

#### 4. HUMAN DEVELOPMENT

Indicator of Fragility	Primary Consequences (for failed state)	Secondary Consequences (for region)
Human Development	Human rights abuses, esp. against women, children, and minorities Spread of infectious disease	Spread of infectious disease across borders

<b>Life Expectancy</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>
<b>Burundi</b>	42.4	42.0	42.1
<b>DR Congo</b>	46.7	47.0	45.8
<b>Kenya</b>	49.7	47.7	47.5
<b>Rwanda</b>	40.5	41.0	39.9
<b>Tanzania</b>	47.9	45.0	44.0
<b>Uganda</b>	42.5	42.1	42.0
<b>Regional Average</b>	44.9	44.1	43.5
<b>International Average 1995-2000</b>	65.0		

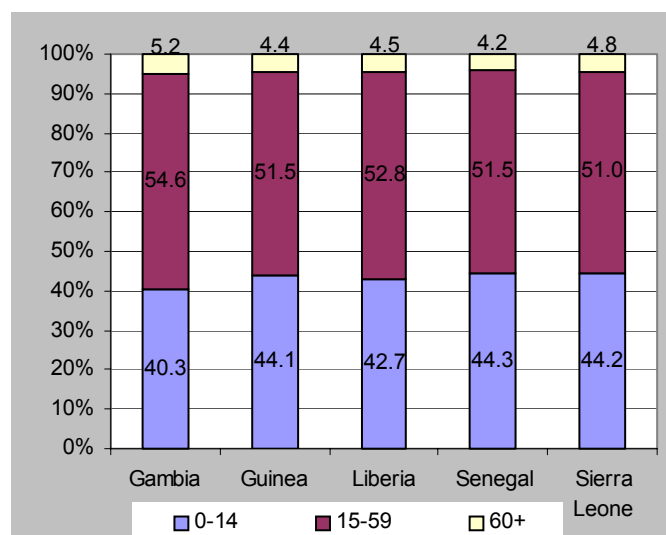
#### CIFP Indicator Clusters: Human Development

Key Indicators:	
•HDI ranking	•Health expenditures
•Child malnourishment	•Health infrastructure
•Consumption inequity	•Health professionals
•Absolute levels of poverty	•Food security and shortages
•Literacy	•Access to improved water
•Primary school enrollment by gender	•Gender empowerment
•Education expenditures	•Rate of HIV/AIDS infection
	•Infant mortality

#### SS Africa Examples

<b>2001 Human Development Ranking (of 162 Countries)<sup>89</sup></b>	<b>HDI Score 1980</b>	<b>HDI Score 1990</b>	<b>HDI Score 2001</b>	<b>2001 HD Ranking</b>
Burundi	0.308	0.344	0.309	160
DR Congo	..	..	0.429	142
Kenya	0.488	0.531	0.514	123
Rwanda	0.378	0.344	0.395	152
Tanzania	..	0.422	0.436	140
Uganda	..	0.386	0.435	141

**West Africa Population Age Structure**  
Source: World Population Prospects, The 2000 Revision



## 5. ENVIRONMENT

Indicator of Fragility	Primary Consequences (for failed state)	Secondary Consequences (for region)
Environment	Environmental degradation Competition for resources	Environmental degradation Competition for resources

### CIFP Indicator Clusters: Environment

#### Key Indicators:

- Level and rate of deforestation
- Availability of arable land
- Points of access (number of useable highways, ports, and airstrips)
- Freshwater resources
- Number of bordering states

#### Haiti Example

- Haiti is in the path of regular tropical storms and hurricanes.
- Lack of basic infrastructure seriously hampers rescue and relief efforts.
- Widespread deforestation intensifies flooding and other effects of heavy rainfall, multiplying the destructive impact of each storm.

#### Georgia Example

### Environmental Stress and Human Development

- Poverty levels are high. In 2002 the level of poverty was 52%
- Government spending on education is only 2.5% of GDP
- Inadequate supplies of potable water exist.
- Toxic chemical waste has created localized soil pollution.



## 6. POPULATION AND DEMOGRAPHY

Indicator of Fragility	Primary Consequences (for failed state)	Secondary Consequences (for region)
Demography	Mass migration and IDPs Civilian casualties Increased number of orphans	Human trafficking Cross-border refugee flows and camps

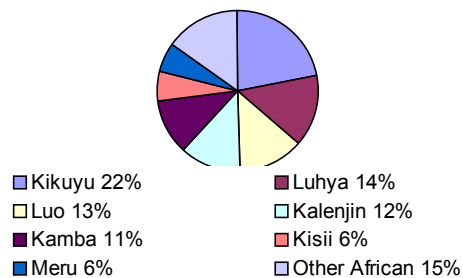
### CIFP Indicator Clusters: Population and Demography

#### Key Indicators:

- Population growth rate
- Population density
- Ethnic and religious diversity
- Youth bulge
- Life expectancy
- Economic discrimination
- Perception of lost regional autonomy
- Urban growth rate, rural-urban migration

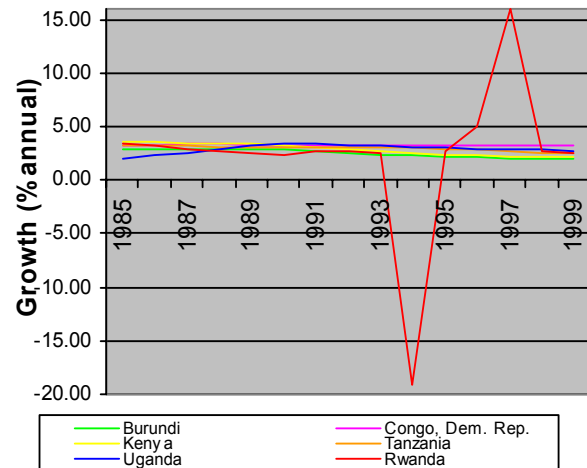
### Kenya: Ethnic Diversity

Source: CIA World Factbook



### Population Growth Trends

Source: World Bank, World Development Indicators



### Sri Lanka Example

#### Demographic Stress

##### Stabilizing Factors

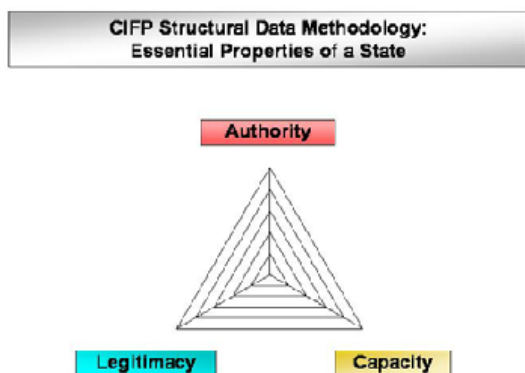
- Low urban population rate (21%).
- Decreasing youth bulge.

