Assessing the Circumstances and Forms

of Canada's Involvement in Fragile States:

Towards a Methodology of Relevance and Impact

David Carment
Stewart Prest
With
John Gazo
Terry Bell
and Sarah Houghton

Abstract

Through much of the post-Cold War era, Canada has staked its international reputation on the development of "soft power" tools, strategies and ideas. The ICISS report, The Human Security Report and the Recommendations of the High Level Panel serve as examples of how Canada has moved academic research and ideas into the mainstream of foreign policy. Such ideas, while important for agenda setting, norm development and multilateralism are by themselves insufficient to address the problems of failed and fragile states. With the release of the IPS last year a more clearly defined set of actionable policies emerged. Since then , Canada has chosen to work with far fewer countries through its bi-lateral development assistance programmes, has put in place operational tools such as START that heretofore have not been part of its "soft power" agenda, and has decided to extend its defence capabilities far deeper and far wider than it ever did during the last decade of the 20th Century. Canada is entering uncharted territory. Precision, focus and sense of purpose are now more essential than ever before. All of this speaks to the importance of whole-of-government approaches in fragile and failed state environments. With a concentration of efforts on operational issues, Canada (and its allies) will be expected to provide proof of the effectiveness of such strategies, provide corrective measures where necessary and above all, demonstrate to the Canadian public that long term investment in prevention is the key to a more stable international environment. In response to this need, this paper lays out a framework for determining where Canadian interests lie and how to measure their impact. A separate document as well as a unifying concept paper take up the related challenge of identifying and measure fragility using the CIFP Net Assessment (CNA) framework.

I. Nature of the Problem

Effective response to failed, fragile and dangerous states requires a multifaceted approach, based upon both quantitative and qualitative analysis.[1] The kinds of analyses we require depend in part on the timeline in which we expect to be engaged. Long term analyses are necessary wherever the engagement is intended to constitute a strategic response to structural problems such as development and institution-building. When an escalation or a change in a state's level of fragility precipitates a short-term crisis response however, a different kind of analysis may be required, with a focus not just on broad underlying structural indicators but a dynamic consideration of conjoining events, stakeholder interests and the role of spoilers. Here the challenge is to match the analyses to specific operational tasks, focusing on engagement strategies such as preventive diplomacy, dialogue, mediation, and armed intervention.[2]

Providing policy makers with a comprehensive and complementary set of analytical tools to address both the short and long term has several advantages. First, by providing a sound analysis of structurally-based long term indicators the range of response options, both structural and operational, will be much broader. Advance warning ensures that there is an optimal combination of

CIFP Net Assessment: Bringing structural and event data together with engagement effectiveness analysis

Structural data	Event-based data	
Indicator Clusters	Field officer and expert surveys	**Input**
A-L-C Assessment	Allied, IO, NGO, media reports	

Indexing Model	Engagement Effectiveness	
Structural fragility score	Relevance	**Analysis**
Trend	Potential impact	

CIFP Net Assessment	
Net fragility score	
Quantitative and Qualitative trend analysis	
Generation of scenarios	**Output**
Net Effectiveness Assessment	
Evaluation of policy options	

---

[1] Anticipating failure is like peeling an onion, in which each analytical layer reveals progressively longer time lines: long term fundamental dynamics relating to macro-level structural pre-conditions, intermediate behavioural patterns, and precipitating events such as political crises and genocides. A key goal is to provide decision makers with a choice of viable economic, political and military policy options, and to do so well in advance of the onset of crisis. As the time frame decreases, so too do the array of viable response strategies. When collapse is imminent, forceful military intervention, an inherently risky and costly strategy, may be required.

[2] The methodology provided here relates to Canadian government policy priorities and actions. See Aleisha Stevens, "Conflict and Commerce: Angola and DiamondWorks," CIFP Report, June 2005; and Terry Bell, "Measuring the Reverse Flow of Risk: A Case Study of the Monywa Copper Project in Burma," CIFP Report, June 2005; both reports are available online at www.carleton.ca/cifp.

Canadian interests and capacity.[3] In strategic terms, forestalling a failing state requires long-term structural techniques that extend beyond the purview of any one department (see Appendix B). The goal is to encourage behavioural change, which can be induced by the promotion of, among other things, sustainable development, support for human rights, arms control mechanisms, membership in international organizations, security pacts, and local participation in governance and political decision-making. The success of such changes cannot be ascertained overnight, nor can any single source of information provide a complete picture of whether the intended effects are indeed being achieved. Accordingly, responding to fragility and failure requires large investments in time and money, an unparalleled degree of precision in the development of evaluation techniques and above all sustained and broad political support for long-term engagement.

Second, such tools can assist Canadian decision-makers in knowing when, where and how to respond and help in the strategic allocation of resources.[4] In this regard, there is a need to reduce both Type I and Type II errors – situations that arise when a misdiagnosis occurs and resources are not allocated appropriately.[5] In-depth structured analyses can assist in addressing the potential for both types of errors. Third, such tools, if they result in meaningful policy-related results, can become important assets for policy analysts, providing a complement in their country-wide strategic (as opposed to operational or project level) arsenal (see Appendix D for an example). While part of the solution relates to the need for enhanced organizational resources (human, diplomatic and budgetary), it also involves the fact that risk assessment and early warning must be properly utilised within government structures.[6] Whole-of-government approaches are now touted as essential

---

[3] Long-term conflict prevention is associated with structural transformations and developmental aid and faces a time lag of approximately 15-20 years before results are easily visible. Positive change can be achieved through partnerships and linkages that emphasise clear, comprehensive strategic plans for high risk regions and priority areas of concern within them.

[4] In particular, the "greed vs. grievance" argument has grown in importance, and become more nuanced over time. For example, conflicts can be generated by the absolute scarcity of resources, an abundance but maldistributed resource base or quick access to lucrative resources. It is well known that dependence on a single commodity can lead to economic stagnation and regional conflagration wherein smuggling, black markets and illicit trade flows are encouraged. Compounding elements include the widespread availability of unemployed youths and collusion between rebel groups for personal gain. Both can prolong conflict through the creation of conflict entrepreneurs, dependents and exploiters. For applications of the Country Indicators for Foreign Policy (CIFP) template see: www.carleton.ca/cifp: *Conflict Risk Assessment Report: Cambodia, Indonesia, Philippines (01/01/2002); Conflict Risk Assessment Report: West Africa: Mano River Union and Senegambia* (01/04/2002)*; Conflict Risk Assessment Report Sub-Sahara Africa* (4/11/2002)*; Conflict Risk Assessment Report African Great Lakes* (6/9/2003)*; Conflict Risk Assessment Report: Bulgaria, Romania, Slovakia, and Ukraine,* (8/11/2002).

[5] These errors are derived from unintended consequences and incomplete information. There has been substantial research conducted on unintended consequences and moral hazard problems. Moral hazards can arise from a number of different causes and the first source of moral hazard is the traditional one of incomplete information. There are also moral hazards in not only intervening militarily but also in providing humanitarian assistance to vulnerable populations. Researchers have noted that outside assistance can do more harm than good or can become entangled in the local political economy that fuels the conflict.

[6] Such reasons for the gap include: the traditional governmental separation between analysis/intelligence and policy/operations; the difficulty of planning multi-sectoral responses to complex causes of fragility and failure; the problem that dealing with immediate operations tends to "crowd out" strategic consideration of future issues and potential problems; the lack of a structured model for systematic, rather than *ad hoc*, early warning and risk analysis; and the *ad hoc* manner in which warnings are transmitted to decision-makers, and the consequent difficulty in deriving assessments of the operational

elements of any strategy dealing with state failure and, to be sure, the concept looks promising on paper. However, the concept must be fully incorporated into the analysis, decision-making and implementation processes of relevant departments. The British example of Conflict Prevention Pools (CPPs) is an incentive-based model which Canada is beginning to use to organize itself; the Canadian government has put in place a variety of funding pools designed to create incentives for integrated responses. While important aspects of a broader solution, such measures are nonetheless no substitute for overarching strategic guidance and decision-making.[7]

The most notable example is the Global Peace and Security Fund created within DFAIT following the release of the IPS in 2005. However, for such pools to function properly, all relevant departments must clearly understand their objectives, their mandates and how their capabilities correspond to those of other departments. This unprecedented level of cooperation requires an overarching country strategy, strong leadership within and across government departments to enforce that strategy, and a full understanding of the costs and risks of pursuing a particular course of action. Only after these conditions are met will departments begin to recognize that they are working together for a common goal, with roles that compliment rather than compete with one other. Identifying lead departments at the earliest possible stage is crucial to avoid confusion and duplication of processes.

