and dangerous states, 25 Nov 2005. CIFF;

Vallings, C., & Moreno-Torres, M. 2005. *Drivers of fragility: What makes states fragile?*, PRDE working paper no.7.

22 Roberts, M. 2018. "Unpacking Fragility: Insights from the OECD's New States of Fragility Report", UN Foundation Blog.

Table 2. OECD's five dimensions of fragility

ATTRIBUTES	DESCRIPTION
ECONOMIC	Vulnerability to risks stemming from weaknesses in economic foundations and human capital including macroeconomic shocks, unequal growth and high youth unemployment.
ENVIRONMENTAL	Vulnerability to environmental, climatic and health risks affecting citizens' lives and livelihoods. These include exposure to natural disasters, pollution and disease epidemics.
POLITICAL	Vulnerability to risks inherent in political processes, events or decisions; lack of political inclusiveness (including elites); transparency, corruption and society's ability to accommodate change and avoid oppression.
SECURITY	Vulnerability of overall security to violence and crime, including both political and social violence.
SOCIETAL	Vulnerability to risks affecting societal cohesion that stem from both vertical and horizontal inequalities, including inequality among culturally defined or constructed groups and social cleavages.

Source: OECD. 2016. *States of Fragility 2016*. OECD Publishing, Paris. P. 73.

Despite improving sophistication of the conceptualisation of “fragility” in recent years, there is still no comprehensive set of factors able to define fragile settings. Indeed, one should be wary of the “agglomeration of diverse criteria that throw a monolithic cloak over disparate problems that require tailored solutions”.²³ As the OECD acknowledges, the challenge is to strike a balance between “recognising fragility’s complexity and translating this complex concept into practical policies and action.”²⁴

Corruption

Corruption is likewise a complex phenomenon, and the manner in which donors understand the issue affects the type of anti-corruption measures deemed appropriate and viable. While Johnson finds that most aid agencies’ conceptualisation of corruption foregrounds individual acts of petty corruption,²⁵ the term can be understood as shorthand for a variety of behaviours from electoral fraud and undue influence to nepotism. As such, types of corruption present in a given country will differ according to the contextual political economy.²⁶ As illustrated below, this is particularly salient in fragile settings, where different forms of corruption affect drivers of fragility in nuanced ways. What all these forms of behaviour have in common is that they represent an abuse of entrusted power for private gain, which is how Transparency International defines corruption.²⁷ For the specific case of fragile states, however, Johnson argues that since the distinction between the public and private spheres is “blurred by patronage, lack of the rule of law, and politicised administrations”, donor agencies should view corruption as any “act that distorts the political process of building stable, resilient institutional structures.”²⁸ In line with Philip, he thus advocates adopting a definition of corruption centred on acts which work against the public interest.²⁹ However, it bears noting that this institutionally-oriented definition overlooks the societal drivers of fragility, such as horizontal inequality, social fragmentation and political identity.

23 Mazaar, M. J. 2014. ‘The rise and fall of the failed state paradigm. Requiem for a decade of distraction’, *Foreign Affairs*, vol.93(1). p116

24 OECD. 2018. *States of Fragility 2018*, OECD Publishing, Paris. p21

25 Johnson, J. 2016. *Anti-Corruption Strategies in Fragile States*, Elgar Publishing, Cheltenham. p2

26 Johnston, M. 2005. *Syndromes of corruption: wealth, power and democracy*. Cambridge University Press, Cambridge

27 Transparency International. 2019. “What is corruption?”, Transparency International website.

28 Johnson, J. 2016. *Anti-Corruption Strategies in Fragile States*, Elgar Publishing, Cheltenham. p XV

29 See Philip, M. 2012. ‘Conceptualising corruption in peacebuilding contexts’, in C. Cheng and D. Zaum (eds), *Corruption and post-conflict peacebuilding: selling the peace?* Routledge, London. p31

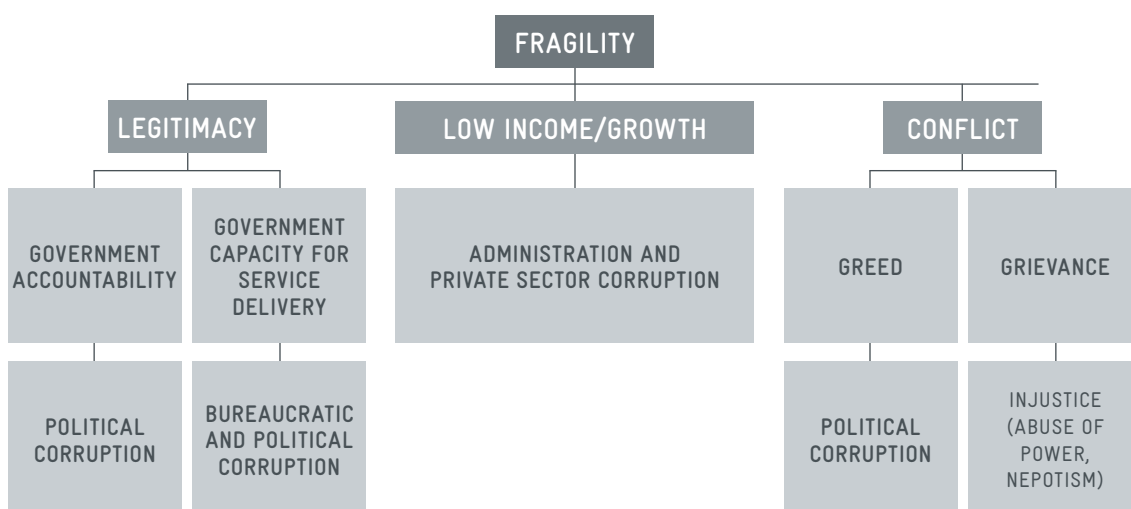
2. RELATIONSHIP BETWEEN CORRUPTION AND FRAGILITY

In light of the complex nature of both fragility and corruption, there is unsurprisingly “no single theory [that] offers a satisfactory analytical framework for how corruption and fragility interact.”³⁰ What is clear is that over the last decade, the relationship between corruption and fragility has come into sharp relief as political developments have forced development agencies to reconsider their efforts to support governance reform in fragile environments. In fact, it has become increasingly apparent that corruption has:

- » largely neutered the potential windfall that donor money could have had in conflict-ridden states like Afghanistan;
- » contributed to the sudden collapse of countries that previously seemed stable, such as Syria, into open civil war;
- » generated deep-seated and festering resentment towards the particularistic exercise of state authority in settings like Sudan.

In a recent study of anti-corruption strategies in fragile states, Johnsen proposes several channels by which corruption contributes to increased fragility.³¹ His model reflects the broad consensus in the literature on fragility that corruption corrodes the state’s authority (monopoly on violence), capacity (to deliver services and respond to citizens’ needs) and legitimacy (see Figure 1). As well as acknowledging that corruption can spark conflict, the model recognises that the legitimacy of a state is not only shaped by the forces that attempt to undermine or confront it, but also by its ability to provide essential goods and services to its citizens and the degree to which it can be held accountable by them.

Figure 1. Links between corruption and fragility



Source: Johnsen, J. 2016. *Anti-Corruption Strategies in Fragile States*.

30 Johnsen, J. 2016. *Anti-Corruption Strategies in Fragile States*, Elgar Publishing, Cheltenham. p53

31 Johnsen, J. 2016. *Anti-Corruption Strategies in Fragile States*, Elgar Publishing, Cheltenham. p59

While this represents a relatively simplistic, state-centric understanding of the drivers of fragility compared to the OECD's more recent multidimensional framework, it does offer insight into the way in which different types of corruption affect the different drivers of fragility, a point we will return to later.

First, to make sense of the myriad ways in which corruption acts as both cause and consequence of fragility, it is instructive to return to the OECD's framework. The OECD model explicitly addresses corruption, but only as it relates to the political dimension of fragility: "corruption can increase grievances and demands for political change that may trigger political violence and social unrest."³² The interplay between corruption and fragility is nonetheless apparent in each of the other four dimensions of fragility. In fact, the manner in which many of the variables in the OECD framework affect fragility is heavily mediated by the governance context, especially the forms and levels of corruption present. Indeed, the composition of the OECD framework (see Table 3) is based on a number of indicators for each dimension of fragility and many of the phenomena captured by such measurements have been shown to be related to corruption in the academic and policy literature. Examples include the relationship between corruption and inequality, access to justice, economic growth and government effectiveness, to name a few.

It is difficult to assign causality in the interaction between corruption and fragility;³³ their relationship is symbiotic, best conceived of as a self-perpetuating vicious cycle in which higher corruption eats away at resilient state and society structures, and their decay in turn fuels greater excesses of corruption. Corruption increases risks of fragility across all five dimensions, such as by driving further inequality,³⁴ contributing to socio-economic vulnerability,³⁵ stymieing economic growth,³⁶ increasing a country's dependence on rent-seeking industries (notably those in the extractives sector)³⁷ and generating grievances that can lead to outbreaks of violence.³⁸

Simultaneously, corruption has a pernicious effect on two leading explanatory variables of a country's capability to respond to risks related to fragility: the "capacity of its population to cooperate [...] and the ability of its institutions to channel this cooperation to meet national challenges."³⁹ Corruption's inherently particularistic nature colours horizontal societal dynamics in fragile settings, straining relationships between ethnic, religious, and political groups, thereby hindering the development of the kind of inclusive political identity and social cohesion believed to be essential to overcome fragility.⁴⁰ Widespread corruption also inhibits the development of a state apparatus able to mediate between different constituencies in an unpartisan fashion, and damages vertical state-society relationships by inculcating deep mistrust of government on the part of citizens, many of whom may still be traumatised from recent episodes of violence and other consequences of fragility. In addition to its social and institutional dynamics, corruption can result in the siphoning of resources that could be employed to mitigate the risks of fragility. In turn, the reduced capacity of states and communities to cope with these risks increases both the incentives and the opportunities for further corruption by reducing the perceived costs of corrupt behaviour and encouraging particularistic approaches to problem solving.⁴¹

32 OECD. 2016. *States of Fragility 2016*, OECD Publishing, Paris. p156

33 OECD. 2009. *Integrity in Statebuilding: Anti-Corruption with a Statebuilding Lens*, OECD Publishing, Paris. p9

34 Zúñiga, N. 2017. '[Correlation between corruption and inequality](#)', Transparency International, Berlin.

35 Wickberg, S. 2012. '[Literature review on the link between corruption, poverty and conflict](#)', Transparency International, Berlin.

36 Jenkins, M. 2018. '[The relationship between business integrity and commercial success](#)', Transparency International, Berlin.

37 Chêne, M. 2017. '[Transparency and governance of natural resource management: a literature review](#)', Transparency International, Berlin.

38 OECD. 2016. *States of Fragility 2016*, OECD Publishing, Paris. p156

39 Kaplan, S. 2014. 'Identifying Truly Fragile States', *The Washington Quarterly*, vol.37(1). p52

40 Kaplan, S. 2012. '[How ethnic divisions became political fault lines](#)', *Fragile States Blog*.

41 Morris, S. & Klesner, J. 2010. '[Corruption and Trust: Theoretical Considerations and Evidence from Mexico](#)', *Comparative Political Studies*, vol.43(10). pp. 1258-1285

Table 3. Indicators of fragility in 2018 OECD framework affected by corruption

ATTRIBUTES	TYPE	INDICATOR NAME	SOURCE
SOCIAL	Risk	Gini coefficient	UNU-WIDER
	Risk	Gender inequality	UNDP/HDI
	Risk	Horizontal inequality	V-DEM
	Coping	Access to justice	V-DEM
	Coping	Voice and accountability	WGI
POLITICAL	Risk	Perception of corruption	TI
	Coping	Voice and accountability	WGI
	Coping	Judicial constraints on executive power	V-DEM
	Coping	Legislative constraints on executive power	V-DEM
ENVIRONMENTAL	Risk	Socio-economic vulnerability	INFORM
	Coping	Rule of law	WGI
	Coping	Government effectiveness	WGI
ECONOMIC	Risk	Resource rent dependence	WB
	Risk	GDP growth rate	WB
	Coping	Regulatory quality	WGI
SECURITY	Risk	Violent conflict risk	INFORM
	Coping	Rule of law	WGI
	Coping	Government effectiveness	WGI

Source: OECD. 2016. States of Fragility 2016. OECD Publishing, Paris. Pp. 152-153.

Are all forms of corruption equally detrimental to resilient states and societies?

Some kinds of corruption are more relevant to efforts to stabilise fragile settings; each will require different strategic and programmatic responses. While there have been no comparative studies into which types of corruption are more prevalent in fragile contexts, Johnsen finds that aid agencies' interventions have typically focused on bureaucratic or petty forms of corruption at the point of service delivery.⁴² He explains this with reference to the fact that traditional anti-corruption policy has been dominated by a focus on principal-agent relations and transaction cost analysis.⁴³ Nonetheless, strategies that exclusively target petty corruption are often unsuited to the task of reducing fragility, as these forms of corruption are not significant variables of state authority, capacity or legitimacy.⁴⁴ In fact, other forms of corruption constitute more important drivers of fragility.

This is evident with reference to the five dimensions of fragility set out in the OECD framework introduced above (see Table 2), each of which is affected by corruption.

