Governance Interventions in Fragile and Conflict-Affected Countries

Patricia Justino

HiCN Working Paper 259

October 2017

Abstract:
This paper examines the effect of conflict on agricultural production of small farmers. First, an inter-temporal model of agricultural production is developed in which the impact of conflict is transmitted through violent shocks and uncertainty brought about by conflict. We test the model using a unique household survey applied to 4,800 households in four micro-regions of Colombia. Our findings suggest households learn to live amid conflict, albeit at a lower income trajectory. When presence of non-state armed actors prolongs, farmers shift to activities with short-term yields and lower profitability from activities that require high investments. If violence intensifies in regions with presence of non-state armed actors, farmers concentrate on subsistence activities.

Keywords: governance; fragility; violent conflict; policy interventions.

1 The author would like to thank Andrea Cornelia, Corinne Huser, Anuradha Joshi and one anonymous reviewer for very valuable comments and discussions. Funding for the paper was provided by the Swiss Agency for Development and Cooperation (SDC). The views expressed in this paper are the author’s alone.

2 Professor Patricia Justino is a Fellow at the Institute of Development Studies (IDS) in Brighton. She is a development economist who works at the interface between Political Science and Development Economics. Her current research focuses on the relationship between political violence, institutional transformation, governance and development outcomes. She has led major research programmes funded by the European Commission, the Economic and Social Research Council (ESRC) and the Department for International Development (DFID). Her research has been published in leading international journals such as the Journal of Conflict Resolution, the Journal of Peace Research, and the World Bank Economic Review. She has also held several advisory positions in major international organisations, including ActionAid, DFID, the Food and Agriculture Organization of the United Nations (FAO), the United Nations Development Programme (UNDP), the United Nations Educational, Scientific and Cultural Organization (UNESCO), the United Nations Children’s Fund (UNICEF), UN Women, the United States Agency for International Development (USAID) and the World Bank. She is the lead author of A Micro-Level Perspective on the Dynamics of Conflict, Violence and Development (Oxford University Press), was the director of the MICROCON research programme and is co-founder and co-director of the Households in Conflict Network.
## Acronyms

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Full Form</th>
</tr>
</thead>
<tbody>
<tr>
<td>CCT</td>
<td>Conditional cash transfer</td>
</tr>
<tr>
<td>CDD</td>
<td>Community Driven Development</td>
</tr>
<tr>
<td>DDR</td>
<td>Disarmament, demobilisation and reintegration</td>
</tr>
<tr>
<td>DFID</td>
<td>Department for International Development</td>
</tr>
<tr>
<td>DRC</td>
<td>Democratic Republic of Congo</td>
</tr>
<tr>
<td>ESRC</td>
<td>Economic and Social Research Council</td>
</tr>
<tr>
<td>FAO</td>
<td>Food and Agriculture Organization of the United Nations</td>
</tr>
<tr>
<td>IPA</td>
<td>Innovations for Poverty Action</td>
</tr>
<tr>
<td>NGO</td>
<td>non-governmental organisation</td>
</tr>
<tr>
<td>NREGS</td>
<td>National Rural Employment Guarantee Scheme (India)</td>
</tr>
<tr>
<td>NSP</td>
<td>National Solidarity Program (Afghanistan)</td>
</tr>
<tr>
<td>NUSAF</td>
<td>Northern Uganda Social Action Fund</td>
</tr>
<tr>
<td>RCT</td>
<td>randomised controlled trial</td>
</tr>
<tr>
<td>SDC</td>
<td>Swiss Agency for Development and Cooperation</td>
</tr>
<tr>
<td>SDG</td>
<td>Sustainable Development Goal</td>
</tr>
<tr>
<td>UNDP</td>
<td>United Nations Development Programme</td>
</tr>
<tr>
<td>UNESCO</td>
<td>United Nations Educational, Scientific and Cultural Organization</td>
</tr>
<tr>
<td>UNICEF</td>
<td>United Nations Children’s Fund</td>
</tr>
<tr>
<td>USAID</td>
<td>United States Agency for International Development</td>
</tr>
</tbody>
</table>
1 Introduction

Strong, capable states with high capacity to govern cannot be assumed. Nation-states characterised by wide-reaching bureaucracies started to emerge in Europe only after the 1500s. Before that, Europe was governed by a myriad of powerful warlords, who fought each other almost constantly in a bid to concentrate power and resources. In due course, wealth accumulation and new war technologies led to stronger fiscal capacity and the seeds of the modern state (Tilly 1992; Besley and Persson 2009; Gennaioli and Voth 2015). But despite considerable advances over the past 500 years in how states and societies are governed and how political order is sustained, around 1.6 billion people are living in states characterised by weak capacity to govern and uphold peace (World Bank 2011; OECD 2016). These so-called ‘weak’ or ‘fragile’ countries are expected to host over half of the world’s poor by 2018 (OECD 2014) and over 60 per cent by 2030 (OECD 2016), with the number of extremely poor people living in fragile contexts estimated to rise from 480 million in 2015 to 542 million by 2035 (OECD 2016). In addition, the number of refugee and displaced populations from these countries continues to rise. There are currently 21.3 million refugees and 65.3 million internally displaced people in the world – the highest figure since the Second World War.¹

In recognition of these facts, international donors have committed large amounts of time and resources to support durable and inclusive state-building and peace-building initiatives in fragile and conflict-affected countries. Given the close association between fragility, violent conflict and weak governance, a large part of these funds have been targeted at strengthening governance structures and institutions. According to estimates from the OECD reported in Mvukiyehe and Samii (2015), 12 per cent of all development aid in 2012 ($127bn in total) was spent in governance interventions in fragile and conflict-affected countries. This level of commitment may continue in light of the United Nations Sustainable Development Goals (SDGs), with SDG 16 in particular aiming to significantly reduce all forms of violence, and work with governments and communities to find lasting institutional solutions to conflict and insecurity.