Having identified the perceived advantages in developing a demand-side oriented approach to analysis and response, one may turn to the main constraints that now impede progress towards such a goal. The primary obstacles are attitudinal and bureaucratic. How can the attitudinal issue be addressed? First, any quantitative or qualitative risk analysis tool that expects to be policy relevant must do three things. It must specify which elements of its models are the most effective in order to assist policy-makers to design more

---

implications of these warnings. See Ruddy Doom and Koen Vlassenroot, "Early Warning and Conflict Prevention: Minerva's Wisdom?," *Journal of Humanitarian Assistance* (www-jha.sps.cam.ac.uk), July 1997, section II.2; Alexander L. George and Jane E. Holl, *The Warning-Response Problem and Missed Opportunities in Preventive Diplomacy*, Washington, DC: Carnegie Commission on Preventing Deadly Conflict, May 1997, pp. 10-12; and Howard Adelman, "Difficulties in Early Warning: Networking and Conflict Management," in Klaas van Walraven, ed., *Early Warning and Conflict Prevention*, (London: Brill, 1998) pp. 56-57.

[7] The UK government has created two Conflict Prevention Pools (CPPs), one for Sub-Saharan Africa (ACPP) and one for outside Africa (Global CPP or GCPP) to improve department coordination and priority-setting. The CPPs are jointly funded administered by three departments of state: the Ministry of Defence (MOD), Department for International Development (DfID) and Foreign and Commonwealth Office (FCO). The main new organizational additions were an inter-departmental steering mechanism and a process for joint priority-setting for each conflict. Once established, the CPPs brought together budgets for programme spending and peacekeeping costs. Although limited in scope, this coordinated effort is an example of a commitment to cooperation between departments to ensure an intervening effort that includes all aspects of reconstruction, from security to economics, participation and social development. For an evaluation of the CPP initiative to date, see Greg Austin, Emery Brusset, Malcolm Chalmers and Juliet Pierce, "Evaluation of the Conflict Prevention Pools: Synthesis Report," Government of the United Kingdom, HM Treasury Evaluation Report EV647 http://www.dfid.gov.uk/aboutdfid/performance/files/ev647synthesis.pdf.

effective policies. It must aid policy by helping decision-makers think through or analyze problems in a manner that is better than that which they would have used otherwise. In this case, risk analysis serves as a set of analytical tools and policy relevance stems directly from observing behaviours in response to the application of specific policies. Finally, it should identify systematic deviations from optimal decision-making and the identification of certain correcting principles.

In each of these areas there has been some progress. In the area of policy relevance, political science and econometric models regarding state failure now permeate Washington and, to a lesser extent, Ottawa and other Western capitals. Major government departments in the US and Canada all employ a number of political scientists conversant in this literature. Some use these theories implicitly to evaluate proposals and model outcomes; as a group however, policy-makers tend to resist the explicit use of such research when devising policy options. Simply put, theories and models that lack clear policy implications or actionable forecasts are just not useful to them on a day-to-day basis.

> There are two major reasons why policymakers pay greater attention to case studies than empirical models. First they are generally older, having completed their primary education well before the behavioural revolution and [second] the government doesn't provide much incentive to stay current in your field. Case studies are generally easy to understand and appreciate regardless of your educational level or methodological training. Second, the tension between qualitative and quantitative analysis in the government is in times and places much more acrimonious than it is in many political science departments, but this applies more at the level of the government analyst than the policymaker...."I don't think there's anything unique about international behavior that makes it less predictable than, say, economic behavior," says Philip A. Schrodt, a professor of political science at the University of Kansas. "If anything, an economic system is far more complicated than an international system. And yet we just constantly engage in economic forecasting."[1]
>
> Quoted in D. Glenn, "Calculus of the Battlefield: Do Game Theory and Number Crunching -- the New Math of International Relations -- Shed Light on the Conflict with Iraq?" *The Chronicle of Higher Education*, 8 November 2002. Available from http://chronicle.com/free/v49/i11/11a01401.htm

Second, the absence of analytical training within the policy-making community itself also generates resistance to applying different approaches to evaluating state failure and fragility. With some training under their belts, policy makers would be better equipped to engage the theory and theory-builders directly, providing direction and content in terms of how their analyses may need to be modified, refined, or repackaged in order to be useful in policy-making. The extent of these modifications may be minimized by the presence of a common analytical and terminological framework for discussion.

With respect to policy evaluation and adjustment, the challenge is less about providing forewarning and more about evaluating the effects of government policy at the project, sectoral and country level. There

is the related analytical challenge of identifying the independent effects of specific causal mechanisms. Further, there are contending and often conflicting interpretations of the causes of state failure, with inequality, persona and communal insecurity, perverse incentives, and misperceptions all being identified as potential elements. International neglect, in both its political and economic forms, is often touted as a further factor contributing to state failure.

The problems of bureaucratic silos and stovepipes are ones of information-sharing and the lack of a common problem definition. In this regard, the government of Canada would benefit greatly from a joint "lessons learned" and "impact assessment" process. Currently each department carries out its own monitoring and evaluation of operations or projects. However, in situations in which there are multiple departments and other partners involved, there are no joint "lessons learned" documents that would help facilitate the process.[8] For example, the idea of Effects Based Operations (EBO) emanates from the Canadian Forces Experimental Centre (CFEC) in Kanata. EBO constitute a valuable analytical tool, one that ensures that incorporates all aspects of security, development, and diplomacy into the planning and implementation of failed state operations. Consequently, EBO enhance nations' (or coalitions') strategic capabilities at the political, economic, technological, and information-networking levels, thereby improving the chances of achieving a politically satisfactory outcome for that nation or coalition.[9]

Success will depend on the ability to properly identify the end-state or *effects* desired, and the consequent deployment of resources necessary to achieve such effects. EBO provide a way of leveraging the resources available to achieve maximum impact and they allow a nation or coalition to achieve its strategic objectives at minimal costs.   EBO-based planning also requires acknowledgement of, and consequently a contingency plan for, unwanted or negative effects (moral hazards) the campaign may encourage – an element often missing from project-driven programming. Due to the inherent riskiness of intervening in a failed state, planning must include an analysis of all unintended consequences. This analysis includes the identification of the resources required to handle unfavourable situations, a broad mandate to

---

[8] For example, it has been suggested that the CF could be deployed in any situation where there are human security issues. Citizens who have had their human rights violated, displaced persons, and refugees may all require international security forces; in such cases the CF could be deployed to monitor and patrol the situation. This may also include aiding in the distribution of humanitarian aid. However, as in the case of failed states, the CF's first concern is security. Any military participation should be in consultation with the development community to ensure that short-term military programs contribute to longer-term development strategies, are culturally integrated and sustainable. *Peace Support Operations Joint Doctrine Manual,* Department of National Defence, November 6, 2002: 206.

[9] Robert Vermaas, "Future Perfect: Effects Based Operations, Complexity and the Human Environment" Directorate of Operational Research Note, Department of National Defence, January 2004, p. 4.

escalate in deteriorating situations and, under extreme circumstances, political support for the possibility of early withdrawal.[10]

II. Relevance and Impact Assessment

CIFP has been tasked by CIDA to assist in the development of a number of wide-ranging tools that encompass, among other things, monitoring, forecasting and evaluation of failed and fragile states, and providing analysis to support policies that address them. Such tools can be used to *assist the Canadian government to allocate resources, improve whole-of-government approaches, develop comprehensive country-specific strategies and enhance information sharing with allies and partners within multilateral fora.*

Table 1: Primary and secondary consequences of state failure and fragility		
Indicators of Fragility	Primary Consequences (for failed state)	Secondary Consequences (for region)
Governance	• Parties competing for political power outside official channels • Widespread corruption and extortion • Atrophy of state capacity • Decaying national infrastructure • Suspended provision of vital public goods • Erosion of civil society	• Regional power vacuum • Political parties seeking sympathy in neighbouring states • Destabilization of political authority in neighbouring states
Economic	• Poverty and unemployment • Hunger / famine • Inflation, deficits, debt • Obstructed or withdrawn trade, aid, and investment • Growth of black markets • Lack of contract enforcement	• Growth of black markets • Increased competition for employment in neighbouring states • Contagion – withdrawn investment from neighbours in anticipation of economic collapse
Security	• Conflict over borders and territory • Ongoing political disagreement, failed peace talks, broken treaties • Looting of natural resources and apprehension of land by government and rebel groups • Recruitment of Child soldiers	• Insurgent bands operating and recruiting • Presence of foreign militias • Deployment of peacekeepers in the region • Aggravated inter-group hostility
Crime	• Privatization of security and internal arms races • Acceleration of narcotics production • Growth of 'zones of impunity' • Killings, robbery, rape	• Proliferation of SALW • Drug trafficking • Human trafficking • Other forms of smuggling
Human Development	• Human rights abuses, esp. against women, children, and minorities • Spread of infectious disease	• Spread of infectious disease across borders

---

[10] This would include the ability of the military to security control situations that escalate in failing states or when the use of force is authorized as a substitute for a comprehensive peace treaty as in the United Nations Transitional Administration for Eastern Slavonia, Baranja and Western Sirmium (UNTAES) in Croatia or the United Nations Interim Administration Mission in Kosovo (UNMIK), respectively. This may require stronger mandates than are sometimes initially requested. It is much easier to respond when required than to try and upgrade a mandate once it is too late. An obvious example of this is in Rwanda and the inability of the UNAMIR to act in an escalating violent situation.