- » At the **societal level**, bureaucratic corruption may lead to damages in the perceived legitimacy of the state. A substantial amount of scholarship has revealed that where bureaucratic corruption undercuts state capacity to deliver basic services,⁴⁵ citizens' rejection of dysfunctional institutions can play into the hands of insurgent and criminal organisations able to provide surrogate

42 Johnsen, J. 2016. Anti-Corruption Strategies in Fragile States, Elgar Publishing, Cheltenham. p6

43 Johnsen, J. 2016. Anti-Corruption Strategies in Fragile States, Elgar Publishing, Cheltenham. p XV

44 Johnsen, J. 2016. Anti-Corruption Strategies in Fragile States, Elgar Publishing, Cheltenham. p35

45 See for example Gupta, S., Davoodi, H., and Tiagsan, E. 2000. 'Corruption and the provision of healthcare and education services'. IMF Working Paper. Washington DC: IMF; Reinikka, R. and Svensson, J. 2004. 'The Power of Information: Evidence from a Newspaper Campaign to Reduce Capture' and Kampen, J.K., Van De Walle, S. and Bouckaert, G. 2006. 'Assessing the Relation Between Satisfaction with Public Service Delivery and Trust in Government: The Impact of the Predisposition of Citizens Toward Government on Evaluations of Its Performance', Public Performance & Management Review, 29:4, 387-404

structures.⁴⁶ Mcloughlin has argued that while service provision is doubtless a key factor of state legitimacy, government accountability in the eyes of its citizens is equally important.⁴⁷ It is worth keeping in mind however, that even at this level, political corruption is often a stronger predictor of fragility than petty corruption. Dix et al. observed that in Liberia “citizens were not as outraged by [bribery] as by other forms of corruption, and bribery would be less likely to lead to instability”,⁴⁸ while Nystrand came to similar conclusions in Uganda.⁴⁹

- » With respect to the **political dimension**, acts of corruption such as embezzlement or favouritism in the allocation of public resources are more likely to increase fragility than forms of petty corruption. When corruption becomes a channel for those in power to trade public resources for political or economic support to retain power, groups in the opposition or those excluded from access to government rents have higher incentives to resort to violence to secure and/or contest access to these ill-gotten gains.⁵⁰
- » There are several forms of corruption that can lead to **environmental** degradation, which in turn can negatively affect the health of the population and fuel climate change. One particular sector where the relationship between the environment and corruption is very visible is land administration. Undue influence from businesses on politicians, as well as conflicts of interest, can lead to decision-makers drafting policies to enrich themselves or other members of the country’s elite at the expense of the common good. This can happen when leasing state-owned lands or expropriating private property for government-related projects. In Cambodia, for example, investigations by the UN High Commissioner for Human Rights revealed that many state land concessions awarded after the post-conflict settlement were granted to members of the country’s political and economic elite, in contravention of the country’s legislation.⁵¹ Such scenarios can lead to violent land disputes, the displacement of already vulnerable sectors of the population and to increasing levels of poverty and hunger,⁵² thus exacerbating other relevant aspects of fragility in the country.
- » In terms of **security**, forms of corruption such as nepotism, cronyism and electoral corruption can generate the kind of deep-rooted grievances that spark conflict. According to Chayes, for example, the fraud perpetrated in the 2009 Afghan election “generated a spurt in support for the insurgency, as Afghans lost faith in a ‘political process that only seemed to strengthen power brokers and maintain the status quo’.”⁵³
- » Finally, from an **economic** point of view, forms of corruption that undermine fair competition, such as collusion, can also exacerbate the socio-economic dimensions of fragility. Clientelism and other forms of rent-seeking behaviour that make business success dependent on political connections allow some players to benefit disproportionately from state’s resources, avoid regulation and reap other illicit benefits. This can lead to undue advantages in the market at the expense of workers’ rights, consumer protection and even the environment.⁵⁴ This type of exclusionary economic model is unlikely to elicit long-term growth and economic stability,⁵⁵ which further fuels fragility.

46 Dix, S. et al. 2012. [Risks of corruption to state legitimacy and stability in fragile situations](#), U4 Issue No.3.

47 Mcloughlin, C. 2015. ‘When Does Service Delivery Improve the Legitimacy of a Fragile or Conflict-Affected State?’, *Governance*, vol.26(3). pp 341-356

48 Dix, S. et al. 2012. [Risks of corruption to state legitimacy and stability in fragile situations](#), U4 Issue No.3. p38

49 Nystrand, M. J. 2014. “Petty and Grand Corruption and the Conflict Dynamics in Northern Uganda.” *Third World Quarterly* vol.35(5). Pp821-835.

50 Le Billon, P. 2003. ‘Buying peace or fuelling war: the role of corruption in armed conflicts’, *Journal of International Development*, vol.15(4). pp413-426

51 Arial, A. Fagan, C. and Zimmermann, W. and Hardoon, D. 2012. “Corruption in the Land Sector”. Transparency International Working Paper 04/2011. Berlin: Transparency International. p.5.

52 Chene, M. and Jaitner, A. 2018. [“Land Corruption- Topic Guide”](#). Berlin, Transparency International. p.1.

53 Chayes, S. 2015. *Thieves of State: Why Corruption Threatens Global Security*. Norton: New York. p54.

54 Fisman, R. and Golden, M.A. 2017. *Corruption: What everyone Needs to Know*. New York: Oxford University Press. pp118-119

55 Van Veen, E. and Dudouet, V. 2017. “Hitting the Target, But Missing the Point? Assessing Donor Support for inclusive and legitimate politics in fragile societies”. Paris: OECD. p.47.

It is worth noting that while corruption has a generally negative effect in fragile settings, some forms of corruption such as patronage are believed to have a more nuanced relationship with fragility and can have both stabilising and destabilising effects. In the short term, some scholarship implies that patronage can contribute to the establishment of political stability and lead to improved service delivery in fragile settings. This is due to the fact that in the absence of rule of law, existing clientelistic networks can assume the functions of formal institutions.⁵⁶

In the long term, however, entrenched patronage networks can increase the risk of violence breaking out as they engender grievances and inhibit the development of accountability mechanisms.⁵⁷ Moreover, where the spoils of corruption function as the glue holding neopatrimonial regimes together, countries can rapidly backslide into instability once these resources dry up.⁵⁸ Galtung and Tisné point out that any short-term stability achieved through corrupt means will “inevitably backfire... [as] the legitimacy of the state and the resilience of its institutions are then tested, often violently.”⁵⁹

How do different types of fragility impact anti-corruption interventions?

While fragility is more complex than the prevalence of violence, conflict is nonetheless a hallmark of fragility.⁶⁰ The link between conflict and corruption is illustrated by the findings of the Institute for Economics and Peace, which recently revealed that corruption was the only variable strongly correlated with peacefulness across all groups of countries. Moreover, absence of corruption is the strongest predictor of peacefulness in low-peace countries.⁶¹ Andvig found that economic downturns caused by corrupt flows out of the country can act as prime triggers for conflict,⁶² while cross-country studies conducted by both Fearon and Walter find that statistically speaking, control of corruption is as important as bureaucratic capacity in preventing the outbreak of civil war.⁶³

More recent statistical analysis of 53 African countries found evidence that corruption is strongly associated with political instability and violence.⁶⁴ A good example of this is Yemen, which was the fifth largest source of illicit capital from the developing world between 1990 and 2008, during which time about US\$12 billion was looted from the country. Constant capital flight from the country, both from embezzlement of public funds and through tax evasion, contributed to the years of economic stagnation that culminated in the 2011 uprising against the government. Since then, instability and fragility have led to a further increase in capital flight, eroding the country's tax base and public resources, and creating a vicious cycle of conflict and economic disparity.⁶⁵

56 A good example of this is Burundi. See: Uvin, P. 2009. 'Corruption and violence in Burundi', in Life and Peace Institute (eds) *Pilfering the Peace: the nexus between corruption and peacebuilding*

the Peace: the nexus between corruption and peacebuilding

See also: OECD. 2010. *The State legitimacy in fragile situations: unpacking complexity*, OECD Publishing, Paris. p57;

North, D. et al. 2013. *In the Shadow of Violence: Politics, Economics and the Problems of Development*, Cambridge University Press, Cambridge. p76.

OECD. 2009. *Integrity in Statebuilding: Anti-Corruption with a Statebuilding Lens*, OECD Publishing, Paris. p10;

Zaum, D. 2012. 'Corruption and Statebuilding', in D. Chandler & T. Sisk (eds), *Routledge Handbook of International Statebuilding*. pp15–28.

57 This was the case in Lebanon, for instance: Kibranian, G. 2009. 'Communal corruption and peacebuilding in Lebanon', in Life and Peace Institute (eds), *Pilfering the Peace: the nexus between corruption and peacebuilding*.

See also: Dininio, P. 2009. 'Warlords and corruption in post-conflict governments', in Life and Peace Institute (eds) *Pilfering the Peace: the nexus between corruption and peacebuilding*;

World Bank. 2011. *World Development Report 2011: Conflict, Security and Development*, World Bank Group, Washington D.C. p. 8;

Dix, S. et al. 2012. *Risks of corruption to state legitimacy and stability in fragile situations*, U4 Issue No.3. p37.

58 Mathisen, H. and Orre, A. 2008. 'Corruption in fragile states', DIIS Policy Brief. p2

59 Galtung, F., and Tisné, M. 2009. "A New Approach to Postwar Reconstruction." *Journal of Democracy*, vol.4. p98

60 Nine of the 15 most fragile states on the 2018 OECD index are marked by violence.

61 The Institute for Economics and Peace. *Global Peace Index 2017*. p87

62 Andvig, J. C. 2010. "Corruption and Conflict: Contrasting Logics of Collective Action", in *Troubled Regions and Failing States: The Clustering and Contagion of Armed Conflicts*, edited by K.B. Harpviken, Emerald Group. pp77–102.

63 Fearon, D. 2010. *Do governance indicators predict anything? The case of 'fragile states' and civil war*, World Bank Background Paper, Washington D.C.

Walter, B. 2010. *Conflict Relapse and the Sustainability of Post-Conflict Peace*, World Bank Background Paper, Washington D.C.

64 Asongu, S. A. 2014. *On the Effect of State fragility on Corruption*, African Governance and Development Institute Working Paper 14/040.

65 Hill, G. et al. 2013. *Yemen: Corruption, Capital Flight and Global Drivers of Conflict*, Chatham House, London

It therefore is worth considering how corruption dynamics play out at various stages of a conflict. Corruption exacerbates conflict in three significant ways:

- » Corruption creates conditions in which conflict is more likely to occur by fostering antagonisms between different groups and eating away at the rule of law.⁶⁶ Regimes characterised by social fragmentation and propped up by weak, particularistic institutions provide the perfect breeding ground for a multitude of security threats. Where law enforcement agencies or the security services are plagued by corruption, state responses to governance challenges and security threats are likely to be ineffective or even partisan,⁶⁷ allowing criminals to escape prosecution and sowing discord among less-favoured sections of the population.⁶⁸ More grievous still, corruption fuels the kind of state capture that generates hostility among excluded groups, providing incentives for opposition factions to violently contest state resources and the regime to aggressively persecute opponents.⁶⁹
- » Corruption fuels and maintains existing armed struggles by facilitating cross-border smuggling of weapons and insurgents,⁷⁰ thereby keeping conflict going, even where the state is subjected to arms or trade embargos.⁷¹ Where corruption is widespread, it can stymie regulatory and governance systems, allowing criminals, kleptocrats and insurgents to launder profits from illicit black markets in human beings, weapons, drugs, conflict diamonds, poached ivory, illegally harvested timber and oil, to finance their activities.⁷² In this way, corruption helps to generate and prolong conflict and forces people to leave the afflicted areas.⁷³
- » As an inherently particularistic activity, corruption obfuscates efforts to develop an inclusive state apparatus able to reconcile and mediate different groups' (often conflicting) political and material aspirations, thereby weakening peacekeeping initiatives.⁷⁴ Moreover, post-conflict states are often marked by a huge influx of humanitarian assistance channelled through international actors with limited understandings of the local political economy, which can exacerbate the risk of corruption.⁷⁵ These challenges are further heightened in contexts where, in the absence of capacity, security and human resources, donors turn to contractors to implement programmes, as this can lead to an "unhealthy focus on spending" coming at the expense of fiduciary controls.⁷⁶ On the other hand, some scholarship emphasises the role that bribery can play as a survival mechanism for non-combatants during conflicts, while patronage can act as a mechanism to support peacebuilding efforts after the end of overt conflict.⁷⁷