##### Destabilizing Factors

- High population density (307/km<sup>2</sup>).
- Unemployment and youth bulge significantly higher in North and East (Tamil areas).

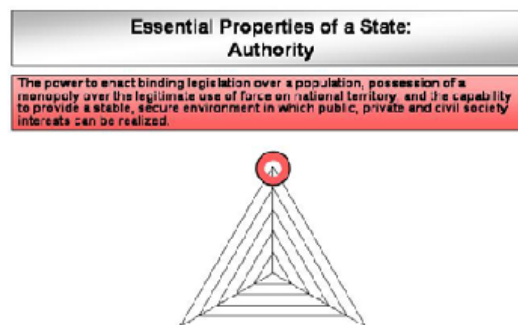
## The ALC Advantage

In addition to a structural assessment focused on upon different sectors related to fragility, the instability assessment also includes a separate disaggregation designed to capture the three core dimensions of state functionality. This second-level structural analysis begins with the understanding that, to function effectively, any state must exhibit three fundamental properties: authority, legitimacy, and capacity. These terms are explained in detail below, along with their implications for the analysis of state fragility and failure. Obviously, they are theoretical constructs, reflecting idealized conceptions of the functions of a state. Moreover, the three dimensions are inextricably interlinked; shortfalls in any one dimension will have implications for a given state's functionality along the other two. That said, however, they nonetheless provide important insight into the relative fragility of a state. The results of the ALC assessment not only indicate the presence of weakness, but indicate the type and extent of that weakness, thus assisting policymakers both in the initial decision to engage and in subsequent discussions regarding the form any engagement should take.



### Authority

Any functional state must possess the ability to enact binding legislation over a population. Further, that state must be able to exercise the coercive force over its national territory necessary to provide a stable and secure environment to its citizens and communities. This security is a necessary prerequisite to the realisation of public, private, and civil society interests.



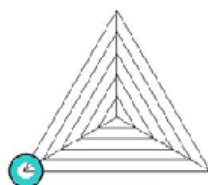
States lacking in authority may be unable to exercise control over the full extent of their legal territory; such states will likely have difficulty responding effectively to threats, whether internal or external. In some areas, non-state actors such as rebel militias or criminal organizations may possess de facto authority; in others, the rule of law may be completely absent. Border control may be intermittent or non-existent, enabling illicit flows of people and goods. State response to foreign incursions may be weak and ineffective.

Other potential problems include the inability to enforce government policy, combat corruption and criminality, effectively mobilize the resources of the state towards the ends requested and required by government, regulate private markets, or guarantee contracts.

### Legitimacy

Legitimacy refers to the ability of a state to command public loyalty to the governing regime, and to generate domestic support for that government's legislation and policy. Such support must be created through a voluntary and reciprocal arrangement of effective governance and citizenship founded upon broadly accepted principles of government selection and succession that is recognized both locally and internationally.

### Essential Properties of a State: Legitimacy



The ability of a state to generate public loyalty, support, and acceptance of citizens through a voluntary, reciprocal arrangement of effective governance and citizenship, and the international recognition thereof.

States in which the ruling regime lacks either broad and voluntary domestic support or general international recognition suffer a lack of legitimacy. Such states face significant difficulties both in maintaining peaceful relations between and among various communities within the state; any security found within the state is likely the result of coercion rather than popular consent. As a result, such states are inherently vulnerable to internal upheaval, and are likely to remain fragile so long as legitimacy remains wanting.

### Capacity

Capacity refers to the power of a state to mobilize and employ resources towards productive ends. States with a satisfactory level of capacity display a basic competence in political and economic management and administration, with their governments capable of regulating domestic affairs and conducting international transactions. They also possess the basic infrastructure required of a modern state, including functional transportation and communication networks.

### Essential Properties of a State: Capacity

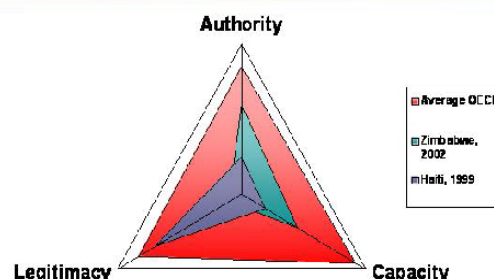


The power or faculty of a state to mobilize and use resources, a basic competence in political and economic management and administration, and in regulating domestic affairs and conducting international transactions.

States lacking in capacity may prove unable to respond effectively to sudden shocks such as natural disasters, epidemics, food shortages, or refugee flows. They may therefore be heavily reliant upon civil society and the international community in such situations. States that experience chronic shortfalls in capacity

### CIFP A – L – C Structural Analysis

The A-L-C structural indicator analysis permits the identification of core weaknesses along three vital dimensions of a viable state. Weakness along any dimension is a sign of potential fragility.



### ALC Evaluation

Thus, the second revision to the existing risk assessment methodology pertains to the weighting scheme employed to reflect the inter-relationship between the indicator clusters. Under the pre-existing methodology, CIFP employed a static weighting scheme when assessing risk. In order to further elaborate the relative impact of each of the issue areas upon the conflict development process within a country, the clusters were assigned weights derived deductively, based on inferences about the causal relationships between issue areas. In the earlier conflict-oriented CIFP methodology, the weight assigned to each cluster derives from the number of direct causal linkages it is postulated to have with the others, thereby reflecting the magnitude of each issue area's impact on overall risk.<sup>90</sup>

As part of the revised CNA fragility methodology, each structural indicator is evaluated according to the extent to which it variously captures the authority, capacity, and legitimacy of a given state. To minimize subjectivity within the methodology, CIFP conducted an extensive analysis of each indicator. In addition, the members of the project's Scientific Committee were consulted in an effort to incorporate a broad array of perspectives from both academia and government. Using their input, the indicators are weighted to reflect the extent to which



they capture each dimension. Whenever possible, the final weighting of each indicator was assigned on the basis of consensus. The net result is a robust and dynamic weighting scheme reflecting the pooled knowledge of a diverse group of subject experts.

When summed, these weighted results provide an assessment of each state's performance along each of the three dimensions. States that prove weak along one or more dimension may be in need of particular types of support from the international community. In order to simplify the analysis, CIFP has created a series of bridging concepts to identify the key relationships between the three core elements of capacity, legitimacy and authority. These concepts capture the types of challenges that states with specific weaknesses will face, providing guidance to policymakers tasked with devising an engagement strategy that responds effectively to those weaknesses. There are three bridging concepts:

### Effectiveness

States that have capacity to function and retain authority over decision-making, but are not considered legitimate internally or externally, can be described as effective. They may be capable of carrying out domestic affairs and express political interests, but lack a reciprocal perception of trust and governance between the rulers and the ruled.