	• Increasing inequality		
Demography	• Mass migration and IDPs • Civilian casualties • Increased number of orphans	• Human trafficking • Cross-border refugee flows and camps	
Environment	• Environmental degradation • Competition for resources	• Environmental degradation • Competition for resources • Increased likelihood of regional epidemics or pandemics	

The project builds on CIFP's previous work in conflict monitoring, training, and risk analysis, and expands the range of indicators that are relevant to assessing state failure and fragility (see Table 1). Appendix B specifies how each of these indicator clusters relates to questions policy makers should be asking when assessing whether their work in these areas is making a difference.

The balance of the paper takes up the task of identifying criteria and laying out a framework for identifying where Canada should engage and how it can evaluate that engagement. In assessing Canada's potential engagement effectiveness in fragile state environments around the world, two fundamental questions must be answered. *First, how relevant is Canadian engagement to the state, to Canadians, and to the international community? Second, how much of a difference can Canada make given the policy tools available?*

In general, Canadian engagement will be most effective when the situation is highly relevant to Canadian foreign policy priorities, and when the potential Canadian contribution is likely to have a significant and positive impact. Both dimensions are necessary prerequisites. Engagements in situations with high relevance but limited potential impact are likely to prove ineffective, or even counterproductive. Conversely, engagements in situations with high potential impact, but of little or no relevance to Canada and Canadian foreign policy are a waste of scarce resources. Clearly, there is much in these sentences that requires further definition if they are to be of any conceptual use. The following sections describe what is meant by *relevance and impact*, how each may be measured, and how the two ultimately combine to provide a complete assessment of engagement effectiveness.

III. Relevance Assessment

Table 2: Key goals of relevance assessment
• The promotion of rational, consistent, and non-partisan decision-making; • The harmonization of engagements with explicit Canadian interests, values and past behaviour; • The enabling of expeditious decision-making in situations requiring rapid response; and • The encouragement of rigorous, results-based cost-benefit analysis.

When making such decisions, all policy makers use a number of criteria to determine the relevancy of a given course of action to Canadian interests and values. Even if they are identified in an implicit and ad hoc manner, such criteria factor into every foreign policy decision. CIFP relevance assessment brings some clarity and objectivity to such decision-making processes, explicitly identifying the most common dimensions of policy relevance. Crucially, the framework is NOT intended to constrain policy-makers' ability to act in a given situation, but simply to provide a baseline of information, enabling transparent and reproducible decision-making processes with respect to engagement in a given fragile or failed state.

In assessing net relevance, CIFP considers two different perspectives: the relevance of the state with respect to Canadian foreign policy interests and values; and relevance of the state with respect to global efforts to achieve the Millennium Development Goals (MDG).[11] . The first perspective, relevance to Canadian foreign policy, is also arguably the more problematic of the two. Any attempt to assess a potential engagement's relevance to Canadian foreign policy interests and values will inevitably be only partially

Table 3: Key measures of relevance
Development Linkages: • Total Canadian bilateral aid • Total Canadian multilateral aid • Priority of aid relationship for Canada (relative share of total aid budget) • Priority of aid relationship for recipient (relative share of total aid receipts) • Likely effectiveness of aid
Economic and Trade Linkages • Bilateral trade measured as a percentage of total Canadian trade • Bilateral trade measured as a percentage of partner country's trade • Total remittances from Canada
Security and Strategic linkages • Importance of country to regional stability (measured by country's share of regional GDP) • Presence/activity of partisan conflict participants in Canada • Presence of Canadian military resources in country or region • Level of fragility and speed of decay • Total value of Canadian consular resources dedicated to the country • Similar strategic alignment (measured through position on UN votes)
Demographic Linkages • Diaspora population in Canada as a proportion of Canadian population • Diaspora population in Canada as a proportion of recipient country • Size of Diaspora political/economic network
Cultural linkages • Location in a region or sector in which Canada has previously been involved / has a history of engagement • Country membership in a culturally or geographically significant international organization, such as the Commonwealth, la Francophonie, CARICOM, MERCUSOR, etc.

---

[11] UN Millennium Development Goals, http://www.un.org/millenniumgoals/

successful. The CIFP Net Assessment methodology (CNA) does not claim to provide a definitive measure for such a broad and indeed contested concept; rather, it specifies several major dimensions that feature prominently in all discussions of Canadian foreign policy. The goal is not to preempt discussion, but to support it with transparent, objective, and comparable information.

States may be relevant to Canadian foreign policy for a number of reasons; from their role in Canadian development policy, to cultural, linguistic, and historical linkages, to the presence of vibrant diaspora communities and networks in Canada and abroad, to economic ties, to strategic considerations, to concerns regarding threats to Canadian national security. Though not all of these factors are quantifiable, there are useful proxies for all of these dimensions. By compiling the primary proxies available, the CIFP relevance assessment provides some insight into many of the key factors involved in decisions regarding how best to advance Canada's foreign policy interests and values in fragile and failing states.

As with other structural data, the quantitative relevance indicators are indexed against all other applicable states. The net result is an aggregated relevance assessment index providing both a relative measure of each country's relevance to Canadians and Canadian foreign policy, and an indication of the importance of Canadian foreign policy to the state in question. Clearly, these indicators do not capture the full breadth of Canada's relationship with any fragile or failed state. Nor do they necessarily reflect the decision by CIDA to concentrate its bilateral aid programmes, which account for 2/3 of the overall budget, in 25 countries, many of which would not be deemed failed – though some are certainly fragile.

Qualitative aspects such as shared values and a common history are represented only partially in measurable factors such as demographic and economic linkages. In addition to these baseline relevance measures however, the CNA includes several different analytical techniques to better represent the more abstract aspects of relevance. For instance, the impact assessment explicitly requires analysts to consider factors such as historical and cultural linkages, and the presence or absence of key allies in theatre. Though such factors are clearly significant to measures of relevance, they are also included in impact assessment; both to avoid 'double-counting,' and because the analytical methodology employed in the impact assessment accommodates such factors more easily.

C. Cross-Cutting Themes and the MDGs

In addition, the CNA provides further insight into a given state's Canadian foreign policy relevance through its statistical data. As part of its analysis, the CNA identifies countries performing poorly in areas of particular relevance to Canadian development policy that cut across the CNA's indicator clusters. At present,

there are three such cross-cutting themes: gender, poverty, and human security. Each theme touches on issues related to several different areas; for example, gender-based indicators are found within the economic, governance, crime, human development, and demographic indicator clusters.   A state performing particularly poorly in any one of these thematic areas would be of particular significance to Canada's development mandate, thus providing an additional measure of a given fragile state's relevance to Canadian foreign policy.

The second perspective captures a potential fragile state's relevance to global achievement of the Millennium Development Goals (MDG). In general, fragile and failed states tend to be further from achieving these goals than other states.   For example, according to Branchflower et al., among all developing nations, failed and fragile states account for 28-35% of the absolute poor, 32-46% of the children that do not receive a

CIFP Relevance Assessment: Maximizing Canadian Foreign Policy Goals

The relevance assessment system allows decision makers to rank fragile states in order of relevance to Canada using both quantitative and qualitative measures. The assessment encourages decisions that are rapid, rational, and consistent. Canada's limited engagement resources are thus deployed so as to further Canadian development and foreign policy goals to the greatest extent possible.

Development Linkages
- Total Canadian bilateral ODA
- Total Canadian multilateral ODA
- Priority of aid relationship for Canada
- Priority of aid relationship for recipient.

Economic and Trade Linkages
- Bilateral trade measured as a percentage of total Canadian trade
- Bilateral trade measured as a percentage of partner country's trade
- Total remittances from Canada.

Security and Strategic Linkages
- Importance to regional stability
- Presence of partisan conflict participants in Canada;
- Level of fragility and speed of decay

Demographic Linkages
- Diaspora population in Canada as a proportion of Canadian population
- Diaspora population in Canada as a proportion of recipient country
- Size of Diaspora political/economic network

primary education, 41-51% of children that die before their 5th birthday, 33-44% of maternal deaths, 34-44% of those living with HIV/AIDS, and 27-35% of those lacking safe drinking water.[12]

Moreover, those fragile states that have made gains towards some MDGs represent a continuing danger; so long as stability eludes such states, those gains may be wiped out by renewed violence at any time, further frustrating efforts to reduce global poverty. Using the indicators provided by the UN Millennium project, it is possible to measure both the progress that each failed and fragile state must make in order to realize its portion of the MDGs, and the potential impact on global progress towards the goals should that state begin – or continue – to regress.[13]

---

[12] Andrew Branchflower et al, "How Important Are Difficult Environments to Achieving the MDGs?" PRDE Working Paper 2, *DfID*, September 2004.
[13] For a full list of the MDG indicators provided by the UN, see UN Statistics Division, "Millennium Development Goals Indicator Database," http://millenniumindicators.un.org/unsd/mi/mi_goals.asp, accessed 7 Nov. 2005. Though there are some concerns with the availability of reliable data, Branchflower et al. provide some guidance regarding methods to circumvent such problems. See Appendix 2, 28-33.