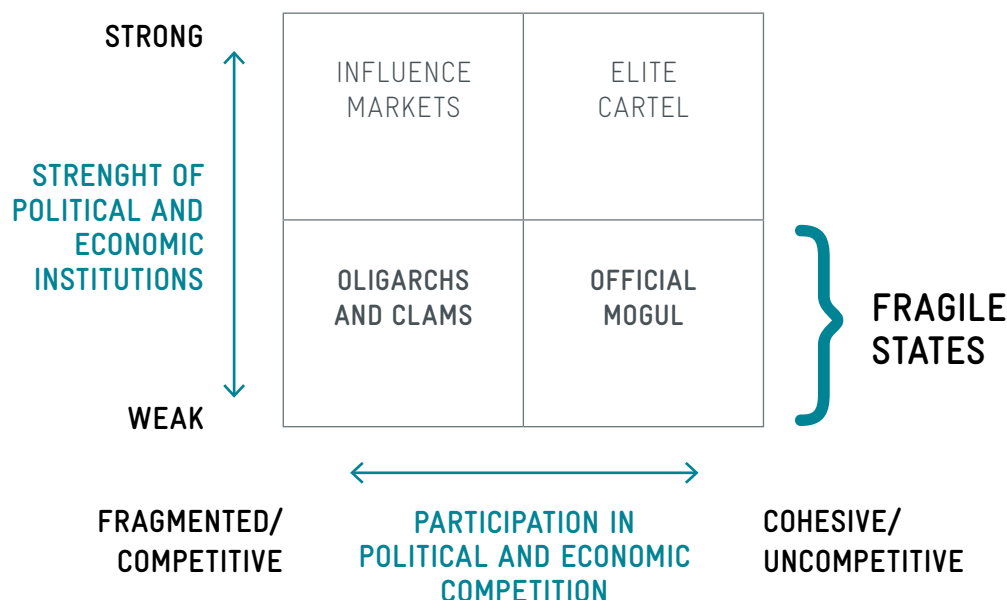
-
- 66 Rodrik, D. et al. 2004. 'Institutions Rule: The Primacy of Institutions over Geography and Integration in Economic Development', *Journal of Economic Growth*, vol.9(2). pp131-165
- 67 Chayes, S. 2015. *Thieves of State: Why Corruption Threatens Global Security*. Norton: New York;
Dix, S. et al. 2012. *Risks of corruption to state legitimacy and stability in fragile situations*, U4 Issue No.3.
- 68 Herbert, M. 2009. 'Corrupted militaries: criminality, conflict and coercion', in Life and Peace Institute (eds), *Pilfering the Peace: the nexus between corruption and peacebuilding*.
- 69 Le Billon, P. 2003. 'Buying peace or fuelling war: the role of corruption in armed conflicts', *Journal of International Development*, vol.15(4). pp413-426
- 70 A leading example of this was Colombia. See: Friedman, D. 2009. 'Grand corruption in Colombia's "parapolitics"', in Life and Peace Institute (eds) *Pilfering the Peace: the nexus between corruption and peacebuilding*.
See also: Boucher, A.J. et al. 2007. *Mapping And Fighting Corruption In War-Torn States*, Stimson Center Report No. 61. p13;
O'Donnell, M. 2006. 'Post-conflict Corruption: A Rule of Law Agenda', in A. Hurwitz and R. Huang (eds), *Civil War and the Rule of Law*. pp225-260;
Ralston, L. 2014. *Trafficking and Fragility in West Africa*, World Bank Policy Research Working Paper 7079.
- 71 Schneider, F. 2011. *The (Hidden) Financial Flows of Terrorist and Transnational Crime Organizations: A Literature Review and Some Preliminary Empirical Results*, Economics of Security Working Paper Series 52, German Institute for Economic Research.
- 72 Gomez G, I. 2012. 'Colombia's Black-Market Coltan Tied to Drug Traffickers, Paramilitaries', Centre for Public Integrity ;
Zdanowicz, J. 2009. 'Trade-Based Money Laundering and Terrorist Financing', *Review of Law & Economics*, vol.5(2). pp855-878.
- 73 North, D. et al. 2013. *Violence and Social Orders: A Conceptual Framework for Interpreting Recorded Human History*, Cambridge University Press, Cambridge.
- 74 Le Billon, P. 2008. 'Corrupting Peace? Peacebuilding and Post-Conflict Corruption', *International Peacekeeping*, vol.15(3), pp-344-361.
- 75 Le Billon, P. 2003. 'Buying peace or fuelling war: the role of corruption in armed conflicts', *Journal of International Development*, vol.15(4). pp413-426
- 76 UNDP. 2010. *Fighting Corruption in post-conflict and recovery situations*, UNDP Publishing, New York. p44;
Johnsøn, J. 2016. *Anti-Corruption Strategies in Fragile States*, Elgar Publishing, Cheltenham. p189
- 77 Cheng, C. and Zaum, D. 2012. *Corruption and Post-Conflict Peacebuilding: Selling the Peace?* Routledge, London.

As discussed above, the notion of fragility goes beyond the prevalence of conflict and violence. Unfortunately, there is limited research on how different types of fragility affect the dynamics of corruption in a country and vice versa.⁷⁸ It is nonetheless important to recognise that the precise nature of a fragile state's political economy has ramifications for anti-corruption policy. This is acknowledged, for example in the work of Dominik Zaum, who has applied Michael Johnston's model of corruption syndromes to fragile states.⁷⁹ Johnston's model relies on the premise that corruption arises as a result of the ways in which people pursue, use and exchange wealth and power, and in the strength or weakness of the state, political and social institutions that sustain and restrain those processes. Differences in these factors give rise to four major syndromes of corruption:

- » **Influence markets** where institutions and legal systems are strong, but politicians are subject to individual corrupt acts;
- » **elite cartels** where small group of sometimes competing, sometimes cooperating families controls both national politics and national business;
- » **oligarchs and clans** where rival groups compete for government favours in an institutionally weak state; and
- » **official moguls** where political leaders act with impunity and without accountability.

According to Zaum, fragile states can typically be classified as either “official mogul” or “oligarchic regimes” (see Figure 2). This has implications for the dynamics of corruption in these settings. On the one hand, fragile settings dominated by official moguls will typically exhibit centralised forms of corruption in which a small ruling elite has captured the state and relies on strong patronage bonds to ensure stability. On the other hand, states characterised by competition for power between rival oligarchic groups will be marked by largely uncontrolled corruption that entails high social costs such as recurring violence and conflict.⁸⁰

Figure 2. Fragile states and syndromes of corruption



Source: Zaum, D. 2013. 'Political economies of corruption in fragile and conflict-affected states: Nuancing the picture'. U4 Brief. Bergen: Chr. Michelsen Institute. P2.

78 Johnsen, J. 2016. *Anti-Corruption Strategies in Fragile States*, Elgar Publishing, Cheltenham. p122

79 Zaum, D. 2013. 'Political economies of corruption in fragile and conflict-affected states: Nuancing the picture', U4 Brief.

80 Zaum, D. 2013. 'Political economies of corruption in fragile and conflict-affected states: Nuancing the picture', U4 Brief.

Understanding the dynamics of corruption in a given setting is just the first step. While taxonomies inherently limit the diversity and complexity of fragile situations,⁸¹ there are categorisations that may be helpful for practitioners to design appropriate anti-corruption interventions in different types of fragile states. Vallings and Moreno-Torres, for example, provide a classification that divides fragile states into three categories considering the strength of the institutions, but also taking into account the willingness of political elites to control corruption. The authors distinguish states that are:

- » **Weak but willing:** These are typically states that are prepared to address governance problems but incapable of doing so;
- » **strong but unwilling:** This refers to states that possess a high degree of administrative capacity but whose political elite is focused on monopolising power and resources and thus have no interest in introducing anti-corruption policies; and
- » **weak and weak** states where the sole focus is regime survival.⁸²

Fragile settings are doubtless extremely challenging environments for anti-corruption efforts due to their weak administrative and judicial institutions, low state capacity to enforce rules against corruption and spasms of episodic violence. Moreover, any progress in curbing corruption can come rapidly undone should the security situation deteriorate once again.

The basic typologies presented above nonetheless help disentangle the complex relationship between fragility and corruption and make several points apparent. First, it is clear that given the linkages between corruption and fragility, anti-corruption interventions have a crucial role to play in reducing the risks of fragility and strengthening institutional and social capacity to cope with these risks. Simply put, any intervention designed to reduce fragility must account for the impact of corruption.



81 Stepputat, F., & Engberg-Pedersen, L. 2008. 'Fragile states: Definitions, measurements and processes in fragile situations', in L. Engberg-Pedersen et al (eds), *Fragile Situations Background papers*, DIIS report. Pp21-32.

82 Vallings, C., & Moreno-Torres, M. 2005. *Drivers of fragility: What makes states fragile?* PRDE working paper no. 7.

Second, each anti-corruption measure will affect the various manifestations of corruption differently and will need to be tailored to account for the specific conditions of the fragile situation in question. Measures to strengthen external auditing procedures will be unlikely to reduce rampant nepotism where rival oligarchic groups compete for control of institutions. Likewise, capacity-building programmes for law enforcement agencies may be counterproductive in settings dominated by official moguls who simply instrumentalise these bodies to target political opponents, which can itself contribute to instability, especially where donors do not complement this with support to accountability mechanisms and specialised civil society organisations.

Finally, the challenge of designing successful anti-corruption initiatives in fragile settings is as much a political task as a technical one. Even in countries where the threat of imminent state collapse has receded, those in power – often implicated in crimes and abuses committed during earlier periods of violence – can pose a serious obstacle to anti-corruption efforts. These elites may have little incentive to support measures to build long-term stability and good governance while they profit from the fragile status quo by plundering state coffers, compromising law enforcement and ensconcing themselves in key governmental positions.⁸³ Moreover, the rest of society is likely to be deeply traumatised from recent crises, and the conditions needed to constrain corruption such as robust and impartial institutions, shared conceptions of the public good, socio-political cohesion and trust may be conspicuous by their absence.

The next section of the paper provides an overview of the different types of anti-corruption interventions in fragile settings before turning to the main recommendations found in the literature and, in the final section, assessing these recommendations against donor experiences on the ground.

Types of anti-corruption interventions

Anti-corruption interventions are commonly classified in the literature according to the manner in which they approach corruption (directly or indirectly) and the level at which they deal with this phenomenon (political or technical). This section provides a short overview of these different approaches and how they have been deployed in fragile settings.⁸⁴

Direct vs indirect

A distinction is often drawn between direct interventions that specifically target corruption and those indirect policies that may dampen the pernicious impact of corruption without tackling it head-on. Typical direct approaches include the establishment of anti-corruption agencies and the development of national anti-corruption strategies, while indirect measures may entail reforming public financial management systems, strengthening audit capacity, increasing government transparency and so on.

Recent scholarship on anti-corruption interventions in adverse contexts implies that as fragile states are characterised by the weak rule of law, top-down approaches to curbing corruption that rely on strengthening formal enforcement mechanisms across the board are unlikely to be successful, not least because this type of intervention typically works against the interest of powerful vested interests.⁸⁵ In fact, given the poor record of direct anti-corruption reforms designed to promote good governance rather than reduce fragility,⁸⁶ there has been increasing interest in the potential of indirect approaches that prioritise interventions addressing the root causes of both corruption and fragility, such as low levels of social cohesion or existing informal practices and social norms.⁸⁷ Johnston has argued that anti-corruption strategies should first and foremost aim to build trust in society.⁸⁸

83 OECD. 2018. *States of Fragility 2018*, OECD Publishing, Paris. p57

84 OECD. 2009. *Integrity in Statebuilding: Anti-Corruption with a Statebuilding Lens*, OECD Publishing, Paris. p7

85 Khan, M. et al. 2016. *Anti-Corruption in Adverse Contexts: A Strategic Approach*. SOAS Working Paper.

86 UNDP. 2010. *Fighting Corruption in post-conflict and recovery situations*, UNDP Publishing, New York. p86

87 Marquette, H. 2011. 'Donors, State Building and Corruption: lessons from Afghanistan and the implications for aid policy', *Third World Quarterly*, vol.32(10). pp 1871-1890

Kaplan, S. 2015. 'Modelling fragility: a social and institutional approach', OECD Institutions and Stability Blog.

88 Johnston, M. 2010. *First do no harm, then build trust: anti-corruption strategies in fragile situations*, World Bank Working Paper.

There is some evidence to suggest that long term, indirect and trust-inducing strategies may be more promising than direct interventions in fragile settings. For example, a World Bank review of public financial management reform in eight post-conflict states found a positive association between improved public financial management on one hand and better control of corruption and gains in state “resilience” on the other.⁸⁹ Likewise, USAID found that strengthening audit capacity, budget monitoring, procurement processes and establishing financial management information systems in fragile settings had effectively contributed to increased revenues and greater budgetary control.⁹⁰

Insofar as the development of universalistic norms and collective action can constrain corruption,⁹¹ these indirect approaches may have potential application in fragile settings, though they need to be carefully considered against local conditions. In any case, short-term technical fixes focused on the legal and institutional framework are rarely effective in fragile settings “either because the de jure prescriptions are not implemented or because they do not target the most important drivers of corruption.”⁹² For instance, the ban on poppy cultivation in Afghanistan was initially unenforceable and had the perverse effect of driving up poppy prices, incentivising its cultivation and contributing to the illicit economy.⁹³ Where meaningful enforcement by state agencies is not possible, measures designed to rely on public pressure, media exposure, or aid conditionality to incentivise compliance with the law are worth considering.