#### Emergent Properties of a State: Effectiveness

States that have capacity to function and authority over decision-making, but are not considered legitimate internally or externally can be described as effective. They may be capable of carrying out domestic affairs and express political interests, but lack a reciprocal perception of trust and governance between the rulers and the ruled. Examples include Zimbabwe during the first years of this decade.



### Integrity

States that have authority and are considered legitimate but lack governing capacity are described as having "integrity." This alludes to states that have the will, but lack the capacity, to make and operationalize policy decisions. Such states are characterized by "soundness" and "completeness" in terms of their existence as state entities, and may adhere to a moral

code of behaviour, but their lack of capacity inhibits effective governance.

#### Emergent Properties of a State: Integrity

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### Validity

States that possess the capacity to function and are considered legitimate, but lack authority in decision-making or a monopoly over violence, exhibit validity. Such states may be able to regulate domestic affairs, and may be run by a duly recognized executive, but nonetheless lack control of certain groups in the population, territory, and/or the military. Examples include current day Colombia.

#### Emergent Properties of a State: Validity

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In addition to these dynamic weighting elements, later iterations of the methodology may employ techniques of factor analysis to further refine the relative weighting assigned to each indicator cluster.

**Scenarios Drawn From ALC Framework  
Georgia Example**

**WORST CASE: State Failure/Dissolution of the Regional State System over the Short-Term**

Religious extremism gains widespread support;  
Escalation of bombings by religious extremists (IMU);  
Further repression by government forces (torture, execution, arbitrary detention);  
Destruction of limited state infrastructure;  
Economic collapse fueled by shrinkage of Aral Sea and repressive government economic policies;  
Rise in opium cultivation and drug trafficking leads to total collapse of the rule of law;  
Heightened regional instability due to turmoil in neighbouring states.

**BEST CASE: Emergence of Political and Economic Freedom over the Short-Term**

Pressure by foreign governments and transnational NGO's forces Uzbek regime to adopt internationally acceptable standards for human rights;  
Political process gradually becomes more transparent;  
Opposition groups and independent media given meaningful role in governance;  
Foreign governments respond favorably and increase foreign aid and security/military funding;  
State and Military are better able to manage Islamic extremism;  
Improved business climate and increased foreign investment leads to meaningful improvement in living standards;  
Support for Islamic extremism decreases.

**REALISTIC CASE: Gradual Deterioration of the Status Quo over the Long-Term**

Maintenance of state censorship;  
Continuance of repression of civil and human rights (torture, child labour, arbitrary detention, absenteeism of political dissent);  
Maintenance of closed economy, and continuance of economic stagnation;  
Failure to implement international political and economic reform commitments;  
Continual dependence on agricultural and cotton crops, leading to further environmental degradation of the Aral Sea;  
Rise in drug-trafficking, leading to increased state corruption and strengthening of terrorist network;  
Intensification of religious extremism and escalation of violence by insurgent groups.

## IV - Events Monitoring

The second element of the instability assessment is the events-based monitoring system, which is based on both the watchlist methodology and the event indexing techniques developed by CIFP.<sup>91</sup> First, as with CIFP's original risk assessment framework, the prior watchlist methodology was designed to identify countries at risk of violent conflict, specifically in the next 1-3 year time period. CIFP utilised a 'meta-filter', by which the findings of a number of existing researchers and organisations were combined to derive a list of conflict-prone states.<sup>92</sup> The approach was premised on the assumption that any disparities between the findings of the various organisations arising from their differing research criteria and limiting factors would be averaged out and result in a list of those countries raising flags with a wide variety of sources. CIFP researchers then turned to additional sources, such as structural indicators and further current events information, to narrow down the findings to a short-list of priority countries.

### Are watch lists and country briefs useful? Yes.

- They can galvanize public opinion both at home and abroad.
- They can provide an invaluable heads-up before situations turn violent.
- They can identify priority areas of concern.

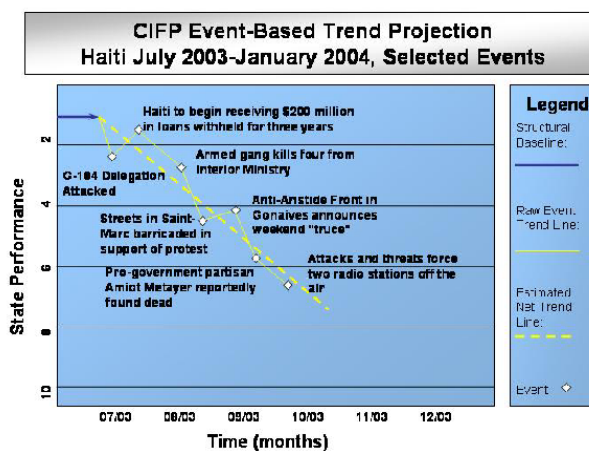
The revised watchlist methodology relies on the same procedure, but focuses on identifying states at risk of instability and collapse, rather than simply those at risk of conflict.<sup>93</sup> While the instability framework endeavours to generate a watch list in a timely fashion, the methodology envisions a three-month preparation phase. This affords researchers greater opportunity to deepen the level of detail and improve their understanding and analysis of watchlist countries. The longer time frame increases the likelihood that crucial information and elements are not overlooked or omitted. The revised watch list methodology also attempts to address a limitation in the country selection criteria. The basis on which a country is assigned to the watch list or designated as a priority country will in part be informed by the relevancy and impact assessment (see below). While it is possible, and perhaps in some circumstances

desirable, to create a watch list on the basis of an objective evaluation of instability, the goal of the instability framework is to provide analytical support to policy-makers and support their ability to develop viable response strategies. Consequently, the selection criteria must reflect the specific interests and capabilities of the international actor.

A key component of the instability assessment phase as a whole is the determination of where on the state failure spectrum a particular country falls. Is it on a downward trajectory and thus on the path to state failure? Has the country already failed, and if so, is it languishing in collapse or beginning the long road to recovery?

Alternately, the state could be unstable but 'relatively' static; such a country might display indications that are emblematic of deep fragility – weak governance, ineffective institutions, poor economic performance, and high levels of crime and corruption – but nonetheless shows neither improvement nor a tendency to slide towards failure. The country is in effect stagnating.

Identifying where a state is on the state failure spectrum serves to contextualize it for policy-makers and thus informs their decisions regarding response options. A country on a rapidly declining path towards failure will likely require a more robust response, such as a military or diplomatic operation.