IV. Impact Assessment

An impact assessment is the process by which policy-makers identify a problem, assess its consequences, determine its relevant stakeholders, and find corresponding opportunities for action, producing a policy prescription to address the problem with a maximum impact. The CIFP impact assessment involves early warning, cost-benefit, and stakeholder analysis, as well as risk and feasibility assessments. Actors involved explore causal linkages between long-range, contextual issues and sudden, precipitating events. Ongoing, events-based monitoring and analysis of key fragility indicators should be carefully monitored with

Table 4: The policy toolbox[14]	
Governance	
• Democracy-institution building	• Support for open and properly regulated media
• Human capital development	• Financial/technical Support for key government departments
• CIVPOL deployment	
• Judicial reform and legal assistance	• Anti corruption programs
• Civil society forums and workshops	• Gender equity
• Mediation, consultations, negotiations with local groups	• Support for the delivery of key public goods
	• Democratic Transition / Democratization
• Constitutional and legislation assistance	• Reform of tax regime and collection capacity
• Political party development	• Support for contract regulation
• Land reform	• Resource management reform
• Promulgation of humanitarian law	• CSR initiatives
• Indigenous dispute settling mechanisms	• Environmental regulation
• Electoral assistance and election monitoring	• Government financial reform
• Police and Judiciary training and reform	• Truth and Reconciliation processes
• War crimes investigation and prosecution	
Economy	
• Private sector development	• Land reform
• Financial sector reform	• Small enterprise job creation, micro-credit projects
• Macroeconomic liberalization	• Banking sector reform and profesisonalization
Security	
• Security sector reform	• Technical military assistance
• Preventive military deployment	• Military intervention
• Formal and informal negotiation	• Food security programs
• DDR	• Professionalization of armed forces
• Support for alternative livelihoods	• Counter-terrorism initiatives and capacity-building
Crime	
• Police, judicial, corrections, and legal training and reform	• Personnel exchange programmes
	• Joint policing initiatives
• Counter-narcotics support	• Peace media (radio, TV)
Human Development	
• Provision of basic health care	• Funding for education
• Dissemination of sexual health	• Humanitarian relief
• Targeted anti-poverty programs	• Human rights observers
• Promulgation of humanitarian law	• Inter-group women's cooperation
• Inter-group development projects	
Demography	
• Refugee and IDP assistance	• Resettlement and reintegration
Environment	
• Environmental restoration	• Natural resources management projects
• Funding for sustainable development	• Support for renewable energy programs

the objective of identifying significant behavioural trends that may contribute to state failure or collapse. Such analysis must go beyond general academic assessment, providing specific, actionable options for practitioners that are expected to produce effective outcomes.

There are a variety of such systems extant in the literature. Ted Gurr uses data and a scoring system to compare capacity, opportunity, and incentives for minorities to rebel, thereby assessing proneness to conflict; Barbara Harff examines "accelerators" and "decelerators" to assess the impact of conflict-related events.[15] Early warning methodologies have also been developed by the Dutch conflict monitoring organization PIOOM, the American Global Event-Data System (GEDS) project, and others. An important lesson from previous early warning work is to consolidate qualitative and quantitative monitoring – the most comprehensive analysis draws on both statistical and contextual information.[16]

The overall objective of CIFP's impact assessment is to provide costed options to policy-makers, evaluating potential outcomes of a range of policy options at different levels of analysis. Once specific problems are identified in a given state as a result of structural and event analysis, policy options are then explored and assessed on the criteria of feasibility, effectiveness, and opportunity cost. The impact assessment methodology uses a variety of criteria to help decision-makers draw causal linkages between inputs and desired outputs, thus resulting in more sharply defined policy objectives. Anticipating and measuring the impact of an intervention can help to determine where interventions will be most effective. Therefore, such analysis is valuable in informing specific judgments about policy choices, resource allocation and actor involvement.

Approaching the problem of intervention using a methodology that links policy options to expected or desired outcomes is the first step in evaluating impact. However, it should not be taken for granted that an impact can be attributed to a particular action; correlation should not be mistaken for causation. A complex combination of events and activities over time contributes to the success or failure of a given policy. That being said, it is possible to trace causal linkages between direct interventions and institutional or behavioural changes. For example, increasing reconciliatory talks among previously hostile groups can be fairly linked to external pressure and concerted actions encouraging negotiation. Setting up explicit and well-defined goals of each preventative activity will allow policy-makers to assess impact in an otherwise difficult counter-factual situation. Lund advocates the use of multi-case comparison in which relevant similarities and differences are identifiable.[17] Comparing situations in which escalating tensions erupted into violent conflict to those in which

violence was avoided allows analysts to hone in on crucial differences between cases. This technique allows for process-tracing, enabling evaluators to draw causal connections between particular actions and outcomes. The success of an intervention will be determined by a host of factors which can be grouped as either internal or external. The internal context is important in shaping the outcomes of any intervention, and for this reason the inclusion of regional experts in policy design is crucial. Crucial too is the participation of sector specialists in policy -planning, including specialists on gender and environmental issues.

4. In the Local domain does the engagement:
- Actively involve local actors and institutions in all areas targeted by engagement efforts?   - Aid efforts to address and ultimately resolve long-term communal issues and tensions?

CIFP has developed a prototypical impact assessment cycle, consisting of a multi-step process to guide policy-makers in the process of option generation and evaluation that precedes engagement in fragile states. This prototype process is detailed in Appendix A. It outlines key steps in any impact assessment process: problem identification; analysis of domestic and regional consequences of state fragility; review of engagement best practices – both Canadian and international – in the country; determination of access points and identification of local drivers of change; catalogue of available policy tools; analysis of stakeholders and spoilers; and lastly, option formulation, including risk assessments, opportunity costs, feasibility studies, and potential consequences. The impact assessment component of the CNA is intended to reduce

Table 5: Vertical Impact Assessment
1. In the International domain, does the engagement:
- Coordinate with key allies, international organizations, NGOs involved in the state?   - Engage diasporas effectively, enlisting them in efforts to find stable and peaceful means of addressing the fundamental political, economic, and social problems facing the state?   - Take place within an existing international legal framework of precedent?
2. In the Regional domain, does the engagement:
Engage regional stakeholders?
3. In the National domain, does the engagement:
- Occur with the acceptance, acquiescence, or encouragement of the recipient government and/or vulnerable groups in society?   - Engage significant national actors with a stake in successful external engagement?   - Balance its efforts, addressing fears and insecurities of both the politically and military dominant parties in the conflict, and promoting the interests of weaker parties?   - Deter actors who otherwise would act to undermine the capacity, legitimacy, or authority of the state? Such actions may be violent or non-violent, ranging from large-scale criminal activity, to gross human rights violations, to government repression of its population, to armed opposition against to the state.

the likelihood the unintended negative consequences that invariably result from engagement in failing and fragile states, by prompting analysts to systematically evaluate the potential consequences of proposed engagement strategies, whether positive or negative in effect, and whether local, regional, or global in scope.

The intention of the impact assessment is not to dissuade an actor from intervening, but to match entry points for action with response options. When used, these steps may not follow a neat, linear path; rather, they are intended to highlight the core deliverables of the process. The exact process followed will likely vary each time it is use, depending on a variety of contextual factors, from the complexity of the fragile state in question, to the number of actors involved in the potential engagement, to the operational structure and culture of the lead department. The outcome of one step may force policy-makers to revisit a previous step, and at any stage feedback loops may result, extending the process. That being said, the process can be conceptualized in a circular pattern; once completed, it will likely have to begin again as previous initiatives are evaluated, new problems are identified, and new information becomes available.

When the results are shared horizontally, impact assessment frameworks can also contribute to improved interagency coherence. An examination of the potential actions of various departments facilitates improved coordination of response strategies and supports efforts to evaluate the overall impact of engagement across the full spectrum of government. In addition the impact assessment should also examine the efforts of other governments. This serves to reduce the likelihood of interventions from different governments working at cross-purposes to one another; avoid duplication of efforts, and maximize the stabilizing effects of interventions from multiple international actors.

The proposed policy is evaluated for its potential impact in each area it is designed to address. The more highly a proposed engagement policy scores, the more likely it is to achieve a positive impact in the fragile state. Naturally, no single engagement policy can hope to do all that the following questionnaire demands, even as no particular fragile state requires help in the all areas to the same extent. However, any proposed engagement must score highly on the operational component; those that fail to will likely be at best ineffective and at worst destabilizing (see Appendix A for details). Proposed policies must score relatively well in any cluster area it targets, according to the general principle that the bigger the project, the more aspects of stability and development it must meaningfully address. In addition, the proposed policy should score relatively well on clusters in which the state is particularly weak. From the questionnaire scores, one gains a balanced assessment of the operational viability, the vertical integration, and the topical effectiveness of the proposed policy.