Technical vs political

A second cleavage is that between technical and political approaches to reducing corruption. Historically, anti-corruption measures were posited as technical interventions that could and should – if not entirely bypass politics – then at least focus on the material aspects of reform: legal and institutional frameworks, resourcing, expertise and so on. Yet Mungiu-Pippidi notes that the tendency of aid agencies to work with the governing elite on technocratic reforms can actually be counterproductive, as it marginalises other non-state actors like civil society groups who engage in the inherently political task of demanding downward accountability.⁹⁴

With the emergence of new development paradigms such as *Doing Development Differently*, *Problem-Driven Iterative Adaptation* and *Thinking and Working Politically*, the emphasis has been on foregrounding the politics of donors’ action and acknowledging that reform efforts themselves create winners and losers.⁹⁵ These approaches therefore stress the importance of scrutinising the political economy of corruption to understand its underlying structures and studying the impact of aid agencies as political players in their own right. It is also worth mentioning that the politics in the donor country also play a role here since political and economic considerations (e.g. war, failed governments, trade negotiations, etc.) can easily overrule concerns for corruption abroad.

The literature indicates that a focus on the politics of anti-corruption is perhaps even more merited in fragile situations than other development contexts, as the absence of political will to tackle corruption is a structural feature of many fragile states.⁹⁶ In ‘strong but unwilling’ states, weak oversight institutions may be “as much a product of political calculus as of a lack of human,

89 World Bank. 2012. [Public financial management reforms in post-conflict countries: synthesis report](#), World Bank Group, Washington, DC. p55

90 Chene, M. 2012. [‘Lessons learned in fighting corruption in post-conflict countries’](#), Transparency International, Berlin.

91 Morris, S. & Klesner, J. 2010. [‘Corruption and Trust: Theoretical Considerations and Evidence from Mexico’](#), *Comparative Political Studies*, vol.43(10). pp. 1258-1285;
You, J. 2017. ‘Trust and Corruption’, in E. Uslaner (eds), *The Oxford Handbook of Social and Political Trust*, Oxford University Press, Oxford.

92 Johnsen, J. 2016. *Anti-Corruption Strategies in Fragile States*, Elgar Publishing, Cheltenham. p185

93 Boucher, A. et al. 2007. ‘Mapping And Fighting Corruption In War-Torn States’, *Stimson Center Report No. 61*. p42

94 Mungiu-Pippidi, A. 2006. ‘Corruption: Diagnosis and Treatment’, *Journal of Democracy*, vol.17(3). p98

95 Johnston, M. and Johnsen, J. 2014. [‘Doing the wrong things for the right reasons? Do no harm as a principle of reform’](#), U4 Brief.

96 Zaum, D. 2013. [‘Political economies of corruption in fragile and conflict-affected states: Nuancing the picture’](#), U4 Brief.



financial and technical resources.”⁹⁷ Furthermore, in hybrid political orders where the state presence is weak, gaps in authority and service provision may be filled by a range of non-state actors including warlords, NGOs, faith groups and so on, some of which will be opposed to corruption, while others will depend on it to maintain their power and influence. Attempting to improve governance in these constantly shifting constellations of power requires both a sound understanding of local politics and inclusive approaches to accommodate various interests and reduce the likelihood of violence.⁹⁸

In addition, in many fragile contexts, the most damaging forms of corruption are not petty or bureaucratic in nature; rather endemic political and grand corruption often underpin an institutionalised system of graft in which illicit rents are passed upwards through the chain of command.⁹⁹ Addressing the root causes of corruption in such settings “ultimately requires changing the underlying political settlement that drives it.”¹⁰⁰ The experience of USAID captured in **Box 2** illustrates the importance of political will and its impact on anti-corruption programmes.

While most donors recognise the nature of systemic political corruption in fragile situations in which they operate,¹⁰¹ they also face a number of constraints – diplomatic, strategic, financial – to adapting their strategies and programming to deal with the most malignant types of political corruption. Crucially, politics in donor countries related to competing priorities such as trade can threaten to overshadow aid agencies’ anti-corruption strategies in fragile settings. Particularly in post-conflict settings, Cheng and Zaum have observed that the dictates of foreign policy and military strategy have tended to ensure that state building and stabilisation policies to secure or even “buy” the peace take precedence over anti-corruption measures.¹⁰² Recognising the politics of corruption and anti-corruption must therefore start at home.

Ultimately, as Johnsen points out, the key messages on how to control corruption in fragile settings are “full of nuance, complexity and are, at times, conflicting.”¹⁰³ Nonetheless, the following section considers various anti-corruption strategies and their effectiveness in fragile settings, in order to tease out policy implications and recommendations for aid agencies.

97 OECD. 2018. *States of Fragility 2018*, OECD Publishing, Paris. p43

98 United Nations; World Bank. 2018. *Pathways for Peace: Inclusive Approaches to Preventing Violent Conflict*. World Bank Group, Washington, DC. p142

99 Johnsen, J. 2016. *Anti-Corruption Strategies in Fragile States*, Elgar Publishing, Cheltenham. p6

100 Zaum, D. 2013. ‘*Political economies of corruption in fragile and conflict-affected states: Nuancing the picture*’, U4 Brief.

101 Johnsen, J. 2016. *Anti-Corruption Strategies in Fragile States*, Elgar Publishing, Cheltenham. p178

102 Cheng, C. and Zaum, D. *Corruption and Post-Conflict Peacebuilding: Selling the Peace?* London: Routledge, 2012.

103 Johnsen, J. 2016. *Anti-Corruption Strategies in Fragile States*, Elgar Publishing, Cheltenham. p40

3. MANAGING CORRUPTION RISKS IN FRAGILE SETTINGS

Perhaps the most important lesson to guide anti-corruption efforts in fragile settings is that all efforts need to be tailored to the local context. Whatever their idiosyncrasies, chronically fragile settings are qualitatively different to low-income but otherwise resilient states. The characteristics of fragility – be these political, socio-economic or environmental – matter for corruption dynamics in a given society. As such, it is apparent that good governance interventions that have worked in non-fragile developmental contexts cannot be replicated in settings marked by recent conflict and other manifestations of fragility. While many donors seem cognisant of the fact that anti-corruption needs to be done differently in fragile settings, Zaum et al. find that aid agencies have not yet adapted differentiated operational strategies to account for this reality.¹⁰⁴ The risk is that poorly-designed measures to curb corruption may actually exacerbate fragility by overloading a society's ability to absorb aid or by hindering peacebuilding efforts.¹⁰⁵

Aid agencies should therefore make a conscious effort to design specific approaches for fragile settings that have clearly formulated objectives, prioritise the most damaging forms of corruption, encourage tailored responses to the local political economy, require capacity assessments of recipient structures and foster coordination between different stakeholders. While this is true for all interventions regardless of the context, it is especially important in fragile settings in order to avoid doing more harm than good and possibly exacerbating not only corruption, but also other drivers of fragility. For this reason, any anti-corruption intervention logic in fragile settings should consider the following principles.

- » **Anti-corruption is the means to an end:** while controlling corruption is important to improve government performance, trust in institutions, economic growth and so on, the ultimate purpose of anti-corruption interventions in fragile settings must be to reduce the drivers of fragility. This can be done by linking anti-corruption strategies to initiatives that foster social cohesion and promote the legitimacy, capacity and accountability of state institutions where there is willingness for reform.
- » **Corruption is a political issue:** To effectively reduce both corruption and fragility, there is a need to look beyond petty and administrative/bureaucratic corruption. Instead, anti-corruption strategies in fragile settings need to recognise that corruption is political and that while petty corruption is often the most visible form of corruption, grand and political corruption typically have the greatest bearing on fragility.
- » **No one-size-fits-all solutions:** As a result of the different drivers of fragility and the complex ways in which they interact with one another, there is no boilerplate anti-corruption approach that will be appropriate across all fragile settings. Instead, in-country staff should be presented with a menu of options encompassing a range of activities (both direct and indirect, technical and political) and guidance in terms of probable impact of various forms of corruption in different types of fragile situation. For instance, direct technical support on asset recovery mechanisms might be appropriate in 'weak but willing' states dominated by official moguls, whereas indirect, longer-term approaches aimed at supporting civil society monitoring might help foster trust between state and citizens in 'weak and weak' states characterised by oligarchic rivalry.

104 Zaum, D. et al. 2015. 'The New Deal as an anti-corruption tool? Don't blame the policy, work with it', U4 Brief.

105 Johnson, J. 2016. *Anti-Corruption Strategies in Fragile States*, Elgar Publishing, Cheltenham. p31

- » **Importance of timing:** Donor strategies should explicitly address the timing of interventions, seeking to embed practices that simultaneously contribute to reduced corruption and fragility at an early stage, as well as working with the grain to support domestic reformers. While aid agencies should be ready to scale up their ambitions where windows of opportunity present themselves, they must also be prepared to commit to incremental strategies that extend beyond a single electoral cycle.

Recommendations emanating from the literature on how to control corruption in fragile settings can be grouped into the following four broad categories:

1. SUPPORTING INITIATIVES BY NON-STATE ACTORS THAT FOSTER SOCIAL COHESION;

2. COORDINATING AND SEQUENCING ACTIVITIES WITH OTHER INTERNATIONAL ACTORS;

3. RELYING ON ROBUST POLITICAL ECONOMY ANALYSIS DURING THE DESIGN AND IMPLEMENTATION OF ANTI-CORRUPTION STRATEGIES; AND

4. REMAINING PATIENT AND REALISTIC.

The following section delves deeper into each of these recommendations and their implications in fragile contexts and seeks to validate their effectiveness against some of the experiences reported by development practitioners and evaluators in the field. It is worth noting, however, that conducting a systematic review of lessons learned for anti-corruption in fragile states is challenging because information required to assess the effectiveness of donors' anti-corruption interventions is often not publicly available. Indeed, although information relating to the goals and objectives of donor agencies' current projects can often be found online, evaluation documents detailing challenges, lessons learned, or determinants of failures are hard to come across. Even those agencies that do publish project evaluation reports rarely do so in a systematic and accessible manner.

A notable exception is the UK Development Tracker website,¹⁰⁶ which allows users to find and explore detailed information on international development projects funded by the UK Government. The nature of the projects contained in the database vary widely in terms of geographical coverage, focus and sector, which allows for a review of lessons learned from 52 anti-corruption and governance-related projects implemented by DFID in 16 different countries since the year 2002. The countries in which these projects were implemented reflect the wide spectrum of the concept of fragility, as they range from territories experiencing conflict to more stable environments, where governments have administrative capacity, but where various challenges threaten the delicate status quo.

¹⁰⁶ The Development Tracker is managed by the Department for International Development (DFID) and is built using open data published by the UK Government and other partners.

BOX 1: INTERNATIONAL OVERSIGHT

In some fragile settings, where the impact of corruption on peace- and state-building efforts is especially severe, donors have occasionally opted for strict international oversight of key institutions. In Liberia, for instance, two years after the 2003 peace agreement and the formation of the transitional government, donors established the Governance and Economic Management Assistance Programme (GEMAP) to oversee core government functions.¹⁰⁷ This entailed embedding international officials with counter-signing authority in the treasury, central bank, state-owned enterprises, port authorities and other ministries to exercise “intrusive oversight over revenue collection.”¹⁰⁸

The programme had the twin objectives of limiting rampant corruption and building these agencies’ administrative capacity, and made some progress on both of these fronts, though commentators attribute some of this success to the favourable political environment in the country after the election of Ellen Johnson-Sirleaf.¹⁰⁹ Some analysts argue that the fact that GEMAP focussed on technical issues such as public financial management made it more effective than comparable interventions involving the direct exercise of state authority by outside players that targeted the judiciary and law enforcement agencies, which generated considerable political opposition in places like Afghanistan and Kosovo.¹¹⁰ While GEMAP enjoyed some success in reducing corruption, this approach has somewhat fallen out of favour as such invasive measures are not in keeping with the spirit of national ownership of development assistance as foreseen in the Paris Declaration or Accra Agenda.¹¹¹ Furthermore, stringent international oversight of national institutions may discourage efforts to bolster the accountability of nascent government structures to citizens, further eroding state legitimacy in their eyes.

Finally, where aid agencies by-pass state structures to deliver goods and services to citizens directly, this can entail simply avoiding the problem of public sector corruption, rather than tackling it.¹¹² In turn, this means that donors may fuel new dependency cycles while leaving untouched the impact of such corruption on the drivers of state fragility, such as weak capacity, legitimacy and accountability.¹¹³

Support initiatives by non-state actors that foster social cohesion

Aid agencies have historically regarded sovereign governments as their most important counterparts in curbing corruption. Yet the most elementary political economy analysis of certain fragile contexts would illustrate that in ‘strong but unwilling’ states dominated by official moguls, government officials may themselves be predatory. In ‘weak and weak’ states riven by oligarchic rivalry, the state apparatus vies for power with other non-state actors, including religious groups, social movements, militias and traditional leaders.¹¹⁴ In both scenarios, working exclusively with governments on technical anti-corruption policies is unlikely to be effective. For instance, while donors have often supported the establishment of anti-corruption agencies as formal oversight institutions, evaluations of these bodies’ performance in fragile settings suggest they are typically a “technical solution to political problem for local elites” that is more about virtue signalling to the international community than sincere action to tackle corruption.¹¹⁵

107 Transparency International Deutschland. 2014. *Corruption as a Threat to Stability and Peace*, Berlin. p8

108 Dininio, P. 2009. ‘Warlords and corruption in post-conflict governments’, in Life and Peace Institute (eds), *Pilfering the Peace: the nexus between corruption and peacebuilding*. p28

109 Dininio, P. 2009. ‘Warlords and corruption in post-conflict governments’, in Life and Peace Institute (eds), *Pilfering the Peace: the nexus between corruption and peacebuilding*. p28

110 Transparency International Deutschland. 2014. *Corruption as a Threat to Stability and Peace*, Berlin. P26

111 OECD. 2008. *‘Paris Declaration and Accra Agenda for Action’*, OECD website.

112 O’Donnell, M. 2006. ‘Post-conflict Corruption: A Rule of Law Agenda’, in A. Hurwitz and R. Huang (eds), *Civil War and the Rule of Law*. p253

113 Chene, M. 2012. *‘Lessons learned in fighting corruption in post-conflict countries’*, Transparency International, Berlin.