A response more heavily weighted towards development and diplomatic efforts is likely to be more appropriate, and thus successful, in stagnating or recovering states.



The methodology is also intended to identify not only failing states, but also to highlight the sectors of a state that are particularly weak and any factors, either exogenous or endogenous to the state, that contribute to the potential for instability and collapse. These high risk areas constitute potential entry points for action.

Response options can be evaluated and formulated on the basis of their impact on elements that constitute a significant destabilising influence. In this way, those elements that pose the greatest risk to a country's stability, and thus contribute greatly to the potential for state failure, can receive priority attention. Addressing these high risk areas is the most expedient and efficient method for reducing a country's risk of instability.

In addition to a watch list, the CIFP Net Assessment employs a robust country-specific events-based trend analysis capability. There are two primary elements to this analysis. The first element monitors available data sources for the occurrence of events considered relevant to the relative stability of the fragile states under consideration.<sup>94</sup> Each event is evaluated along three distinct dimensions – causality, centrality and intensity – to create a composite score capturing its net magnitude.

Using the CIFP structural factor analysis as a base line, these events are then compiled and plotted to create an event trend-line indicating the net direction of events. The first dimension, causal linkage, evaluates the causality between an event and its link to the risk of fragility within the state. To retain simplicity, a three point scale is used to assess this linkage:

Event Causal Relevance	
Score	Criteria
(1)	Event is relevant, but with no clearly delineable direct causal linkage to the identified risk factors (e.g. A soccer friendly or expulsion of a small NGO).
(2)	Event is relevant, with a delineable, though indirect causal linkage to the risk factors (e.g. Recommencement of peace negotiations or a speech by a popular local politician inciting ethnic hatred).
(3)	Event is relevant with a delineable and direct causal linkage to the risk factors (e.g. Declaration of a ceasefire or a government crackdown on opposition groups).

The second dimension evaluates an event's centrality to the country's stakeholders. In every region there are a variety of actors that are political stakeholders and are affected by the region's stability; this measure gauges the scale of a given event by considering the number of such entities affected by it.<sup>95</sup> An event has greater magnitude when it affects a greater number of stakeholders. For instance, while an agreement to commence peace talks will primarily affect those involved in the peace talks, the agreement of a ceasefire affects all stakeholders. Each event is scored as follows:

Event Centrality	
Score	Criteria
1)	Event affects less than 25% of political stakeholders.
2)	Event affects 25% - 75% of political stakeholders.
3)	Event affects more than 75% of political stakeholders.

The final dimension measures an event's intensity, defined as the relative extent to which it contributes to the stability or fragility of the state. This recognizes that events occur within the context of immediate history and that the escalation of events can affect the risk of future conflict. As such, events are assigned ratings along a four point scale based on how they compare to events within a given period of time preceding the event.

Event Intensity	
Score	Criteria
0)	Event is less intense than others experienced in the state in the previous six months.
1)	Event is comparable to others experienced in the state in the previous six months.
2)	Event is more intense than others experienced in the state in the previous six months.
3)	Event is more intense than others experienced in the state in the previous five years.

Finally, each event is rated as positive or negative, indicating that the effect is stabilizing or destabilizing, respectively. To provide additional analytical power, events are also categorized by CIFP indicator clusters, indicating to which element(s) of fragility they are relevant. This categorization specifies the particular manner in which each event contributes to stability or fragility, allowing the generation of cluster-specific trend lines and

resulting in a more nuanced evaluation of the exact sources of any growing fragility within the state.<sup>96</sup>

CIFP Event-based Trend Analysis Example Event Monitoring Record	
Each event is included within a specific structural cluster, providing disaggregated trend lines within individual subject areas as well as net trend lines for all events within the country.	
Region	Kosovo
Date	1 Nov 05
Cluster	Armed Conflict
Event	Hard grenade thrown at police station (thought to be Black Shadow)
Causality	2.0
Centrality	2.0
Intensity	2.5
Sign	-1
<b>Net Score</b>	<b>-6.5</b>
Type	16
Source 1	Focus News (Sofia, Google Alert)
Source 2	N/A

In the second component of its event-based trend analysis, CIFP solicits input from officers currently serving in the fragile state in question on a number of different topics related to that state's fragility. For each topic, officers are asked to describe the performance of the country, to rate it quantitatively, and to specify whether the situation is improving or worsening. Officers are also encouraged to respond to previous reports, identifying points within the reports that they believe are of particular relevance or that they feel are factually incorrect or analytically mis-specified.

These field surveys (see [www.carleton.ca/cifp](http://www.carleton.ca/cifp) - methodology for example) are summarized and collated to produce a succinct summary of the combined knowledge of Canadian officers working in the relevant fragile states, providing a useful counterpoint to the open-source event coding. In participating in the formation and amendment of future reports, field officers gain the opportunity to bring their first-hand experience to bear on the analysis underlying Canadian government policy in their region. Simultaneously, they receive frequent and detailed updates regarding their area of posting, providing them with a highly informative analytical resource. The CIFP Net Assessment will provide Canadian foreign policy and development officers with a powerful new tool to aid decision-making while in theatre.

#### Field Officer Survey Topics

- |   |   |
|---|---|
| <ul style="list-style-type: none"> <li>• Unconsolidated government power</li> <li>• Lack of territorial control</li> <li>• Changes in governing elites</li> <li>• Extent of social stratification</li> <li>• Presence of private security firms</li> <li>• Political use of inflammatory rhetoric</li> <li>• Government exploitation of internal divisions</li> <li>• Occurrence of political arrests</li> <li>• Presence of food shortages</li> <li>• Presence of ethnic rivalries</li> <li>• Presence of ethnic persecution</li> <li>• Presence of language laws</li> <li>• Travel restrictions into or out of the country</li> </ul> | <ul style="list-style-type: none"> <li>• Inequalities in land distribution</li> <li>• Presence of radicalized religious groups</li> <li>• Prevalence of political propaganda</li> <li>• Perceptions of police and judicial bias</li> <li>• Government capacity to maintain public safety and stability</li> <li>• Impositions of curfew</li> <li>• Level of disillusionment in the economy, government and security forces</li> <li>• Level of opposition activity</li> <li>• Level of organized crime</li> <li>• Economic dependence on drug production and trafficking</li> <li>• Mass movements of civilians internally or across national borders</li> <li>• Most likely type of crisis (if any)</li> </ul> |
|---|---|

## V - Relevance and Impact

Relevance and impact refer to the task of identifying criteria and laying out a framework for identifying where Canada can engage and how it can evaluate that engagement.

In identifying Canada's potential engagement in failed and fragile state environments two fundamental questions must be answered.