Table 6: Operational issue checklist[18]

Is the proposed strategy:

- Supported by the resources necessary to accomplish its mandate? Will such resources remain in place over a period of time sufficient to accomplish the mandate?
- Occurring within a valid window of opportunity?
- Endorsed and supported by all relevant departments and agencies of the Canadian Government?
- Likely to result in substantial Canadian casualties? Host country casualties?
- Cost effective when compared with other policy options?
- Taking place in a region or sector in which Canada has previous experience?
- Defined by a clear and achievable mandate?
- Regulated by direct and transparent lines of policy responsibility?
- Organized to enable, encourage and, when necessary, demand coordination among all Canadian departments and agencies working in theatre?
- Equipped with viable "entry points" in the host country, both literal (e.g. ports, airstrips, etc.), and figurative (reliable local partners in government and civil society)?
- Supported politically in Canada?
- In a country in which Canada has a history of engagement?
- Designed to capitalize on areas of comparative Canadian expertise?
- Occurring in a member of a culturally or geographically significant international organization, such as the Commonwealth, la Francophonie, CARICOM, MERCUSOR, or ECOWAS?

V. Making a Difference – Maximizing Engagement Effectiveness

The CIFP impact and relevance assessments are premised on the need to prevent a fragile state from becoming weaker, a failing state from collapsing, and an emerging weak state from falling back into disorder.[19] One of the primary motivations behind CIFP's Fragile States Project and the CNA framework is an explicit desire to capitalize on the fact, now well-established in the literature, that preventive action is far more cost-effective than either intervention in the midst of failure or post-failure reconstruction.[20] Engagements that prevent state failure or conflict from erupting are much more effective, from both a budgetary and human security standpoint, than those that focus on post-conflict rebuilding or state rehabilitation.[21] Since "bringing back" a fragile state is so far beyond the scope of most aid budgets, there are significant returns to prevention. If recognizing the importance of preventing state collapse is the first step, the second step is to determine when and where to intervene. The answers to these questions will be shaped by the relevance of the fragile state to Canada.

Bringing it Together:
Maximizing Canada's Engagement Effectiveness

Relevance + Impact Potential = Net Engagement Effectiveness

Relevance
How important is engagement by Canada to Canadian foreign policy and development goals? To the host state?

Impact Potential:
How much will the situation improve as a result of engagement by Canada, regional actors, and the broader international community?

Net Engagement Effectiveness:
Will Canadian engagement serve to maximize stated foreign policy goals, both with respect to the fragile state in question and in general?

One key objective of the CIFP relevance and impact assessment is to allow a degree of cross-case comparability. Every decision regarding potential engagement is made in the context of competition for scarce resources. By explicitly identifying the relevance of each fragile state to core Canadian foreign policy interests and values and critically assessing the impact of any potential engagement, the CNA enables policy-makers to quickly and reliably identify the tradeoffs inherent in the any decision to engage or not, highlighting both the relative cost-effectiveness of the proposed engagement policy and exposing any opportunity costs. When applied to all potential engagements in failed and fragile states, use of the relevance and impact assessment provide important tools in support of efforts to maximize Canada's global engagement effectiveness in fragile state environments, ensuring that final decisions are based upon explicit criteria, consistent information, and comparable analyses.

Appendix A: Assessing Impact of Engagement in Fragile States
A practical diagnostic tool for Canadian policymakers

Step 1: Identify the Problem

The first step in assessing impact of a particular course of action is to identify the problem that needs to be addressed; more specifically, to identify the underlying causes of fragility within a given state. CIFP structural analysis and event monitoring are both useful tools to this end, allowing policymakers to determine the degree of fragility of a given state. These diagnostic tools can be used in problem identification, providing quantitative information regarding the level and source of fragility in various countries. These assessment tools are described in greater detail elsewhere.[22] In this context, suffice to say that the tools provide support in answering several fundamental questions: what states are the most fragile? What aspect of these state are the most fragile (e.g. institutions)? What is the timeline of state failure (e.g. precipitating crisis versus steady decline)? What is the historical and geographical context in which the fragile state is situated? Answering these types of questions will serve to illustrate the nature of the problem, and lay the foundation for designing an intervention in fragile states. When combined with the relevance

Bringing it Together:
CIFP Net Effectiveness Assessment

When combined, CIFP Relevance and Engagement Impact Assessments provide quantifiable insight into how best to maximize Canadian engagement resources, highlighting tradeoffs between the nation's priorities and its capabilities with respect to the world's fragile states.

Potential Engagement Impact

Potential Engagement Relevance

Haiti
Guyana
Solomon Islands
Papua New Guinea
Iraq

Legend
Line of Equivalent Effectiveness

Fragile State
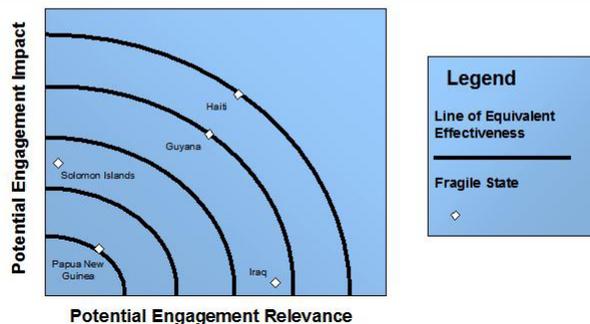
analysis described in this paper, they provide a thorough description both of the nature of the problem and its relevance to Canada.

Step 2: Assess Primary and Secondary Consequences

The next step is to try to identify the worst-case scenario that may result from the downward trajectory of a fragile or failing state. It is analytically useful to subdivide the potential sources of that failure into the six clusters that are employed in the fragility indicator tool: governance, economy, security, crime, human development, demography, and environment. As Table 1 illustrates (p. 6), for each component, the potential consequences of indicators weakness on the fragile state are listed (primary impacts), as well as the potential impacts on neighbouring states (secondary, or regional impacts).

Three caveats should be mentioned with regards to Table 1. First, it is difficult to separate national and regional impacts of state fragility because many of the effects experienced by the fragile state can spill over to neighbouring states. This is particularly true considering that a lack of control over borders, cross-border movements of goods and people. Intensified flows of small arms and light weapons (SALWs), and other types of smuggling are all indicators of state fragility. Infectious disease is another example of a human security problem that extends beyond borders. Therefore, the two columns should be considered in very close connection with each other, and engagements adopted to address primary and secondary impacts should take these overlaps into consideration. Second, it is worth noting that the table is not intended to be definitive; not all the listed consequences will occur certain in fragile states, even as others will surely result in consequences not included here. Third, some consequences are much more long-term than others, and they may occur at different time periods in the course of gradual state failure. Nonetheless, the chart provides a starting point to assist analysts to Identify primary and secondary consequences of state fragility.

Step 3: Best Practices Review

Referring to best practices in the field of intervention in fragile states that have been previously established is an important component of impact assessment, and should be reviewed by researchers prior to policy formulation using reports from a variety of sources. Lessons learned sources may include internal agency documents, subject- or country-themed conferences bringing together actors from a variety of disciplines and backgrounds, publications put out by relevant research institutes, foreign governments, academic writings, training centres, as well as the UN Department of Peacekeeping Operations Best Practices Unit.[23]

Step 4: Entry Points

The absence or presence of access points will help to determine what instruments are chosen from the "prevention policy toolbox" for engagement activities. Access points refer to the government departments, foreign missions, committees, informal networks, civil society groups, private sector companies, and NGOs currently present in the country through which potential interveners may be able to exercise a positive influence. The presence of such stakeholders is a crucial prerequisite to any successful engagement, providing local information and access otherwise unavailable to external actors. For example, a fragile state that lacks legitimate or responsive government, but has a strong civil society network and active NGOs, may be more receptive to, and cooperative with, external partners.

Access points are not just actors; they may also take the form of opportunities surrounding a particular issue, event, or procedure; what Zartman refers to as 'windows of opportunity'.[24] The appointment or election of personnel to political positions or agencies, the introduction of a new policy, the agreement to a ceasefire between warring factions, or the undertaking of a social or economic project in the fragile state may all provide external actors with opportunities for engagement. The choice of engagement activity, whether capacity building, security sector reform, civil society strengthening, or dialogue facilitating, will depend on the presence of specific opportunities and actors within the fragile state that are conducive to the success of such an initiative.