114 OECD. 2018. *States of Fragility 2018*, OECD Publishing, Paris. p39

115 Heilbrunn, J. 2012. “Post-Conflict Reconstruction, Legitimacy and Anti-Corruption.” In *Corruption and Post-Conflict Peacebuilding: Selling the Peace?* edited by C. S. Cheng and D. Zaum, 201–217. London: Routledge, 2012.

Where political leaders deliberately constrain independent oversight institutions, loot the treasury, and distribute resources in a particularistic and partisan manner, redressing the balance requires determined measures to strengthen actors able to act as counterweights and animate checks and balances – be these formal or otherwise.¹¹⁶ Despite this, donors often do “nothing of substance to develop civil society” or to support independent media to act as anti-corruption watchdogs.¹¹⁷

Civil society

Some scholars posit donor support to non-state actors to increase demand side accountability as one of the few viable anti-corruption policy options in fragile states.¹¹⁸ In such environments, formal institutions are often “susceptible to manipulation, corruption and bias” and unable to enforce rules or disburse public goods in an unpartisan fashion.¹¹⁹ This means that informal social dynamics are even more significant for the control of corruption in fragile settings than in more resilient countries. Measures that shore up the social contract by deepening trust are therefore doubtless advantageous in increasing a society’s capacity to cope with fragility.

However, there is a certain tautology to the problem as exactly the kind of conditions required for the exercise of effective accountability and collective action against corruption are rarely present in fragile settings. The precise circumstances under which donors can contribute to the formulation of social capital in countries plagued by endemic corruption, war and poverty remain murky.¹²⁰ That being said, indirect anti-corruption measures that are intended to strengthen social cohesion, ensure the equitable operation of institutions, and improve community relations are believed to have great potential to reduce fragility.¹²¹ Social accountability mechanisms such as community monitoring efforts that bring together different ethnic, religious or clan groups to collectively oversee service delivery at the municipal level may succeed at simultaneously building mutual trust and identifying corruption hotspots.¹²² Ultimately, where disparate groups are able to work together in the pursuit of public goods, the risk of fragility is likely to decline and cooperation between such factions can improve the performance of “security apparatuses, administrative bodies and legal systems.”¹²³

Here, the literature stresses that development partners have a twin role to play. First, donors can help foster “inclusive political dialogue” by encouraging the development of an environment conducive to downward accountability.¹²⁴ This includes programmes and policies designed to safeguard the civic space that accountability mechanisms need to function in fragile settings. Second, aid agencies can take measures to equip non-state actors with the tools they need to hold the state accountable. On the supply-side, donors can provide technical support to national statistics office to help them collect and publish relevant data that civil society and business groups can use to monitor public budgets and procurement processes.¹²⁵ On the demand side, donors should focus their efforts on identifying existing grassroots initiatives, community structures and local accountability mechanisms on which to build, rather than simply throwing money at NGOs, which can itself heighten the risks of corruption.¹²⁶

116 OECD. 2018. *States of Fragility 2018*, OECD Publishing, Paris. p43

117 Pyman, M. 2015. *Corruption: lessons learned from the international mission in Afghanistan*. Transparency International UK, London. p37

118 Schouten, C. 2011. ‘*Social accountability in situations of conflict and fragility*’, U4 Brief; Mungiu-Pippidi, A. 2006. ‘Corruption: Diagnosis and Treatment’, *Journal of Democracy*, vol.17(3). p98

119 Kaplan, S. 2015. ‘*Modelling fragility: a social and institutional approach*’, OECD Institutions and Stability Blog.

120 Johnsen, J. 2016. *Anti-Corruption Strategies in Fragile States*, Elgar Publishing, Cheltenham. p52

121 OECD. 2018. *States of Fragility 2018*, OECD Publishing, Paris. p44

122 OECD, 2008, *Service delivery in fragile situations: key concepts, findings and lessons*, OECD Publishing, Paris.

123 OECD. 2018. *States of Fragility 2018*, OECD Publishing, Paris. p42

124 Schouten, C. 2011. ‘*Social accountability in situations of conflict and fragility*’, U4 Brief.

125 United Nations Development Programme. *Fighting Corruption in Post-Conflict and Recovery Situations: Learning from the Past*. New York: UNDP, 2010. p78

126 Peacebuilding Initiative. 2019. ‘*Civil Society: Key debates & implementation challenges*’, Peacebuilding Initiative website.



Based on the level of citizen capacity and governance context, aid agency country teams can consider a range of social accountability options, including participatory budgeting, public expenditure tracking surveys, integrity pacts, citizen report cards, public hearings, citizen juries, community development plans and social audits.¹²⁷

Independent media

A recent study of the role of independent media in fragile states contends that “the capacity of the media to hold power – including corrupt power – to account is at least as substantial as many other anti-corruption arenas, and often more so.”¹²⁸ An evidence review commissioned by DFID comes to similar conclusions, finding that “evidence consistently indicates [that] freedom of the press can reduce corruption and that the media plays a role in the effectiveness of other social accountability mechanisms.”¹²⁹ This last point is key; many other types of anti-corruption strategies in fragile settings rely on assumptions about the ability of the media to use an intervention’s output data to inform policy-makers, educate citizens and hold the powerful to account.¹³⁰ To be able to meaningfully live up to these expectations, there needs to be a sizeable body of journalists with the independence and expertise to use data, which is rarely the case in fragile settings. The media also has a powerful function in forming and disseminating socio-political norms in society, which is crucial in shifting established patterns of expected behaviour towards integrity and accountability.¹³¹

127 Schouten, C. 2011. ‘Social accountability in situations of conflict and fragility’, U4 Brief.

128 Deane, J. 2016. ‘The role of independent media in curbing corruption in fragile settings’, BBC Media Action Policy Briefing #16. p3

129 DFID. 2015. Why corruption matters: understanding causes, effects and how to address them, Evidence Paper on Corruption [online]. Available from: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/406346/corruption-evidence-paper-why-corruption-matters.pdf

130 Deane, J. 2016. ‘The role of independent media in curbing corruption in fragile settings’, BBC Media Action Policy Briefing #16. p16

131 Arnold, A. & Lal, S. 2012. *Using media to fight corruption*, Partnership for Transparency Fund, Working Paper 1.

Where media organisations are co-opted or manipulated, they can be used to whip up grievances against certain groups, potentially destabilising an already fragile context.¹³² While it is important to act responsibly and avoid putting journalists in danger, there is also a need for increased donor support to independent media. In fact, in light of the growing threat to media freedom around the world – perhaps partly due to the efficacy of journalism in constraining corruption – donors must ensure they provide robust political and financial support for independent media outlets, which could also include, for example, social media run by independent CSOs.¹³³ A notable example of working with investigative journalists stems from the Tackling Serious and Organised Corruption (TSOC) project in Malawi. As part of this initiative, DFID worked in cooperation with “investigative journalists progressed and ICAR delivered a range of training and mentoring sessions. The programme established ties with leading regional and international media outlets and used this network to publish stories, by supported journalists on corruption in Malawi, in *The Washington Post* (USA), the *Telegraph* (UK), and South African news outlets. The CSO Consortium was established during this year and has been successful in pursuing innovative, collective action approaches to tackling corruption in Malawi.”¹³⁴

Despite this, Dean found that of the \$17 billion allocated by donors to support “governance and peace in developing countries”, less than two percent of this was allocated to supporting media outlets.¹³⁵ In part, this is likely due to the fact that aid priorities are increasingly determined by recipient governments, who typically have little interest in supporting free and independent media. There are nonetheless a number of measures donors can take to assist journalists, such as promoting “regulatory and legislative reform, supporting the plurality and sustainability of the media, building platforms for democratic public debate, strengthening media capacity and investing in infrastructure.”¹³⁶ Crucially, donor-led capacity building and data training will be useless where journalists cannot operate due to threats on their safety or independence.

Supporting initiatives by non-state actors is particularly complicated in fragile settings as there is often no “senior and country-level focal point from the donor community capable of understanding the threats to the media and its support needs, and influencing development priorities.”¹³⁷ While UNESCO has a mandate for media and information issues, it often has a limited presence in fragile states. One way to embed concerns about press freedom into donor programming would be to mainstream assessments of the media sector’s capabilities into donors’ political economy analysis and governance reviews.

Legal empowerment

Recently, great emphasis has been laid on access to justice as a means of enabling non-state actors to tackle corruption. Deppe, for instance, proposes that so-called “legal empowerment” strategies targeted at citizens in fragile settings are a promising approach to improving state responsiveness and ultimately legitimacy. He further contends that prioritising local measures to increase access to justice during the early stages of an intervention can be more effective at curbing corruption than direct approaches that rely on an independent and functional judiciary.¹³⁸ The experience of Transparency International’s Advocacy and Legal Advice Centres demonstrates that equipping paralegals with the knowledge to operate as intermediaries between state structures and citizens can help improve the accountability of municipal institutions. However, Deppe’s assertion that “international support for fragile and post-conflict states should start at the local level...courts” would be contested by those who view such strategies as appropriate solely to redress grievances related to petty corruption. In fragile settings, where grand and political corruption typically matter most for stability, such localised legal empowerment strategies are likely to be much less potent.

132 Deane, J. 2016. ‘The role of independent media in curbing corruption in fragile settings’, BBC Media Action Policy Briefing #16. p16

133 Deane, J. 2016. ‘The role of independent media in curbing corruption in fragile settings’, BBC Media Action Policy Briefing #16. p3

134 DFID. 2019. ‘Annual Review-post April 2018: Tackling Serious and Organised Crime (TSOC).’ p2.

135 Deane, J. 2016. ‘The role of independent media in curbing corruption in fragile settings’, BBC Media Action Policy Briefing #16. p9

136 Deane, J. 2016. ‘The role of independent media in curbing corruption in fragile settings’, BBC Media Action Policy Briefing #16. p11

137 Deane, J. 2016. ‘The role of independent media in curbing corruption in fragile settings’, BBC Media Action Policy Briefing #16. p16

138 Deppe, J. 2019. “Promoting Access to Justice and Anti-Corruption in Fragile Contexts”, Peace Lab blog.

Evidence from the field on the effectiveness of donor support to non-state actors in fragile settings

Project evaluations reviewed for this paper often cited support to non-state actors as an important driver of success for anti-corruption interventions in fragile contexts. DFID's 2019 Annual Review for the Local Governance Support Programme (LGSP) in Nepal, for example, notes that while the intervention produced good results, sustained accountability would require stronger citizen engagement and an active local civil society. One of the main lessons for the project was that *civil society needs to be integrated in governance programming*, particularly groups involved in issues related to strengthening voice and accountability at the local and national levels.¹³⁹

The annual reports available in DFID's Development Tracker website also revealed that many interventions in fragile settings incorporated collaboration with local civil society as a central component of the project. The Transparency and Right to Information Programme (TRIP) in Bangladesh, which committed £29 million over six years to improve government transparency and access to information in the country, for example, adopted a multi-stakeholder approach and worked with government, civil society and private sector actors to effect change.¹⁴⁰ The project's review notes that strengthening collective action at the local level was key for the project's outcomes: by empowering citizens to work together, gain confidence and demand accountability from public officials, local authorities became more responsive to citizens. Similarly, the Anti-Corruption in Nigeria (ACORN) project identified the importance of working more closely with particular influencers, such as religious and traditional leaders.¹⁴¹ By doing so, the programme gained greater prominence in the country. In this case, the programme recognized that sanctions and systems in the country were perceived as biased in favour of the elite and did not enjoy much trust from the general public. Engaging indirectly through civil society groups delivered important gains and gave more prominence to the programme.¹⁴²



139 DFID. 2019. 'Annual Review- Summary Sheet: Nepal Local Governance Support Programme'.

140 See project information here.

141 DFID. 2019. 'Annual Review- Post April 2018: Anti-Corruption in Nigeria (ACORN) Programme'. p9.

142 DFID. 2018. 'Annual Review 2018: Anti-Corruption in Nigeria (ACORN) Programme'. p25.

Coordinate and sequence activities with other international actors

Johnsøn emphasises that the success of anti-corruption measures in fragile situations is contingent on two main factors; the capacity of recipient entities – be these state or non-state actors – to absorb funds and implement activities, and the timing of the intervention. While there is near unanimity on the need for international actors to coordinate their efforts so as to not overburden recipients,¹⁴³ the correct timing of anti-corruption interventions is more contested.¹⁴⁴ Traditional scholarship on state-building maintains that tackling corruption is a secondary consideration in the initial stages of establishing security and (re)constructing state structures.¹⁴⁵ On the other hand, most scholars on corruption stress that controlling corruption is a crucial component of building a state that enjoys authority, legitimacy and the capacity to govern.¹⁴⁶ Chayes in particular has shown how in Afghanistan, the failure of international actors to grasp that corruption was a leading cause rather than merely of symptom of insecurity was an enduring strategic flaw.¹⁴⁷ While exhibiting some concern that anti-corruption policies could prove destabilising in post-conflict states, a 2010 UNDP report advocated “mainstreaming anti-corruption (including integrity, transparency and accountability) into post-conflict state building interventions, and embedding micro-measures as early as is practicably feasible after war ends.”¹⁴⁸

Recent literature indicates that the choice between the state-building and anti-corruption agendas is a false dichotomy. Fearon finds that with the exception of Liberia, there is no evidence that anti-corruption reforms reignited conflict,¹⁴⁹ while Mathisen insists that donors must tackle corruption “head on as a key element in strategies of stabilisation and state-building.”¹⁵⁰ Boucher even goes as far as stating that “the steps in a comprehensive anti-corruption strategy look very much like a comprehensive peacebuilding or state-building strategy.”¹⁵¹ Nonetheless, this consensus provides little in the way of prescriptive insight into the appropriate timing of anti-corruption measures in fragile contexts.