1. How important is Canadian engagement to the state, to Canadians, and to the international community?
2. How much of a difference can Canada make given the policy tools available?

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 and politically sensitive. Conversely, engagements in situations with high potential impact, but of little or no relevance to Canada and Canadian foreign policy must be considered a waste of scarce resources. 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.

### Relevance Assessment System (RAS)

When making decisions regarding engagement in fragile and failed states, all policymakers 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. The relevance assessment system brings some clarity and objectivity to such decision-making processes, explicitly identifying the most common dimensions of policy relevance. In so doing, the relevance assessment system enables Canadian policy-makers to reach transparent and reproducible conclusions regarding the relevance of engagement in a given fragile or failed state.

In assessing net relevance, CIFP considers two different perspectives: relevance of the state to Canadian foreign policy interests and values; and relevance of the state to global efforts to achieve the MDG's (See Appendix A).<sup>97</sup> Both perspectives are important, albeit not equally so. The first perspective, relevance to Canadian foreign policy, is arguably the more problematic of the two.

Given the difficulty in conclusively identifying Canadian interests and values in any given situation, attempts to assess a potential engagement's relevance to Canadian foreign policy will inevitably be only approximate.

Key goals of relevance assessment include:

- a) The promotion of consistent and non-partisan decision-making;
- b) The harmonization of engagements with explicit Canadian interests, values and past behaviour;
- c) The enabling of expeditious decision-making in situations requiring rapid response; and
- d) The encouragement of rigorous, results-oriented cost-benefit analysis.

The RAS does not claim to provide a definitive measure for such a broad and indeed contested concept as national interest; rather, it specifies several major dimensions that feature prominently in all discussions of Canadian foreign policy. The goal is not to pre-empt discussion, but to support it with transparent, objective, and comparable information. Key measures include:

### Key Measures of Relevance

#### 1. Development Assistance

- a) Total Canadian bilateral ODA;
- b) Total Canadian multilateral ODA;
- c) Priority of aid relationship for Canada (state rank among Canadian aid recipients); and
- d) Priority of aid relationship for the recipient (Canada's rank among donors).

#### 2. Security and Strategic Interests

- a) Importance to regional stability, captured by the proportion of regional economy and population represented by the state;
- b) Presence of partisan conflict participants (e.g. lobbyists, licit and illicit fundraisers) in Canada; and
- c) Level of fragility and speed of decay (from CIFP structural assessment and events-based monitoring).

#### 3. Trade and Economic linkages

- a) Bilateral trade measured as a percentage of total Canadian trade;
- b) Bilateral trade measured as a percentage of partner country's trade; and
- c) Total Remittances from Canada.

#### 4. Demographics

- a) Size of diaspora population in Canada as a proportion of Canadian population;
- b) Size of diaspora population in Canada as a proportion of recipient country; and
- c) Size of diaspora economic and political network.

As with structural data, relevance indicators are indexed against all other applicable states. The net result is an aggregated RAS 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.

Admittedly, these indicators do not capture the full breadth of Canada's relationship with any fragile or failed state. Further, they do not 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. Nonetheless, they bring much additional clarity to discussions of engagement relevance.

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.

### 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

Qualitative aspects such as shared values and 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 judgement-based analytical methodology employed in the impact assessment accommodates such factors more easily. Though not all of these factors are quantifiable, there are useful proxies for all of these dimensions. By compiling these proxies, the RAS provides 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.



### Feasibility: Optimal Engagement Nexus

#### Resource Commitment

- A greater resource commitment can be reasonably expected to have a positive and direct effect on an engagement's impact. This relationship is expressed in the upward sloping green line. Movement upwards along the 'resource commitment' line will be constrained by budgets, so 'maximum impact' is likely to occur at the point where anticipated impact is positive.

#### Relevance Score

- The higher the relevance of an engagement to Canadian interests, as expressed by the Relevance Score, the greater the likelihood that it will have a positive impact. This is due to the fact that the Relevance Score is in part a function of Canadian capabilities and comparative advantage, and as such, is a proxy measure of commitment. Therefore, a higher Relevance Score for a given fragile state or proposed engagement will produce a more positive impact.

#### Number of External Actors

- The anticipated impact of an engagement is affected by the number of external actors in a non-linear manner. Too few actors may be insufficient to secure the desired outcome, whereas too many actors may produce a diminishing marginal returns effect, complicating coordination and saturating the operation. This relationship is expressed by the inverted-U shaped curve. Positive impact can be achieved when the number of actors is sufficient but not excessive.

#### Speed of State Decay

- Speed of state decay is also expressed in an inverted-U shaped curve. On one extreme, a fragile state that experiences a very slow and gradual decline may go unnoticed by the international community, failing to garner attention that would instigate engagement. On the other extreme, a state that decays very suddenly will not allow sufficient time for external actors to design and implement a stabilizing operation.

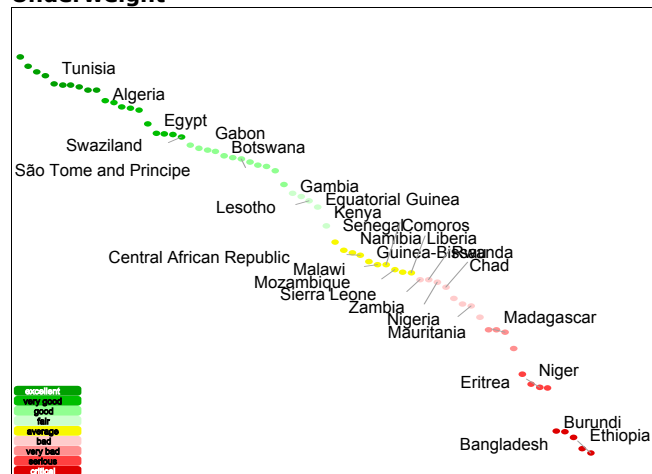
#### Timing of Engagement

- 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.

## Cross-Cutting Themes

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 six indicator clusters.

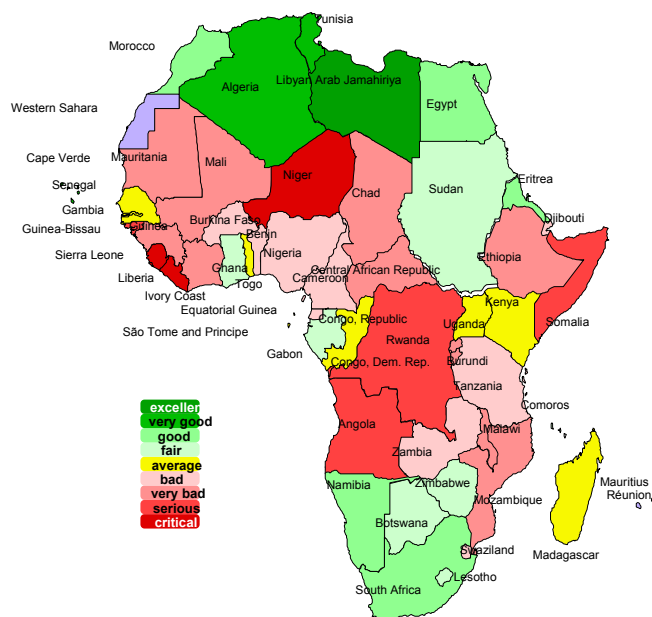
### Children Under 5 Severely or Moderately Underweight



At present, there are three such cross-cutting themes: gender, poverty, and human security. Each theme touches on issues related to several different cluster 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.