Step 5: Policy Tools

Once the potential national and regional consequences of state fragility have been identified, policymakers must determine the extent to which policy tools that are available to them are suitable to

problem and constraints identified in previous steps. Simply put, analysts must answer the question: do we have the tools for the job? The Policy Toolbox outlined in Table 4 (p. 11) presents policymakers with a list of policy options. If anticipated outcomes of these policies are unlikely to provide the results necessary to address the fundamental problems in the state, policy-makers may decide that intervention may not be justified at all, given the low probability of success. In considering available options, analysts must consider Canada's comparative strengths. For example, Canada's federal structure gives the country a strong resource pool to draw on when assisting states experiencing intergovernmental conflict, facilitating negotiations among sub-state actors. Moreover, being a mature and stable democracy, Canada is well positioned to help states strengthen democratic institutions and processes.

Step 6: Stakeholder Analysis

Stakeholder analysis is the process of identifying all relevant actors and groups within the state or region, and assessing the extent to which that each will be affected by engagement, whether positively or negatively. They may be potential partners, such as NGO groups or technical experts, or individuals or groups that the engagement seeks to marginalize, such as insurgents or other groups contributing to social tension. Relevant stakeholders could be anyone: citizens, political leaders, trade partners, neighbouring states, expatriates, donor governments, sponsoring organizations, businesses, women's groups, refugees and IDPS, etc. They can also be divided into primary and secondary stakeholders. Primary stakeholders are those that are directly and immediately affected by or involved in an engagement, such as police undergoing training, or the policymakers at the helm of the engagement. Secondary stakeholders would be those indirectly affected, such as entrepreneurs that are provided with business opportunities following the onset of a ceasefire. Ongoing and direct consultation with both primary and secondary stakeholders, to determine their interests and vulnerabilities, is an important element of impact assessment, as well as later policy implementation.

Step 7: Operational Impact Assessment

The structural components of a proposed intervention, or the elements of a proposed policy, must be carefully analyzed. A number of key operational criteria can be identified that will help to engender a positive impact of external intervention in a fragile state. The Department of National Defence's International Policy Statement outlines some of these operational priorities, including the need for long-term commitment, comprehensive intelligence, rapid mobility, self-sufficient command and interoperability.[25] These are the types of activities associated with ensuring that the proposed engagement is structurally robust. Table 6 (p. 15) lists a number of operational prerequisites for any proposed engagement.

For an intervention to be effective, prevention information and knowledge of specific environments must be coupled with actors that have the expertise and capacity to translate policy into activities.[26] Effective impact assessment requires coordination among these actors, which include regional and sub-regional institutions, governments, non-governmental organizations, individual local field workers.[27] Such a network of actors can undertake fact-finding missions and qualitative assessments, benefiting from interdisciplinary and dynamic interpretations of causal relationships. Information collected should then be subject to analysis and judgment to produce a risk assessment which can in turn inform effective response.

Step 8: Vertical Impact Analysis

The next step of the impact assessment tool entails an analysis of the determinants of a positive impact at different levels of analysis: international, regional, national, and local. Each level has core considerations that will help shape successful outcomes of engagements in fragile states, ranging from concerted international effort to local group receptivity to external involvement. Table A1 outlines some core criteria for vertical impact assessment.

Table A1: Vertical Impact Assessment	
Sphere of Vertical analysis	Determinants of Positive Impact
International	-Concerted action among intervening states/actors -Existence of legal framework or precedent to guide or legitimize external involvement
Regional	-Networked cooperation among regional and sub-regional organizations -Regional actors have a stake in restoring state stability

National	-Activities reflect relative capabilities of intervening state
	-Political will to accept external involvement in fragile state (receptivity)
	-National actors or influential groups have an interest in seeing the intervention succeed
Local	-Local actors and institutions are engaged in stabilization efforts
	-Specific sources of medium- or long-term tensions or disputes are tackled
	-Trust and support from local community

Step 9: Risk Assessment

Risk analysis is an important part of the impact assessment process. Potential drawbacks of intervention must be carefully weighed against anticipated opportunities arising from Canadian action. Table A2 lists several potential risks and opportunities associated with intervention in fragile states. Intervention activities are subdivided into five issue-areas of impact: political, economic, security, development, and structural.

It is widely recognized that prevention is much preferred to reconstruction. Effective interventions to stabilize fragile states require political will, sufficient resource commitments, and clear mandates. The NATO/UN efforts in Kosovo illustrate the potential of successful nation building when these conditions are satisfied.[28] There is also a great deal of room for Canada to be a pioneer in this arena, with the possibility of a successful preventive engagement building upon best practices and imparting valuable lessons learned for the international community. Interventions may help to foster social cohesion by building up informal networks and voluntary associations, including reintegration of soldiers into society.[29] They can help bring stability to a fragile state by encouraging reconciliatory talks, preventing spillover effects of humanitarian crises, or helping to establish law and order. They also provide Canada with ample opportunity to take on a leadership role in statecraft and international assistance. Recognizing these potential positive outcomes is an important element of impact assessment. There numerous other positive effects that an intervention can have in a fragile state; Table A2 merely lists a few.

Table A2: Risks and Opportunities of Intervention in Fragile States[30]

Issue-Area	Risks	Opportunities
Political	Stabilizing activities may be perceived as reinforcing legitimate political structures	Stabilizing activities may strengthen existing formal and informal political structures
	Justifying resource allocation to stabilizing a fragile state may be difficult to defend post facto, in absence of a counterfactual	Opportunities for effective leadership may be seized in the context of hesitation in the international community
	External actions may worsen the situation in a fragile state (e.g. by promoting majoritarian elections in a highly divided society[31])	Interventions may establish or restore rule of law and political institutions
	Political and domestic will in Canada may be weak if the intervention entails high risk	The existence of a substantial diaspora population within Canada will support/legitimize intervention
Economic	Costs of intervention may be greater than anticipated	Costs of successful preventative intervention much lower than costs of "bringing back" a failed state
	Canadian aid and personnel commitments may be misspent in the context of a poorly planned or unsuccessful operation	Canada can help fragile states restore economic growth, achieve financial stabilization, reconstruction and development
	Potentially harmful impact of development aid if stolen or diverted	Potential for development aid to curb or prevent humanitarian disaster, including potential spillover effects
Security	Local contingents may be hostile to external intervention	Local organizations committed to creating stability working cooperatively
	External intervention could exacerbate tensions within local groups	Canada could act as a third-party mediator in reconciliatory negotiation
	Training and education of police and military forces may be met with resistance and accusations of imposing foreign practices/ values	Enhance security by improving professionalism and effectiveness of military and police forces
	External presence may elevate feelings of fear and hostility among local population	Slow down or prevent destabilizing migratory population flows
Development	External presence may undermine local capacities and indigenous group processes / practices	Successful missions will help to foster social cohesion and strengthen civil society networks
	Canadian personnel may be put at risk if engaged in environments characterized by disease, human rights abuses, violent conflict	Stabilization can contribute to human security, leadership capacity, and basic service delivery in the fragile state
Structural	Stabilizing missions may be too short-term, aiming for a "quick fix" instead of long-term commitments	Opportunities for innovation in timely, committed, successful intervention; could impart valuable lessons learned
	Foreign presence may feed feelings of resentment and undermine local ownership	External commitment may help foster closer ties and mutual trust between communities and nations

On the other hand, there are a number of very serious risks associated with external engagement in a fragile state that must be carefully weighed against the potential benefits. For example, development aid as a stabilizing tool can potentially have negative effects on fragile states, as fungible aid may in fact subsidize war economies, undermining local revenue capacity, or encouraging unsustainable uses of natural resources.[32] Local actors may be suspicious, resentful or even openly hostile to external intervention. Such negative attitudes may be motivated by an impression of the imposition of foreign values or practices upon local communities, which may undermine indigenous processes.

Intervention in a fragile state may also pose great risks to the Canadian personnel involved, particularly in environments of civil violence, disease, criminal activity, corruption, and human rights abuses, coupled with lackluster or nonexistent law enforcement capacity. Ultimately, an intervention whose strategy for and measures of success is not clearly defined, or one in which the specific Canadian contribution is not explicitly clear, may be difficult to justify to voting constituents in the absence of a counterfactual; i.e., what if Canada had not acted? These are just a few of the risks that must be carefully considered in impact analysis.

Step 10: Feasibility Study

A feasibility study is the last stage of the impact assessment process, once the problem has been thoroughly analyzed and a policy has been devised and assessed. Such a study seeks to answer the question: "Can we do it?" Specific activities to this end might include cost-benefit and cost-effectiveness analyses, gauging domestic political support, and identifying opportunity costs. Other relevant factors include Canada's available resources, the project's relevance to Canada, and the timeliness of the project given the rate of state decay. These factors will affect the impact of an engagement in different ways. For instance, careful examination reveals that, perhaps contrary to intuition, a most speedy engagement will not necessarily produce an optimal outcome. The wrong investment at the wrong time may create perverse incentives that actually result in increased instability. Rather, the convergence of an optimal mix of these factors will produce the best outcomes. Several considerations are discussed below.