Typically, donor engagement in fragile situations initially takes the form of humanitarian assistance, when little time has elapsed since a crisis and recipient entities have very limited capability. In this stage, represented by circle A, the focus is on immediate needs in the aftermath of conflicts or natural disasters, though humanitarian aid is frequently “stretched beyond its original mandate to save lives.”¹⁵² During this phase, aid agencies’ anti-corruption activities are usually restricted to reducing the fiduciary risks in their own operations.

143 Mathisen, for instance, calls for the establishment of high-level donor coordination groups in fragile states to develop and communicate common positions on corruption to recipient governments, while Jenkins explores different models for joint anti-corruption programming.

Mathisen, H. 2007. ‘Addressing corruption in fragile states: what role for donors?’, U4 Issue. P21;

Jenkins, M. 2017. ‘Models of donor coordination for managing multi-donor inputs’, Transparency International, Berlin.

See also: OECD. 2008. *Working towards more effective collective donor responses to corruption*, OECD Publishing, Paris.

144 See June, R. and Heller, N. 2009. ‘Corruption and Anti-Corruption in Peacebuilding: Toward a Unified Framework,’ *New Routes Journal of Peace Research and Action*, vol.14(3-4). pp10-13

145 Kaplan, S. 2012. ‘Is corruption evil?’, *Fragile States blog*.

146 Rose-Ackerman, S. 2008. *Corruption and post-conflict peace-building*, Yale Law School Faculty Scholarship Series Paper 593;

Johnston, M. 2010. *First do no harm, then build trust: anti-corruption strategies in fragile situations*, World Bank Working Paper;

Marquette, H. 2011. ‘Donors, State Building and Corruption: lessons from Afghanistan and the implications for aid policy’, *Third World Quarterly*, vol.32(10). pp 1871-1890

147 Chayes, S. 2015. *Thieves of State: Why Corruption Threatens Global Security*. Norton: New York. p43

148 UNDP. 2010. *Fighting Corruption in post-conflict and recovery situations*, UNDP Publishing, New York. p62

149 Fearon, D. 2010. *Do governance indicators predict anything? The case of ‘fragile states’ and civil war*, World Bank Background Paper, Washington D.C. p27-8

150 Mathisen, H. and Orre, A. 2008. ‘Corruption in fragile states’, DIIS Policy Brief.

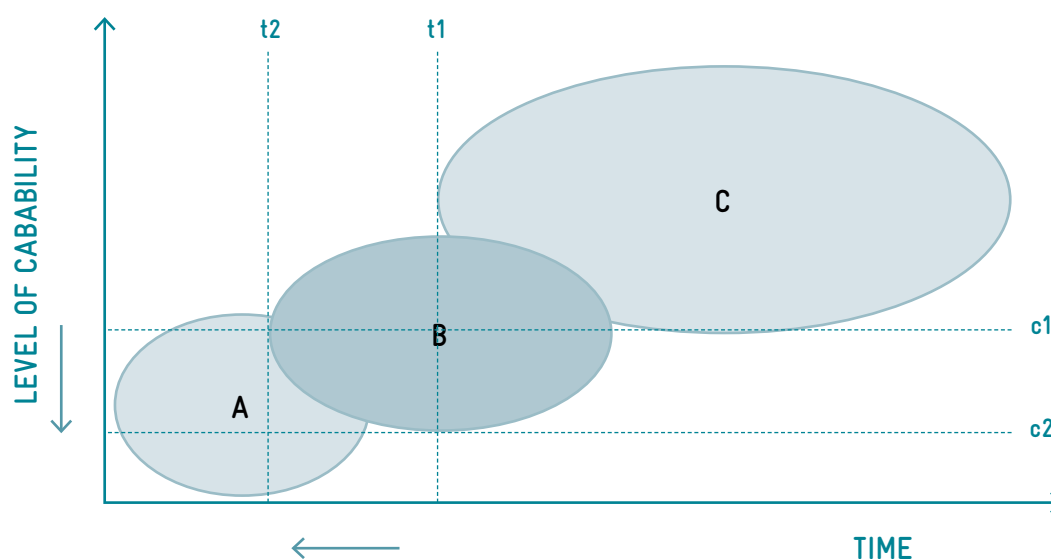
151 Boucher, A. et al. 2007. ‘Mapping And Fighting Corruption In War-Torn States’, Stimson Center Report No. 61. p x

152 OECD. 2018. *States of Fragility 2018*, OECD Publishing, Paris. p118

Despite the insistence of Chayes and others that anti-corruption should be embedded into donor support to fragile settings from the outset, aid agencies typically only start supporting anti-corruption efforts as part of a broader good governance agenda once the situation has stabilised, as depicted by circle “C” in Figure 3. Johnsen contends that donors should commence anti-corruption work at an earlier stage (the space occupied by circle B) in fragile contexts, when state and civil society capability is still limited but before patterns of corruption become ingrained. These initiatives should be designed to actively contribute to both the stabilisation and anti-corruption agendas, such as community monitoring projects that deepen horizontal trust between communities.¹⁵³ Political transitions and other windows of opportunity are likely to fall in circle B, and donor support to anti-corruption initiatives during these make-or-break moments can be key in determining whether fragile states are able to stabilise their governance structures or alternatively relapse into crisis.¹⁵⁴

When it comes to which sectors to prioritise in fragile situations, there is a divergence of opinion in the literature. Some authors emphasise that interventions should be first implemented in social sectors with potentially high pay-offs, where anticipated resistance is limited such as the health and education sectors, in order to generate and maintain momentum for reform.¹⁵⁵ They stress that early successes in these areas can contribute to restoring trust and confidence, and should be widely communicated via a concerted communication strategy.¹⁵⁶ On the other hand, some scholars emphasise that security, customs and criminal justice sectors should be the first in line for anti-corruption initiatives, in order to be able to ensure public safety, collect revenues and hold free, fair and transparent elections.¹⁵⁷

Figure 3. Stabilising interventions: differences in relation to time and capability



Source: Johnsen, J. 2016. *Anti-Corruption Strategies in Fragile States*, Elgar Publishing, Cheltenham. p215

153 Johnsen, J. 2016. *Anti-Corruption Strategies in Fragile States*, Elgar Publishing, Cheltenham. p215

154 OECD. 2018. *States of Fragility 2018*, OECD Publishing, Paris. p25

155 Dix, S. et al. 2012. *Risks of corruption to state legitimacy and stability in fragile situations*, U4 Issue No.3. p xi

156 Mathisen, H. 2007. 'Addressing corruption in fragile states: what role for donors?', U4 Issue 1. p12

157 Boucher, A. et al. 2007. 'Mapping And Fighting Corruption In War-Torn States', Stimson Center Report No. 61. p x and 58

Evidence from the field on the effectiveness of coordinating and sequencing interventions

Coordinating and sequencing activities with other international actors also emerges as an important lesson from the ground, particularly when engaging in complex reform and capacity-building efforts. Some of the lessons learned from the Support for the Economic Recovery of Somalia (SERS) project, which seeks to provide expert knowledge, capacity building and financing to support public financial management and governance reforms, include the need for closer collaboration with other international actors working on similar issues (such as the World Bank) to *ensure greater consensus and convergence around reform efforts*.¹⁵⁸

Similar recommendations emerged from the evaluation of the Tackling Serious and Organised Corruption (TSOC) project in Malawi. As part of the TSOC extension process, evaluators stressed that one of the areas to improve was the collaboration with other donors. The 2018 Annual Review recommends reaching out to other “*like-minded development partners* to join the TSOC programme to ensure a more coordinated and informed approach to anti-corruption in Malawi.”¹⁵⁹ While *coordination between donors might often emerge on an ad-hoc basis, these efforts need to be formalised to systematise joint approaches to anti-corruption*.

The Local Governance Support Programme (LGSP) in Nepal addressed the problems of fragmentation and siloed delivery by partnering with International IDEA. This helped build consensus on the need for reform of local governance, while ensuring that the problems identified would not be further reinforced by the intervention. Finally, the evaluation of the International Action against Corruption Programme (I-ACT) stresses that while better coordination among partners working on similar issues cannot be forced, it should be encouraged through the active “*Disseminat[ion of] information explaining to potential partners what the projects expect to achieve and the type of support they could expect from the project.*”

Conduct robust political economy analysis

A constant clarion call in the literature on anti-corruption is the need for contextual sensitivity, which in turn requires considerable energy and resources allocated to robust analysis of the political economy in which donors act. Despite this, Johnsen’s survey of major multilateral aid agencies revealed that their anti-corruption policy units were chronically understaffed, there was a scarcity of advisors at country level and coordination with the activities of state-building programmes was poor.¹⁶⁰ Since political economy analysis (PEA) is a central instrument in operationalising general anti-corruption strategies and tailoring them to local conditions, development agencies need to develop a cadre of staff who understand fragility and can work at the intersection of humanitarian, development, and governance needs.¹⁶¹

Without a sound understanding of the drivers of corruption, anti-corruption efforts can backfire and potentially trigger renewed instability in fragile contexts, as happened in Nigeria in 2012 when the government attempted to overhaul the corrupt system of fuel subsidies.¹⁶² Chayes argues that donors need to “obtain a brutally honest picture of the [corrupt] network’s structure, operations, and context... [then] shape all elements of [the] intervention in light of the above analysis”.¹⁶³

158 DFID. 2019. ‘Annual Review-July 2019: Support for the Economic Recovery of Somalia (SEMS)’. p N/A.

159 DFID. 2019. ‘Annual Review- Post April 2018: Tackling Serious and Organised Corruption (TSOC) in Malawi’. p2.

160 Johnsen, J. 2016. ‘Anti-corruption in fragile states: A need for better theory and practice’, Elgar Blog.

161 Rose, S. 2019. ‘Focusing on Fragility: The Future of US Assistance to Fragile States’, Centre for Global Development Brief. p3.

162 Zaum, D. 2013. ‘Political economies of corruption in fragile and conflict-affected states: Nuancing the picture’, U4 Brief.

163 Chayes, S. 2016. *Corruption and State Fragility*. US Institute of Peace. p5



The recent shift among some donors towards approaches like adaptive management, problem-driven iterative adaptation and thinking and working politically is a recognition of the fact that there is no straightforward roadmap to tackle corruption in fragile settings. Instead, good programming relies on flexibility, responsiveness and collaboration with a variety of actors.¹⁶⁴ This entails careful consideration of the most damaging forms of corruption in fragile settings to understand which kinds of corruption most grievously undermine government accountability and legitimacy. Thus, while earlier literature called for whole-of-government approaches to tackling corruption in post-conflict states “because so many sectors influence one another”,¹⁶⁵ more recent scholarship instead argues in favour of incremental approaches that focus on the most pernicious manifestations of corruption in key sectors.¹⁶⁶

Based on this approach, Khan argues in favour of narrowly delineating anti-corruption interventions in adverse settings for which sufficient domestic support can be mobilised to enforce compliance with a particular set of rules.¹⁶⁷ This requires robust PEA to assess which type of rent-seeking activities are contributing to fragility and then to evaluate the relative power of groups likely to resist counter-measures, as well as the chances of building coalitions to overcome such opposition.¹⁶⁸ The result of this analysis will indicate both the feasibility of implementing specific anti-corruption policies in light of the constellation of interests affected by the intervention as well as the desirability of different policy options in terms of whether the potential pay-off is worth the risk of failure.