### Infant Mortality Rate 0-1 Yrs-Africa<sup>98</sup>



### The Millennium Development Goals (MDGs)

The second relevance perspective captures a potential engagement's relevance to the MDGs. In general, populations living in fragile and failed states are further from achieving these goals than any others on the planet.

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 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.<sup>99</sup> Moreover, should they begin to backslide towards renewed failure, even those fragile states that have made significant gains towards some MDGs represent a continuing danger to the overall campaign. As a result, the MDG perspective captures both how far each state must progress to reach the various goals and the potential damage that each state may represent to the MDG campaign should that state fail.

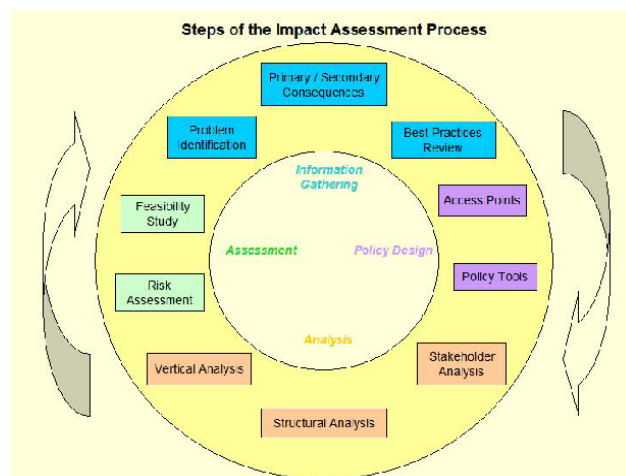


Using the indicators provided by the UN Millennium project, it is possible to measure both the progress that each failed and fragile state must make in order to realize its portion of the MDGs, and the potential impact on global progress towards the goals should that state begin – or continue – to regress.<sup>100</sup> See Appendix A for a full list of the indicators provided by the UN for each MDG goal.

### Impact Assessment System (IAS)

The CIFP Impact Assessment System (IAS) 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 IAS involves early warning, cost-benefit, and stakeholder analysis, as well as risk and feasibility assessments.

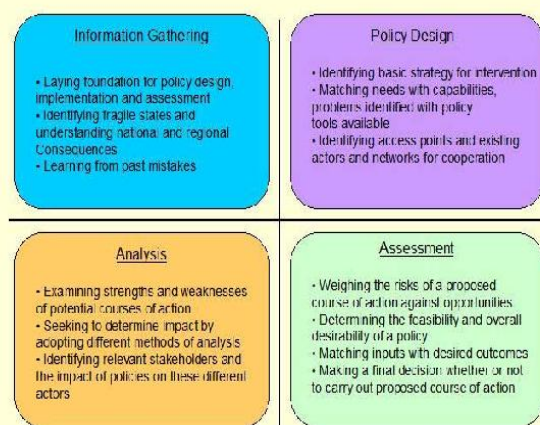
Actors involved explore causal linkages between long-range, contextual issues and sudden, precipitating events. Ongoing, events-based monitoring and analysis of key fragility indicators should be carefully monitored with the objective of forecasting trends that may contribute to state failure or collapse. Such analysis must go beyond academic hyperbole, and be operationalized by translating assessments into specific and plausible activities for practitioners that are expected to produce effective outcomes.



Ted Gurr uses data and a scoring system to compare capacity, opportunity, and incentives for minorities to rebel to assess proneness to conflict, while Barbara Harff examines

“accelerators” and “decelerators” to assess conflict-related events.<sup>101</sup> Other early warning methodologies have been developed by the Dutch conflict monitoring organization PLOOM, and the American Global Event-Data System (GEDS) project, among others. An important lesson from previous early warning work is to consolidate qualitative and quantitative monitoring to benefit from statistical analysis as well as contextual information.<sup>102</sup>

The IA Process: Thematic Breakdown



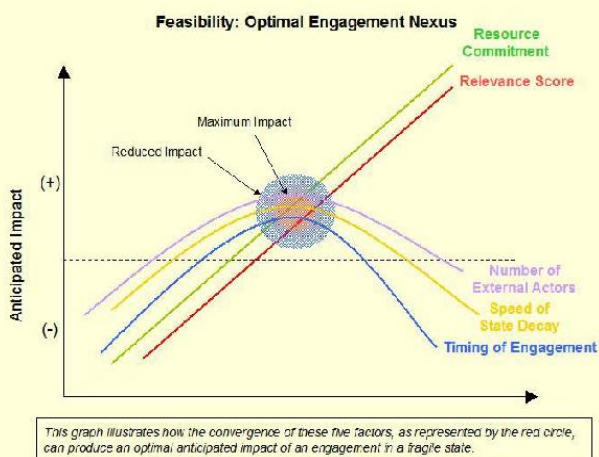
In assessing impact, the CNA framework includes an analytical decision-making process designed to help policymakers anticipate outcomes of specific courses of stabilizing interventions in fragile states. The objective is to undertake a type of cost-benefit analysis that evaluates *a priori* the potential outcomes of a range of policy options at different levels of analysis. Once specific problems are identified, policy options are then explored and assessed according to feasibility, effectiveness and likely impact. The impact assessment system methodology uses a selection of criteria to help decision-makers draw causal linkages between inputs and desired outputs.

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. Impact assessments are important prerequisites to ensure that timely, well-organized and adequately resourced external interventions can indeed help a fragile state recover.

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 (not to confuse correlation with causation).