First, a greater resource commitment tends to have a positive and direct effect on an engagement's impact, though specific circumstances may increase the potential for perverse incentives, thereby undermining any positive effects. Resource commitments are also restrained by budgetary considerations and opportunity costs. Second, the higher the relevance of an engagement to Canadian interests, the more credible the engagement will be. In addition, relevance is in part a function of Canadian capabilities and comparative advantage; thus a more relevant engagement is likely to be more effective as well. Finally, the timing of an engagement – the speed at which an intervention is designed and implemented – is of critical importance in determining its impact on a fragile state. This factor is represented by an inverted-U shaped curve because an engagement that is orchestrated too hastily may be harmful if it is not carefully thought through, while similarly, an engagement that is too slow to operationalize may be too late to affect desired outcomes.

Limitations of the Impact Assessment Tool

The impact assessment tool is designed to outline a four-stage process that will help to inform the potential impact of intervention in a fragile state. The concepts presented here are meant as a foundation for further development of more detailed and rigorous analysis. Indeed, this paper outlines a prototypical example of the type of process that should accompany in-depth qualitative research reports by country experts. By no means do the tables provide exhaustive lists of all impact assessment criteria. Rather, they are designed to set out examples of the kinds of issues that should be carefully considered by policymakers prior to an intervention in a fragile state. More specific procedures will depend on the government agencies involved, and the context of the state under consideration.

CIFP Potential Impact Assessment: Canadian Engagement Toolbox

As part of the engagement effectiveness assessment, the CNA evaluates the various tools available for deployment in the Canadian foreign policy tool box, identifying those that best suit the needs of the fragile state in question. In this way, the CNA brings together the theoretical and the logistical, creating a realistic and comprehensive assessment impact assessment grounded in theory.

Potential Participants:

1) CIDA	5) PCO	9) Solicitor General	13) Canada Corps
2) FAC	6) Parl. Centre	10) Dept. of Justice	14) PPC
3) DND	7) CANADEM	11) START/GPSF	15) NGOs
4) ITCAN	8) Elections Canada	12) DART	16) Universities
			17) Business community

Types of Engagement:

Security	Economic	
Technical military assistance	Private sector development	Small enterprise, job creation, and micro-credit projects
Security sector reform	Financial sector reform	
Preventive military deployment	Macroeconomic liberalization	Private investment
Military intervention		

CIFP Potential Impact Assessment: Canadian Engagement Toolbox (cont.)

Human Development	Governance
Human capital development	Democracy-institution building
Civil society forums and workshops	Judicial reform and legal assistance
Humanitarian relief	Electoral assistance and election monitoring
Human rights observers	Mediation, consultations, negotiations with local groups
Inter-group women's cooperation	Constitutional and legislation assistance
Inter-group development projects	Political party development
Targeted anti-poverty programs	Indigenous dispute resolution mechanisms
Dissemination of information about sexual health	Land reform
Refugee and IDP assistance	Promulgation of humanitarian law
Environmental restoration	Formal and informal negotiation mechanisms
Natural resource management projects	Police and Judiciary training and reform
ODA	CIVPOL deployment
Food security programs	

Appendix B. Cluster Impact Assessment Questions for Desk Officers, Field Officers, Analysts and Project

Managers

Does the engagement:

Security:
Deter the outbreak or perpetration of specific possibly imminent acts of violence?
Prevent actual low-level eruptions of occasional violence from escalating?
Protect vulnerable groups from likely attacks of violence?
Relieve the sense of threat, fear and anxieties expressed by various groups toward one another?
Contribute to security sector reform, especially the professionalization and modernization of armed forces?
Enable effective civilian oversight of the armed forces?
Reduce the state's dependence on foreign military presence?
Promote regional stability?

Crime:
Strengthen criminal justice systems, including police, judiciary, and prisons?
Assist the state in modernizing its criminal code, particularly with respect to its treatment of vulnerable sections of the population, including women, children, minorities, and indigenous groups?
Contribute to the rule of law?
Provide useful strategies to prevent and/or respond to crimes against humanity, war crimes, rape, and other particularly destabilizing forms of criminality?
Support measures to reduce venal corruption?
Limit key destabilizing criminal activities, including drug production and trafficking in small arms, humans, drugs, kidnapping, and extortion?
Provide replacement opportunities for economic activity in the licit economy whenever attempting to limit or extinguish black market activity?

Governance:
Engage opposed top-level political actors in new contacts and communications?
Enter new substantive ideas and options into debate and dialogue that are seriously considered or adopted as compromise solutions of outstanding disputes?
Help the parties' leaders reach specific agreements on disputes and public policy issues?
Change the perceptions and attitudes that the leadership groups held toward one another?
Soften the stridency and tone of public debate and statements?
Set up or strengthen formal institutions and procedures that encompass broad segments of the population in more democratic or consultative forms of decision-making?
Create new informal venues and channels through which disputes and issues can be addressed by the protagonists?
Help build autonomous spheres of social power that are active outside the official organisations of both government and opposition political parties and organisations (civil society), which can counteract the divisive and antagonistic tendencies of political leaders?
Enable meaningful participation of marginalized groups in mainstream political discussions?
Support a professional and politically independent civil service?
Protect the freedom of the press?

Economy
Support professional and transparent government budgetary practices?
Encourage long-term job creation?
Reduce aid dependency?
Reduce external debt?
Enhance tax collection efficiency?
Provide some protection against external economic shocks?
Enable economic diversification?
Provide microeconomic incentives to reduce dependency on black market economies and increase participation in the licit economy?
Reinforce contract enforcement?
Encourage sustainable, long-term FDI?
Increase the overall standard of living?

Encourage female participation in the workforce?
Support development of state capacity and infrastructure?

Human Development
Stimulate active, salient efforts to address structural disparities among the main groups at odds, by achieving more equitable distributions among them of basic material and economic needs, such as income, educational opportunities, housing, health services?
Upgrade the skills and understanding of those significant organised groups who are promoting conflict prevention and reconciliation processes, so they can be more effective advocates or implementers of these goals?
Cause, or threaten to cause, such a rapid redistribution of resources from "haves" to "have-nots" that the insecurity of the former is increased, thus inviting violent backlash, or the "have-nots" are enticed to use violence to obtain more redistribution?
Provide necessary medical services?
Provide emergency treatment for HIV/AIDS?
Enable the growth of a local medical capacity?

Environment
Support land reform that addresses systemic inequities in a manner that fairly reimburses those displaced during the process?
Provide sustainable access to potable water?
Limit pollution and other factors responsible for environmental degradation?
Limit or halt rates of deforestation, while providing viable and reasonable alternate sources of income for those currently involved in the industry?
Institute dispute resolution systems to address current or potential disputes over the allocation of limited resources

Population and Demography
Support strategies designed to moderate excessive population growth?
Address the problems created by excessive regional population density?
Support efforts to reduce inter-ethno-religious tensions?
Support voices of moderation and mutual acceptance against radical politico-religious movements?
Address issues created by any youth existent youth bulge?
Help the state to cope with pressures created by urban growth rates and rural-urban migration?