Here, different groups may well have rival perspectives, so a granular and empirical study of local perceptions and experiences of corruption can help ascertain how to enhance traditional norms of accountability.¹⁶⁹ Such studies can also reveal how the behaviour of donors and other international players may be affecting the equilibrium.¹⁷⁰ In Afghanistan, for instance, the World Bank’s support to the national public financial system meant that it was superior to many aid agencies’ own financial management systems.¹⁷¹ Despite this, in 2012 a mere 12% of official development assistance was channel through the government’s budget system, which meant that the vast quantity of off-budget, uncoordinated aid itself became a major source of corruption and patronage.¹⁷²

164 OECD. 2018. *States of Fragility 2018*, OECD Publishing, Paris. p36

165 Boucher, A. et al. 2007. ‘Mapping And Fighting Corruption In War-Torn States’, Stimson Center Report No. 61. p24

166 Within these core sectors, UNDP recommends bringing the full anti-corruption repertoire (prevention, enforcement, awareness-raising and multi-stakeholder participation) to bear. United Nations Development Programme. *Fighting Corruption in Post-Conflict and Recovery Situations: Learning from the Past*. New York: UNDP, 2010. p56

See also Dix, S. et al. 2012. *Risks of corruption to state legitimacy and stability in fragile situations*, U4 Issue No.3. p xi

167 Khan, M. et al. 2016. *Anti-Corruption in Adverse Contexts: A Strategic Approach*. SOAS Working Paper.

168 Such coalitions could include civil society groups, trade unions, the media, excluded sections of the business community and political parties.

See: Mathisen, H. 2007. ‘Addressing corruption in fragile states: what role for donors?’, U4 Issue. p16;

Khan, M. et al. 2016. *Anti-Corruption in Adverse Contexts: A Strategic Approach*. SOAS Working Paper;

Dix, S. et al. 2012. *Risks of corruption to state legitimacy and stability in fragile situations*, U4 Issue No.3. p xi

169 United Nations Development Programme. *Fighting Corruption in Post-Conflict and Recovery Situations: Learning from the Past*. New York: UNDP, 2010. p28

170 OECD. 2010. *The State legitimacy in fragile situations: unpacking complexity*, OECD Publishing, Paris. p57

171 Johnsen, J. 2016. *Anti-Corruption Strategies in Fragile States*, Elgar Publishing, Cheltenham. p182

172 Johnsen, J. 2016. *Anti-Corruption Strategies in Fragile States*, Elgar Publishing, Cheltenham. p182

PEA is by no means new. In fact, aid agencies have long identified a large number of relevant variables for anti-corruption measures in fragile settings, including how a conflict ends, the nature of the peace settlement, the condition of state structures and the presence of natural resources.¹⁷³ However, in some cases differing assessments of the operational environment among international actors has formed an obstacle to concerted action against corruption.¹⁷⁴ Moreover, insights gleaned from diagnostic assessments have hitherto been poorly translated into actual programme design in fragile settings. The OECD noted as early as 2009, for instance, that there had been “considerable analysis of the dynamics of Afghanistan’s political economy and neo-patrimonial network structures, but donors still face the challenge of how to incorporate this understanding into their technical approaches.”¹⁷⁵ Ten years later, a central challenge remains generating a realistic assessment of which aid modalities, partners and implementation strategies are most likely to produce results.

Evidence from the field on the importance of conducting robust political economy analysis

The importance of robust political economy analysis to donor programming is encapsulated in the experience of the Anti-Corruption Evidence (ACE) programme. When the programme was initially approved, it explicitly did not focus on very fragile or conflict-affected settings. The short-list of countries selected for implementation included Ghana, Uganda, Tanzania, Mozambique, Nigeria and Bangladesh. These countries were deemed sufficiently stable to support long-term high-quality anti-corruption research. Upon implementation, however, the project faced difficulties in three countries, as shifts in the political situation led to restrictions on research, insufficient access to data and dwindling space for civil society debate. All ACE researchers were thus required to *continually update their political analysis in order to adapt to changing environments and be able to flag if the project became unviable or too risky (for researchers and participants) to pursue.*¹⁷⁶

A second example that underscores the importance of political economy analysis is the Land - Enhancing Governance for Economic Development (LEGEND) programme, which directed £38 million to strengthen property rights and improve land governance in Ethiopia, Malawi, Sierra Leone, Tanzania and Mozambique. The project design stressed the importance of understanding the political economy of each one of these countries in order to identify what could limit the implementation and effectiveness of technical solutions. The evaluation report for this programme also highlights that political economy analysis is crucial to understand *which changes in the political space are needed for the technical solutions to be deployed effectively* and support reforms.¹⁷⁷

Many of the reviews contained in the Development Tracker website also point at civil society actors as potential allies to help international donors understand the local context better. The TRIP programme in Bangladesh, for example, *relied on civil society to gain a more nuanced and granular understanding of how local institutions work.*

173 UNDP. 2010. *Fighting Corruption in post-conflict and recovery situations*, UNDP Publishing, New York. pp7-19

174 Mathisen, H. 2007. 'Addressing corruption in fragile states: what role for donors?', U4 Issue. p5

175 OECD. 2009. *Working towards common donor responses to corruption: joint donor responses vis-a-vis corruption in Afghanistan*, OECD Publishing, Paris. p6.

176 DFID. 2017. 'Annual Review- Summary Sheet: Anti-Corruption Evidence (ACE) Programme'. p4.

177 DFID 2019. *Land Governance for Economic Development*. Annual Review Post April 2019.

BOX 2: LEVERAGING POLITICAL WILL

In a recent evaluation of USAID's anti-corruption programming in Sub-Saharan Africa, the factor that emerged most prominently as a key determinant of programme failure was the absence of political will,¹⁷⁸ while a report by the Special Inspector General for Afghanistan Reconstruction reached a similar conclusion in 2016.¹⁷⁹

Drawing on its experience in Sub-Saharan Africa, USAID concluded that, alongside the level of civic freedom, the level of political will on the part of the recipient government should be considered a key factor in determining whether to adopt a direct or indirect approach in curbing corruption.¹⁸⁰ Based on this assessment in Zambia, for example, USAID decided to focus on administrative simplification to improve service delivery and the business environment instead of prioritising strategies to tackle corruption head-on.

Where political economy assessments indicate that political will to anti-corruption and governance reform is questionable or absent, USAID recommends:¹⁸¹

- **Prioritising indirect anti-corruption interventions.** Rather than engaging at the highest levels with anti-corruption agencies or civil service reforms, targeted approaches to increase transparency, public financial management, procurement and tax administration could prove more effective. For instance, interventions could seek to cut out intermediaries in tax collection.
- **Focussing at the local level.** Where political will is absent at the national one, local authorities may be receptive to donor-led anti-corruption initiatives, as USAID found to be the case after the 2015 election. Other USAID examples of leveraging political will at the subnational level include working with governors in Nigeria and on local government tax reform in the Democratic Republic of the Congo (DRC).
- **Building on multilateral initiatives and economic incentives.** Aid agencies could seek to align anti-corruption measures with economic incentives for reform. In the DRC, for instance, the growing demand for certified conflict-free minerals in line with OECD guidelines created by the Dodd-Frank Act encouraged the government to enact reforms that led to a drastic reduction in the control of mines by armed groups in the east of the country.

Even where political will does exist, it is often contingent on political expediency, electoral agendas or external funding, rendering it highly volatile. For example, when the president of Cote d'Ivoire, Alassane Ouattara, took office in 2010, he was keen to see his country improve its standing in international governance rankings. The USAID mission in Cote d'Ivoire was thus able to take advantage of this window of opportunity to implement its Justice Sector Strengthening Programme. However, despite improvements in the World Bank's Control of Corruption score and in Transparency International's Corruption Perceptions Index, the Ivorian government's commitment to take action against corruption dwindled over time.¹⁸²

Identifying and supporting reformers at the operational level who can sustain the momentum of reform is therefore key; in Liberia, the USAID Governance and Economic Management Support programme worked across fifteen ministries and agencies, but it only proved successful where reform-minded appointees and technical staff were empowered to make a difference.¹⁸³ Working with the grain by aligning donors' anti-corruption objectives to recipient countries' own policy initiatives is believed to help in this regard.¹⁸⁴

178 USAID. 2018. Anti-Corruption Program Efficacy in Sub-Saharan Africa.

https://www.usaid.gov/sites/default/files/documents/1866/AfricaAnticorruption_Report_FINAL_508.pdf

179 Special Inspector General for Afghanistan Reconstruction. September 2016. Corruption in Conflict: Lessons from the US experience in Afghanistan. <https://www.sigar.mil/pdf/LessonsLearned/SIGAR-16-58-LL.pdf>

180 USAID. 2018. Anti-Corruption Program Efficacy in Sub-Saharan Africa.

181 USAID. 2018. Anti-Corruption Program Efficacy in Sub-Saharan Africa.

182 USAID. 2018. Anti-Corruption Program Efficacy in Sub-Saharan Africa.

183 USAID. 2018. Anti-Corruption Program Efficacy in Sub-Saharan Africa.

184 USAID. 2013. 'Analysis of USAID Anticorruption Programming Worldwide 2007-2013. <https://www.usaid.gov/sites/default/files/documents/1866/AnalysisUSAIDAnticorruptionProgrammingWorldwideFinalReport2007-2013.pdf>

Be patient and realistic

Anti-corruption interventions should be based on a realistic assessment of partners' absorption capacity, be these state or non-state actors. Anti-corruption programmes must be implementable in low-capacity environments, and ideally iterative and flexible to account for the fluid political situation in fragile contexts as well as to avoid any unintended destabilising effects that donor interventions might trigger. Donors should thus be realistic about the extent to which they can reduce fragility and corruption with finite resources in a limited time span.¹⁸⁵

Moreover, aid agencies usually operate in a crowded space, jostling with a host of other international actors with diverse priorities.¹⁸⁶ Many of the most critical variables for the control of corruption, such as the nature of peace settlements, the activities of security forces, the prevalence of organised criminality, and the broader socio-political dynamics fall beyond the scope of anti-corruption interventions initiated or supported by donor agencies.¹⁸⁷ Indeed, Spector contends that the fact that aid agencies usually form part of a broader coalition of international actors intervening in fragile states has meant that they have rarely been able to integrate long-term anti-corruption ambitions into the immediate priorities of negotiators trying to establish a political and military settlement.¹⁸⁸

The core challenge at the heart of anti-corruption efforts is seeking to shift elite incentives away from short-term particularistic and clientelist politics towards the investment of political capital in good governance measures that can prove advantageous in the long run.¹⁸⁹ While there are few operational insights into how to influence incentive structures in this manner, Taxell et al suggest that enduringly altering the balance is likely to require both “a degree of security of tenure” for elite groups as well as pressure from domestic actors for increased government accountability.¹⁹⁰

The policy implication for donors is that there is likely to be a need to begin pragmatic anti-corruption activities as early as possible that both contribute to stabilisation and gradually raise the perceived costs of corruption. This will entail assuming a supporting role by working patiently with the grain and seeking to empower local players to sensitise the wider population to corruption issues,¹⁹¹ as well as providing “focal points for collective action.”¹⁹² Again, politically informed programming is key; there is some suggestion in fragile settings dominated by official moguls there are higher incentives for government officials to contribute meaningfully to state-building activities, while in more competitive political arenas characterised by rival groups there is perhaps greater scope for building coalitions in favour of anti-corruption efforts.¹⁹³

185 OECD. 2018. *States of Fragility 2018*, OECD Publishing, Paris. p36

186 Cheng, C. & Zaum, D. 2012. 'Selling the Peace? Corruption and Post-Conflict Peacebuilding', in Cheng and Zaum (eds), *Corruption and Post-Conflict Peacebuilding*, Routledge. P5

187 Johnsen, J. 2016. *Anti-Corruption Strategies in Fragile States*, Elgar Publishing, Cheltenham. p215

188 Spector, B. 2011. *Negotiating peace and confronting corruption: challenges for post-conflict societies*. United States Institute for Peace

189 Acemoglu, D. & Robinson, J. 2006. 'De Facto Political Power and Institutional Persistence,' *American Economic Association Papers and Proceedings*, vol.96(2). pp325-3- ;

Kelsall, T. & Booth, D. 2010. **Developmental Patrimonialism? Questioning the Orthodoxy on Political Governance and Economic Progress in Africa**, APPP Working Paper 9, Africa Power and Politics.

190 Johnsen, J. et al. 2012. **Mapping Evidence Gaps in Anti-Corruption**, U4 Issue.

191 Olowu, D. and Chanie, P. 2016. 'Introduction: Renewed Interest in State Weakness and Fragility', in Olowu, D. and Chanie, P. (eds), *State Fragility and State Building in Africa*, Springer, Heidelberg. p8

192 Zaum, D. 2013. **'Political economies of corruption in fragile and conflict-affected states: Nuancing the picture'**, U4 Brief.

193 Zaum, D. 2013. **'Political economies of corruption in fragile and conflict-affected states: Nuancing the picture'**, U4 Brief.

This will take longer than a single electoral cycle in donor countries; the World Bank observes that even in the most positive cases, escaping the fragility trap took countries longer than a generation.¹⁹⁴ The task for aid agencies is therefore to contribute to positive change where possible, while building political capital at home for long-term, consistent and incremental engagements in fragile settings.¹⁹⁵ While rapid breakthroughs may be possible and donors should be ready to exploit any windows of opportunity for reform,¹⁹⁶ as the OECD points out, expecting rapid and profound change in difficult settings “is the ultimate fool’s errand of the development sector.”¹⁹⁷ Indeed, the drive for “quick wins” can not only result in changes that are at best cosmetic, but can exacerbate the fiduciary risks where donors rush to disburse funds. As acknowledged by the Commission on State Fragility, Growth and Development, “there are many well-intentioned blueprints for good governance which reflect the ambitions of donor states and international institutions. But gradual improvement achieved from within the society is more likely to be sustainable than leaps that imitate the forms that OECD societies have themselves only established relatively recently.”¹⁹⁸

Ultimately, donors should seek to support domestic accountability actors, while minimising the harm caused by their own activities such as overburdening the absorptive capacity of aid recipients or tacitly condoning corruption in the name of peace.