**The IA Process: Stages, Examples, Actors**

Stage of IA Process	Key Question	Examples	Actors
Problem Identification	What are the indicators telling us?	High unemployment, policy instability	CIFP
Primary/Secondary Consequences	What will happen to the state and region?	Civil soldiers, IDPs and refugees	CIFP
Best Practices Review	What lessons have we learned?	Police training, election monitoring	CIFP / CIDA
Access points	Where can we get involved?	Private sector, civil society	CIDA
Policy Tools	Do we have the tools for the job?	Legal assistance, land reform	CIDA
Stakeholder Analysis	What actors have a stake in the outcomes?	Public and private consultations	CIDA
Structural Analysis	Is the engagement timely, well planned and well financed?	Budget constraint; timelines; speed of state decay	FAC
Vertical Analysis	What are the key factors at different levels of analysis?	International, regional, national and local effects	FAC
Risk Assessment	Is it worth the risk?	Weigh risks against opportunities	DND
Feasibility Study	Can we do it?	Cost-benefit analysis	DND



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 counterfactual situation.

Lund advocates the use of multi-case comparison in which relevant similarities and differences are identifiable.<sup>103</sup> 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 and drawing 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 in gender issues and the environment – areas of traditional policy neglect.

The objective of the CIFP IAS tool is to help policy-makers identify where, why, and how Canada should engage in fragile states so as to produce optimal outcomes given the policy tools that are available. In other words, it is a process for consultation during the policy formulation stage to ensure that resources are used efficiently and effectively so as to yield the greatest positive impact. The tool is also designed to ensure that steps in the decision-making process are not overlooked and that concrete actions and projects are designed and implemented in the context of a well-thought-out and robust program.

The IAS tool should be used in conjunction with ongoing research and consultations with stakeholders and experts, as well as coordination with other international actors to produce consolidated action plans. Policies should be informed by research from different sources, should engage a variety of stakeholders and should seek to combine cross-cutting cleavages

The IAS tool is a 10-step process to guide policy-makers through the decision-making process preceding engagements in fragile states (Appendix B). The steps are as follows: identify the problem; identify primary and secondary consequences of state fragility; review best practices; determine access points and available policy tools; undertake

stakeholder analysis and vertical and structural analysis; and lastly, conducting risk assessment and feasibility studies.

The steps do not necessarily have to be followed in order; rather, it is likely that there may be a great deal of overlap among the steps, and they may not follow a neat, linear path. 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 it is completed, it will likely have to begin again as new problems are identified and new information becomes available.

The impact assessment system (IAS) component of the CNA is intended to reduce the likelihood of unintended negative consequences of intervening in failing and fragile states. Impact assessment is a means for systematically examining potential interventions for possible negative impacts on efforts to respond to instability.

Given the breadth of potentially destabilising elements a country can experience, and the multitude of possible tools international actors can draw upon in an effort to respond to state failure, it is germane to examine the likely means of engagement in order to assess their potential to engender positive results in one or a number of sectors on the basis of whether or not they serve to stabilize a fragile or failing state without contributing to instability on other fronts, either within that state or in the regional context. The intention of the impact assessment is not to dissuade an actor from intervening, but to match entry points for action with response options.

The impact assessment system also serves to contribute to improved coherence. An examination of the potential actions of the various arms of government facilitates improved coordination of response strategies and supports efforts to evaluate the impact of interventions across the spectrum of government.

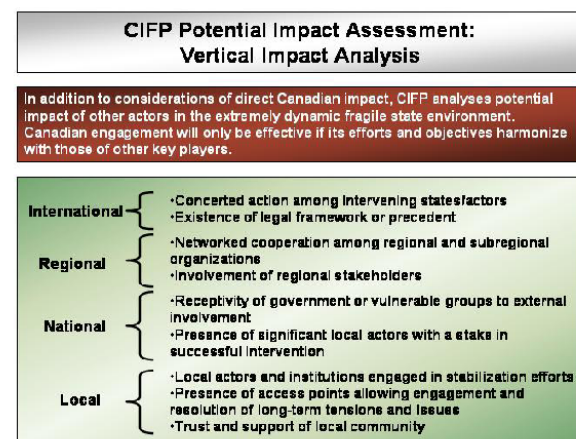
In addition, the impact assessment system should also examine the efforts of other governments to reduce the likelihood that interventions from different governments will work at cross-purpose to one another. It also assists in avoiding duplication of efforts and maximising the stabilising effects of

interventions from multiple international actors.

CIFP's impact assessment system (IAS) consists of two stages. The bulk of the assessment is done in the first stage, through a ten-step analysis cycle. During the cycle, analysts identify the most important problems facing a given state, assess their consequences, and identify relevant local and international stakeholders.

They then search for corresponding opportunities for action, producing a policy prescription to address the problem with maximum impact. This analysis cycle draws on the early warning, monitoring and risk analysis provided by CNA's structural and events-based methodology provided in a country-brief format.

Using this information as a basis of information, it proceeds to explore causal linkages between long-range, contextual issues and sudden, precipitating events, identifying policy options with the potential to improve stability and support development in the fragile state.



Once the analysis is complete, the resulting policy recommendation is then subjected to an impact assessment questionnaire in the second stage. The questionnaire is a wide-ranging checklist covering key requirements of any potential engagement. Its results provide an indication of both the viability of the proposed policy and the likelihood that policy will have a significant positive impact on the partner state. It is divided into three parts. The first two, Operational Issues and Vertical Impact Assessment, are applicable to all potential engagements. The third section identifies

potential areas of impact by cluster area – security, governance, economy, human development, security, crime, and population and demography.

### Operational Issues

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 meet all the demands of the checklist, 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 B 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.

#### CIFP Potential Impact Assessment: Operational Considerations

Any potential engagement must meet a number of criteria before deployment in order to ensure reasonable prospects of success. CIFP methodology explicitly incorporates this concept through an evaluation of the potential effectiveness of any Canadian engagement within a given fragile state environment.

<ul style="list-style-type: none"> <li>•Resource availability and commitment</li> <li>•Valid window of opportunity</li> <li>•Cost effectiveness</li> <li>•Previous Canadian experience in theatre</li> <li>•Clear and achievable mandate</li> <li>•Direct and transparent lines of policy responsibility</li> <li>•Level of political support in Canada</li> </ul>	<ul style="list-style-type: none"> <li>•Coordination among all Canadian departments and agencies in theatre</li> <li>•Presence of viable physical and political "entry points" in host country</li> <li>•Need for fields of comparative Canadian expertise</li> <li>•Presence of allies</li> <li>•Roles played by relevant international organizations, including the UN, NATO, the World Bank, IMF, the Commonwealth, la Francophonie, CARICOM, MERCUSOR, ECOWAS, etc.</li> </ul>
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### Operational Impact Assessment

Is the proposed engagement:

- 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?



### Vertical Impact Assessment

1. In the international domain, does the engagement:

- a) Coordinate with key allies, international organizations, NGOs involved in the state?
- b) 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?
- c) Take place within an existing international legal framework of precedent?

2. In the Regional domain, does the engagement:

- a) Engage regional stakeholders?