Appendix C MDG Indicators: Education enrolment ratio, net, primary level, both sexes[33]
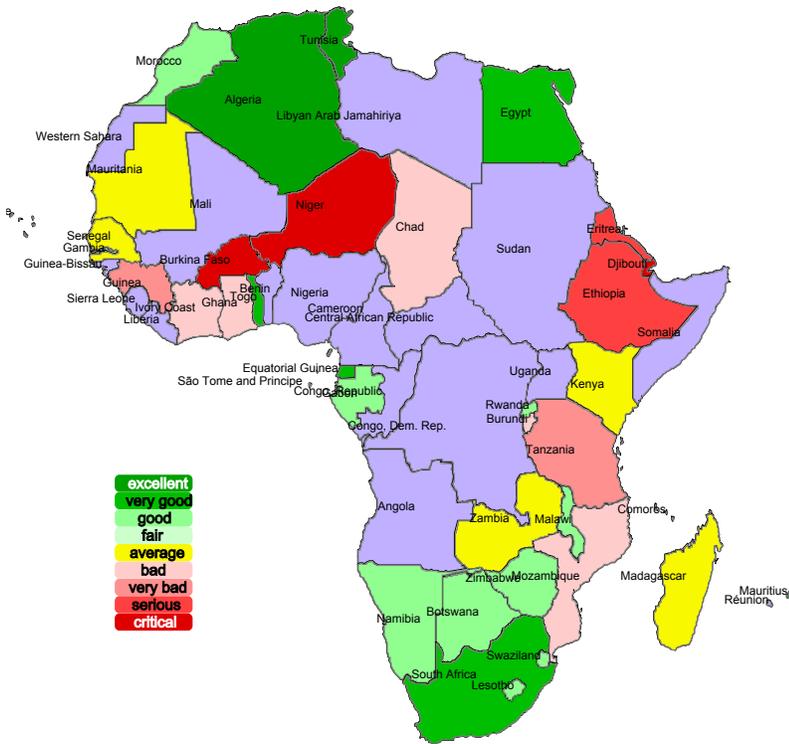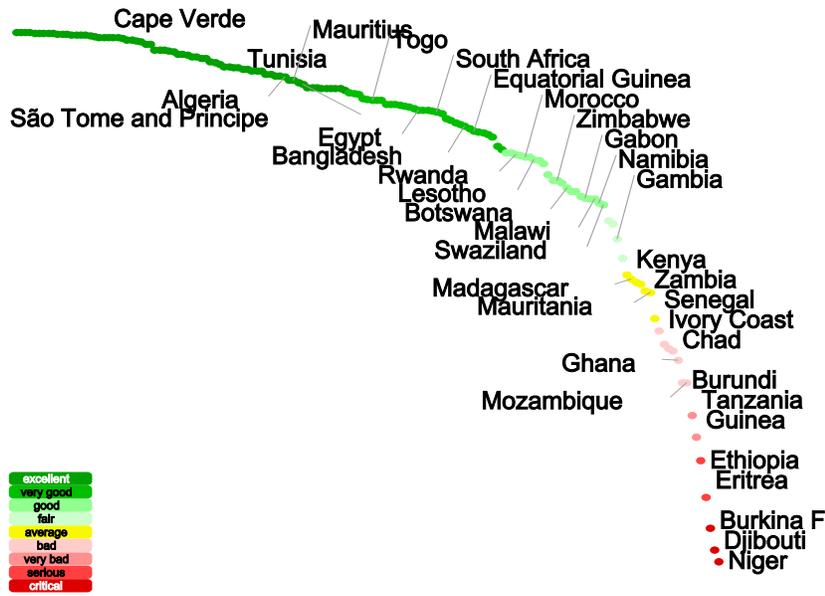
MDG Linkages: Education and Gender parity
(Data and Graphs Courtesy of MDG Dashboard JJ/UNSD)
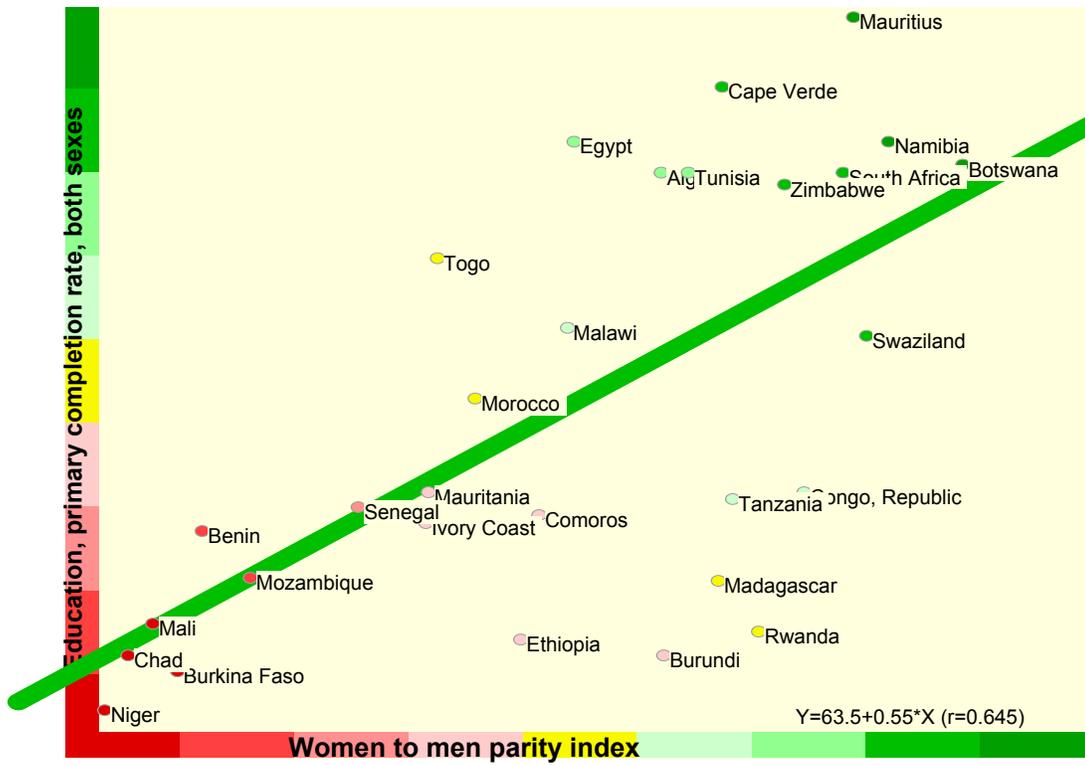
Appendix D: A Note on Political Will, Relevance and Response

Policy makers will only support an open source risk assessment and evaluation capability as outlined above if it means they will be able to do their job better and perhaps more efficiently. To that end, it would be unwise to conflate prevention with crisis management and preventive diplomacy and to asses all of these in the context of large scale violence as opposed to state fragility or failure. By the time a conflict reaches the stages of crisis or civil war, understanding root causes matters little and the operational responses are fairly straightforward, though certainly not easy. On the other hand, if we consider long term prevention as a distinct construct with its own logic then the analytical and policy challenges are much more involved, and require an understanding of both risk and complexity. This is not to say crisis management or preventive diplomacy is simple, but rather different, and should therefore be treated as such. The policy community would be best served by thinking of early warning and risk analysis as mechanisms for the monitoring of long term processes – both structural and dynamic – in which conflict is but one of many symptoms of fragility. Large scale armed violence and crisis are poor indicators for early response analysis and policy makers would be poorly served by the academic community if we took these as our primary starting points for supporting early response mechanisms. Much of the focus on crisis management and preventive diplomacy is led by some decision-makers who are not interested in developing long term strategic non-satisficing country-specific policies because these require financial commitment under uncertainty, non-myopic bureaucratic structures, and an extremely high degree of policy coherence. With that in mind, the fundamental challenge for any open source analytical tool such as CIFP is an attitudinal one. To quote a decade-old assessment on the subject of conflict prevention the tasks are fairly straightforward.

> Within Canada the heretofore invisibility of the preventive impact of development work may be due largely to the attitudinal propensity to consider prevention a facet of development activity and not an end in itself. The long term choice for Canadian policy makers is to push for a better understanding of the root causes of conflict and relate aid directly to preventive initiatives. The implication is that development programming and project initiatives will have to be done differently if their preventive impacts are to be anticipated and assessed. It is no longer enough to hope for a conflict prevention spin-off of a development activity.

> Under this option, risk analysis would be linked more thoroughly to policy planning through a five step process. First, because risk assessment data and information must satisfy the needs of different agencies there is a need to more closely integrate them into routinised foreign policy activities of the various departments engaged in foreign and security policy.

> Second, integration means that assessments are used to identify not only future risks but also to identify links between conflict processes and identifiable focal points of activity in which the end user is engaged. Assessments should be able to identify a sequence of events that are logically consistent with operational responses.

> Third, the end user, be he or she a representative of DFAIT, CIDA or DND, should be able to use the information in a way that helps them plan for contingencies. In essence, the goal is to establish a risk assessment chain that is multi-departmental, multi-purpose and multi-directional.

> Fourth, measurements of effectiveness need to be harmonized within Canada and across states. As structured databases will continue to be an important tool despite their imperfections, the current situation of decentralized data holding will only be able to function if the information handling systems - including indicators - in the different countries are harmonized.

> Fifth and finally, an essential step in moving the Canadian government toward a forward-looking preventive approach would be to establish a research bureau under a conflict prevention secretariat. Its central tasks would be liaison between the relevant policy areas, the promotion and study of knowledge, and the forging of intergovernmental and

nongovernmental links. In the context of global developments, the bureau's risk assessments of structural causes of conflict will be as pertinent as first-hand information of a likely civil war or humanitarian disaster. Since many of today's conflicts stem from underlying social or economic causes, practical research would focus on the development and dissemination of knowledge about internal economic and social developments as well as of the state of political or international relations.

A second task of the bureau would be to assist practitioners in the field - be they peacekeepers or NGOs - to develop specific analytical skills, risk assessment techniques and most importantly, conflict resolution capacity. Most successful monitoring and preventive efforts have been training programmes, introducing people who live in conflict areas to the theory and practice of conflict management, and providing training in negotiation, facilitation, mediation, and consensus building.

Ultimately, the bureau would be responsible for an evaluation and impact assessment of its own prevention methods.56 Such evaluation would include the systematic documentation of conflict interventions and post-conflict assessments; improved information exchange among conflict prevention practitioners and with parties outside the conflict management field; assessment and evaluation of conflict prevention interventions; and improved coordination of conflict prevention activities. (Carment, D and Garner, K (1998) "Conflict Prevention and Early Warning: Problems, Pitfalls and Avenues for Success" in Canadian Foreign Policy Journal(Winter 1999, pp. 103-118).