Evidence from the field on the importance of pragmatism and patience

Many of the evaluations of governance projects found in the Development Tracker website acknowledge that certain goals or objectives might be too ambitious for a fragile setting. The Support for the Economic Recovery of Somalia (SERS) project, for example, recognised that a comprehensive and strategic approach to public sector reform would be too challenging and instead adopted a less ambitious approach focused on increasing transparency around the government’s budget and other fiscal processes.¹⁹⁹

Similarly, the Safety and Access to Justice Programme (SAJP) in South Sudan highlights the importance of being patient in challenging environments. The project review conducted in 2014, for example, credits the patience of the team in dealing with the difficult environment that presented “daily challenges and frustrations from a variety of sources”²⁰⁰. Similarly, the 2015 review of the Access to Justice Programme in South Sudan (ATJP) also highlighted the importance of being patient to “understand and test national perspectives of the various concepts and approaches being pursued”²⁰¹ through the project. As a lesson learned, the report highlights a project’s inception phase as a “worthwhile investment to establish a solid foundation for implementation”.²⁰² Particularly when it comes to changing citizens’ attitudes and behaviour, patience and long-term commitment are important.

One of the main lessons learned from the Anti-Corruption Support to Sierra Leone (ACSL) programme included the importance of being patient and realistic regarding the timeline required to achieve changes in public attitudes and behaviour on corruption. The programme aimed to tackle both petty and grand corruption by encouraging citizens to report bribery, while working with the government to strengthen its responses to citizen reports. The project evaluation stresses that the impact of efforts to promote independent self-reporting by citizens plummeted once a group of ‘animators’ stopped their work, which highlighted the need for *sustained investment in public outreach and awareness raising*.

194 World Bank. 2011. World Development Report 2011: Conflict, Security and Development, World Bank Group, Washington D.C. p108

195 OECD. 2018. States of Fragility 2018, OECD Publishing, Paris. p36

196 Dix, S. et al. 2012. *Risks of corruption to state legitimacy and stability in fragile situations*, U4 Issue No.3. p ix

197 OECD. 2018. States of Fragility 2018, OECD Publishing, Paris. p25

198 Commission on State Fragility, *Growth and Development*. 2018. ‘Escaping the Fragility Trap’. London: London School of Economics International Growth Centre. p24.

199 DFID. 2016. “Annual Review- Summary Sheet: Support to the Economic Recovery of Somalia (SERS)”

200 DFID. 2014. “Annual Review- Safety and Access to Justice Programme (SAJP) in South Sudan”. p18.

201 DFID. 2015. “Annual Review- Summary Sheet: Access to Justice Programme (ATJP)”.

202 DFID. 2015. “Annual Review- Summary Sheet: Access to Justice Programme (ATJP)”.

4. CONNECTING THE DOTS: CONTROLLING CORRUPTION TO ENHANCE STABILITY

While the examples used throughout the previous section can only provide anecdotal support to validate the recommendations identified in the literature, the programmes cited represent around 20% of all DFID’s governance-related projects in fragile settings reported on the Development Tracker website. These programmes also cover a wide range of fragile settings, covering projects in over 12 different countries across Africa and Asia.

Table 4 summarises the main recommendations identified in the academic literature for engaging in anti-corruption in fragile settings and pairs each of them with tangible anti-corruption mechanisms deployed by practitioners on the ground.

Table 4. Main recommendation for controlling corruption in fragile settings and ways to incorporate them into developing projects

RECOMMENDATION FOR ANTI-CORRUPTION APPROACHES IN FRAGILE SETTINGS	WAYS TO INCORPORATE THE RECOMMENDATIONS INTO DEVELOPMENT PROJECTS
Support initiatives by non-state actors	<ol style="list-style-type: none"> 1. Include local civil society organisations in governance programming 2. Adopt a multi-stakeholder approach and work with government, civil society and private sector actors to effect change. 3. Strengthen collective action at local level
Coordinate and sequence initiatives with other international actors	<ol style="list-style-type: none"> 1. Ensure greater consensus and convergence around reform efforts by reaching out to other “like-minded” development partners 2. Disseminate information explaining what the projects expect to achieve and the type of support that others could expect from the project in order to create synergies
Conduct robust political economy analysis	<ol style="list-style-type: none"> 1. Continually update political economy analyses to adapt to changing environments 2. Dedicate time and resources to identify barriers and enabling factors for reforms 3. Partner with civil society actors to improve understanding of the local context
Be patient and realistic	<ol style="list-style-type: none"> 1. Acknowledge that certain goals or objectives might be too ambitious for a fragile setting 2. Invest in public outreach and awareness-raising

The value of these recommendations is echoed by the emerging consensus around new development paradigms, perhaps most notably expressed in the 2014 “Doing Development Differently (DDD) Manifesto”, which was the outcome of a workshop for development practitioners organised by Harvard University and the Overseas Development Institute. In addition to stressing the indispensability of robust political economy analysis, the manifesto argues that approaches that involve local players and adopt flexible, iterative programme designs are the most likely to succeed.

The four broad recommendations identified in this paper are intended to ensure that anti-corruption efforts in fragile settings contribute to the ultimate objective of donor interventions in those countries: addressing the root causes of the political, environmental, economic, societal and security dimensions of fragility in order to strengthen the resilience of states and societies. Due to the complex manner in which different forms of corruption affect the five components of fragility, it is difficult to disentangle the causal chain between fragility and anti-corruption. The literature indicates the existence of a vicious cycle in which corruption weakens social and state structures, while their decay fuels greater excesses of corruption. However, the opposite is also true. Tailored anti-corruption policies designed to tackle the most important drivers of fragility in a given country can engender a virtuous cycle in which lower levels of corruption help strengthen the authority, capacity and legitimacy of state institutions, which, in turn, find themselves better equipped to control corruption.

It is also worth acknowledging that while most of the recommendations discussed above could be effectively applied to less fragile settings, the opposite is not the case. Many of the traditional anti-corruption policies developed in more stable polities will be at best of little use in fragile settings and at worst de-stabilising and dangerous. While controlling corruption is likely to have a positive impact on the different drivers of fragility, anti-corruption interventions in fragile settings will encounter more obstacles meaning the “menu” of anti-corruption initiatives that are feasible and realistic will likely be much shorter than in less fragile contexts. The recommendations above are thus to be understood as the lowest common denominator of what is required for anti-corruption policies to support stabilisation and development efforts.

Due to the difficulty of disentangling the links between fragility, corruption and their drivers, the available literature is of little help when it comes to providing further advice on more specific strategies that have proven to be successful in fragile states. For this reason, it is not possible to endorse specific anti-corruption interventions in fragile settings. Of greater value to development practitioners than a set of boilerplate policy prescriptions is a framework that can help identify which tools and strategies are most likely to yield positive results in terms of control of corruption and the reduction of fragility. Based on the literature reviewed, such a framework would imply at least a 4-step approach to designing anti-corruption programmes for fragile settings:

- » **Step 1: diagnose corruption and fragility (political-economy analysis):** The first step for engaging in anti-corruption in fragile settings is to understand which dimensions of fragility (i.e. security, social, political, environmental and economic) are the most problematic for the specific context and determine how corruption relates to them. As part of this assessment, practitioners need to consider not only at the formal and written procedures and regulations, but also assess informal norms and social institutions. Consulting with local stakeholders and civil society groups can provide insights into the local dynamics of corruption, such as whether graft is centrally organised to benefit the ruling elite, as in Johnston's official mogul model, or if corrupt behaviour is largely fragmented and used by competing factions to contest power, as in the oligarchs and clans model.

- » **Step 2 | Evaluate the level of political will (stakeholder analysis):** Anti-corruption strategies will need to account for the influence of actors that are not interested in changing the status quo. In fragile settings, opposition to anti-corruption efforts might come from the highest echelons of government. Anti-corruption efforts will thus have to account for the government's levels of capacity, authority and legitimacy to assess what level of government involvement is most realistic and desirable. In cases where senior government officials have little interest in supporting anti-corruption efforts, it might still be possible to collaborate with specific government agencies or local governments to reduce fragility. As part of this second step, development practitioners should also identify potential allies beyond state institutions, such as other development agencies and international actors, civil society organisations, business associations, journalists and media outlets.

- » **Step 3: identify opportunities and design solutions (programme design):** Only a deep understanding of the situation and the ways in which corruption operates and interacts with other drivers of fragility can help determine which anti-corruption measures (direct or indirect, technical or political or a combination of some/all of these) are best suited to enhance stability. Again, reference could be usefully made to Zaun's adaption of Johnston's framework.²⁰³

- » **Step 4: adapt to changing circumstances (learning and adaptation):** Given the often volatile political and socioeconomic landscape in fragile settings, programmes are likely to need to adopt an iterative and adaptable approach. Programme designs that incorporate flexibility on the use of funds as well as specific targets and objectives are gaining growing support among development practitioners and experts. Importantly, donors engaging in fragile settings must also have clear exit strategies for cases where it is no longer possible to engage in anti-corruption.

A direct implication of this approach is that governance interventions in fragile settings are likely to require long inception phases to collect data, understand the context, map the linkages between corruption and fragility as well as identify relevant actors and allies. In addition, these programmes will need to focus on long-term change rather than on short-term impact, as neither fragility nor corruption are likely to disappear overnight. Finally, since interventions in fragile settings require political savviness, knowledge of the local context and understanding of the prevailing social norms, development agencies must invest in appropriate training to develop the expertise of their local and international staff. Indeed, considering that the rapid turnover of international staff can result in loss of institutional memory, building the capacity of national staff and giving them the space to influence decision-making is an important means of navigating the inevitable setbacks that anti-corruption efforts in fragile settings will encounter.

203 Zaun, D. 2013. 'Political economies of corruption in fragile and conflict-affected states: Nuancing the picture', U4 Brief.

This paper has attempted to provide an overview of the expansive literature related to governance, corruption and development interventions in fragile settings. It finds that the policy recommendations emanating from this body of work resonate with the experiences of development practitioners on the ground, as expressed in the project evaluations available to the authors. Many donor agencies are already finding ways to adapt their programmes to fragile contexts and are clearly aware of the importance of coordinating with other donors, prioritising initiatives by non-state actors and conducting detailed and even real-time political-economy analysis. During the review process, the authors consulted a number of academics and practitioners specialised in anti-corruption and fragility. Their insights generally aligned with the recommendations and findings outlined throughout this paper, but they also raised some issues that were not adequately covered in the literature, but present important considerations when operating in fragile contexts.

First, greater attention needs to be paid to how different manifestations of corruption interplay with fragility in different contexts. As mentioned briefly in the text, some studies suggest that certain types of corruption can, at least in the short run, have a stabilising effect. Patronage, for example, can (under certain conditions) contribute to the establishment of political stability and lead to improved service delivery. While the outcomes of this arrangement will not be optimal and could lead to violence again in the medium to long term, donors need to be particularly sensitive to the complex relationship between corruption and fragility to ensure they can build on momentum for governance reform without undermining nascent stability. The lessons from both the field and the academic literature indicate that this can best be achieved by adopting a supporting role and seeking to reinforce the successes achieved by in-country actors,²⁰⁴ particularly civil society organisations and media outlets.²⁰⁵

Second, when discussing the importance of “political will”, the literature often stresses the importance of having anti-corruption champions in the recipient countries and how having the support of a powerful individual or group to reform the system can be decisive for the success of an intervention. An issue that is often overlooked, however, is the “political will” on the side of the donor. Although the academic and policy literature often portrays donor agencies as single-minded, monolithic entities, they are in fact subject to a number of competing pressures not only in the countries where they operate, but also in their home countries. Failure to account for this is what often leads to incoherent approaches when engaging in fragile settings. For this reason, coordination is not only important amongst different donors in the field, but also between the donor agencies and the other relevant actors in their own countries.

Finally, it is important to acknowledge that different donor agencies have different priorities and practices. As a result, some agencies are likely to be better equipped to operate in fragile settings than others are. If donors have insufficient expertise, local knowledge or risk appetite, engaging in fragile settings might do more harm than good. Ultimately, while there is a sizeable body of knowledge related to governance interventions in fragile states, operationalising this knowledge in different policy environments will require the ability to adapt the principles outlined in this paper to the specific needs of different interventions. Based on the core considerations described here, it is beholden on thematic governance units at aid agency headquarters to provide their in-country staff with guidelines on how to develop bespoke anti-corruption activities tailored to fragile settings.

204 Olowu, D. and Chanie, P. 2016. 'Introduction: Renewed Interest in State Weakness and Fragility', in Olowu, D. and Chanie, P. (eds), *State Fragility and State Building in Africa*, Springer, Heidelberg. p8

205 Peacebuilding Initiative. 2019. "[Civil Society: Key debates & implementation challenges](#)", Peacebuilding Initiative website.



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