3. In the national domain, does the engagement:

- a) Occur with the acceptance, acquiescence, or encouragement of the recipient government and/or vulnerable groups in society?
- b) Engage significant national actors with a stake in successful external engagement?
- c) 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?
- d) Deter actors who otherwise would act to undermine the capacity, legitimacy, or authority of the state?

4. In the Local domain does the engagement:

- a) Actively involve local actors and institutions in all areas targeted by engagement efforts?
- b) Aid efforts to address and ultimately resolve long-term communal issues and tensions?

### Making a Difference – Maximizing Engagement Effectiveness

In summary, the CIFP IAS and RAS are premised on the need to prevent a fragile state from becoming weaker, a failed state from collapsing and an emerging weak state from falling back into failure.<sup>104</sup> 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.<sup>105</sup> Engagements that prevent state failure or conflict from erupting are much more effective, both from a budgetary and human security standpoint, than those that focus on post-conflict rebuilding or state rehabilitation.<sup>106</sup>

#### Making a Difference: Maximizing Canada's Engagement Effectiveness

$$\text{Relevance} + \text{Impact Potential} = \text{Net Engagement Effectiveness}$$

##### 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?

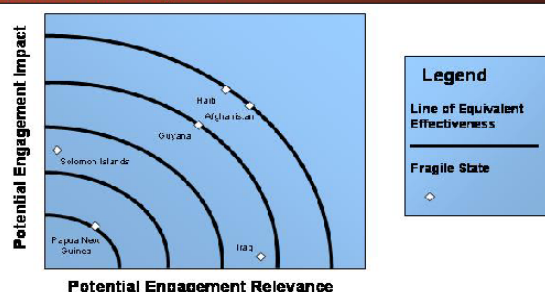
##### Net Engagement Effectiveness:

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

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.

#### Making a Difference: CIFP Net Effectiveness Assessment

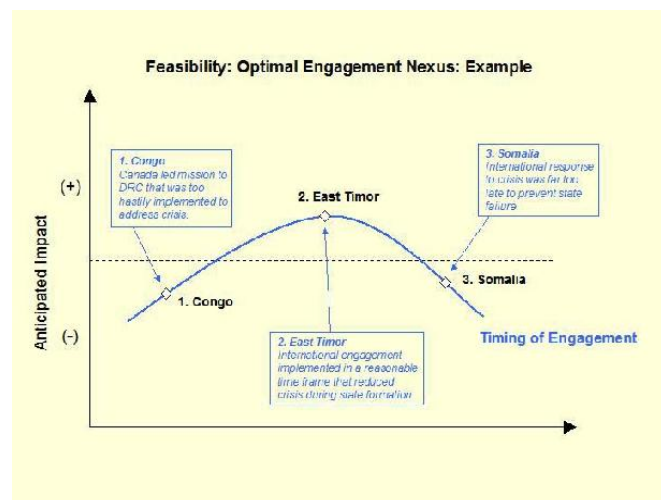
When combined, CIFP Relevance and Engagement Impact Assessments provide quantifiable insight into how best to maximize Canadian engagement resources, highlighting tradeoffs between the nation's priorities and its capabilities with respect to the world's fragile states.



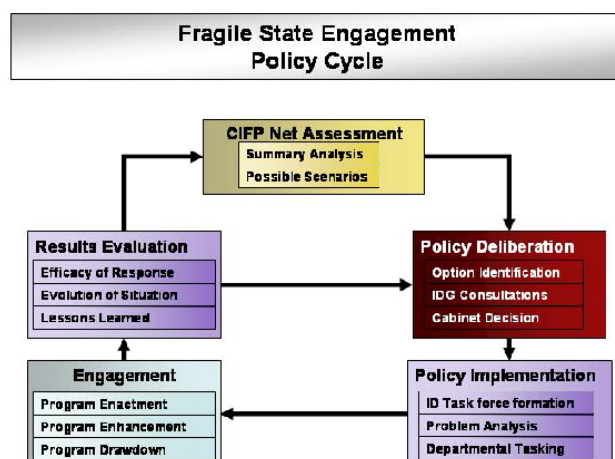
One key objective of the CIFP relevance and impact assessment system is to allow a degree of cross-case comparability. Every decision



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 systems 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.<sup>107</sup>



## VI – Proposed Outputs

### Data

**Online Data Query**

Country Indicators for Foreign Policy

Search for countries by name or organization

Select Indicators

Choose Years

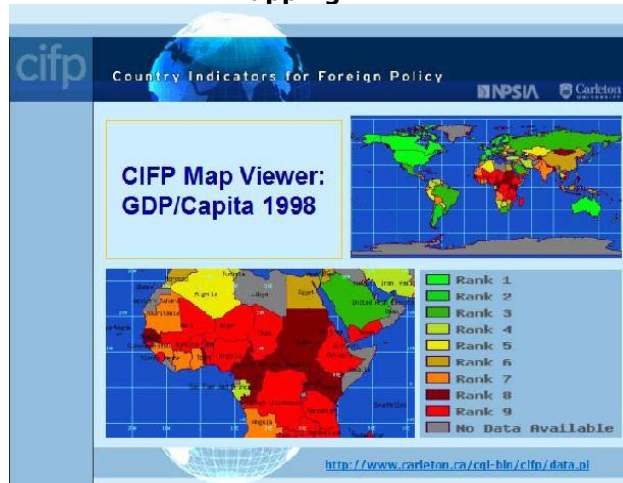
Choose Output Format

Save the results in CSV

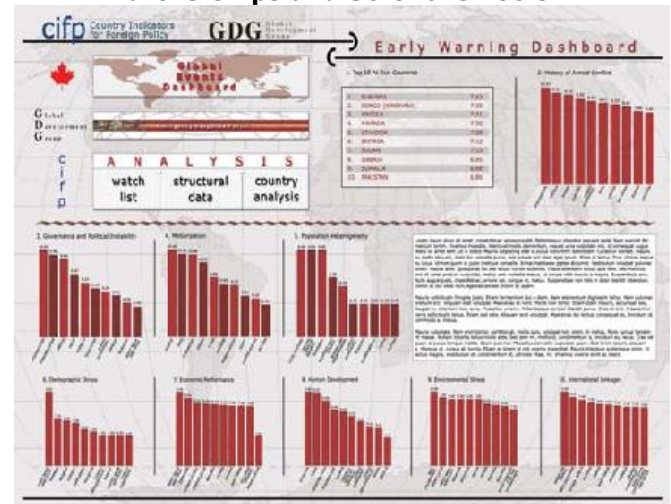
### Risk Assessment and Rankings



### Mapping



### Partnerships and Software Tools



### Watch Lists, Briefs, Reports