Yet, despite new resource and political commitments, interventions to improve governance institutions in fragile and conflict-affected countries have, at best, had mixed results and remain uncoordinated (Mansuri and Rao 2012). There is also to date limited rigorous knowledge about which governance interventions are most effective (and why) to support peace and development in such settings (Blattman and Ralston 2015; Gaarder and Annan 2013). In addition, for a long time, governments and international agencies alike treated the dual goals of ‘good governance’ and ‘conflict resolution’ separately (UNDP 2012). However, emerging research and policy on governance interventions in conflict-affected countries has started to acknowledge that the two goals are fundamentally interlinked and need to be addressed simultaneously (UNDP 2012, 2016a, 2016b; Justino 2016; SDC 2016). This is largely because conflict (or the risk of conflict) is unlikely to be solved or prevented without states having the capacity to govern without resorting to violence (World Bank 2017).

There is, however, no right answer to determine what forms of governance reduce conflict given the serious trade-offs associated with ‘improving governance’ and ‘reducing violence’ (UNDP 2016b). While strong and inclusive institutions of governance are central to social and political stability in many parts of the world, the pathways to democracy and the rule of law are often conflictual and violent. Strong and inclusive governance is typically assumed to be a pre-condition for social and political stability. However, and depending on each particular context, improving the institutions of governance may generate social and political

¹ [http://www.unhcr.org/figures-at-a-glance.html](http://www.unhcr.org/figures-at-a-glance.html)
conflict, since changing institutions necessarily affects the balance of power and creates winners and losers that may be at odds with each other (Acemoglu and Robinson 2006). At the same time, violent conflict is in itself a source of institutional and governance change (Justino 2013, 2016; World Bank 2017), which sometimes may result in constructive forms of social change and at other times may lead to vicious cycles of violence, weak governance and poverty (Justino 2016). These trade-offs are ever present.

Despite these immense challenges, many have advocated for the need to improve governance in conflict-affected contexts as a fundamental way in which the risk of further violent conflict can be minimised (see World Bank 2017). The main aim of the paper is to review an emerging body of literature on the design and evaluation of current or recent governance interventions in fragile and conflict-affected countries. The paper is organised as follows. Section 2 reviews important aspects of the relationship between governance, fragility and conflict based on recent literature on the role of governance in mitigating the risk and consequences of violence and conflict in weak states. Section 3 provides a review of existing and ongoing governance interventions in fragile and conflict-affected countries. The section outlines areas of governance that recent interventions have addressed, and highlights what interventions (and why) have been more or less effective at improving governance structures. The review focuses on governance interventions and evaluations that have been produced using rigorous methods of counterfactual analysis, such as randomised controlled trials (RCTs), other experimental methods and quasi-experimental quantitative and qualitative methods using observational data and process tracing methods. Based on this analysis, Section 4 discusses key lessons and proposes a number of ways forward for future governance interventions in fragile and conflict-affected countries, which take into consideration the particular risks of reforming systems of governance in fragile and conflict-affected settings in ways that ensure sustainable state-building and peace processes. These include the need to better understand the political dynamics of conflict-affected countries, the importance of internally driven governance reforms, the need to take better account of the distributional consequences of governance interventions, and the role of multi-level approaches to governance in countries at risk of conflict.

2 Governance, fragility and violent conflict: new insights

This paper focuses on a set of low-income countries with weak state capacity that are experiencing ongoing conflict or are at high risk of violent conflict. These encompass countries currently affected by armed conflict, but also countries experiencing high levels of social and political instability, which may place them at heightened risk of political violence outbreaks. These are countries where governments face challenges in providing adequate public goods to their populations, including economic and social services, the protection of property rights and security, and in gaining legitimacy in the eyes of the populations they govern. Some of these countries – for instance, Afghanistan, the Democratic Republic of Congo (DRC), Mali, Somalia, South Sudan, the Central African Republic, Haiti and Yemen,
among others – are affected by extreme political instability and violence, or by persistent situations of latent violence. Others, such as Angola, Kenya, Mozambique, Nigeria, Pakistan, Rwanda, Sierra Leone and Zimbabwe, among many others, are countries that are governed by fairly stable albeit extractive and authoritarian political systems (Acemoglu and Robinson 2012; North, Wallis and Weingast 2009; North et al. 2013), often contested at the margins, sometimes violently (Justino 2016). Some of these countries may successfully transition into democratic and inclusive societies. Most remain at risk of violent conflict for long periods of time because the organisations, relations and power arrangements that underpin their governance structures allow – or are not able to resist – the appropriation of institutions and resources by some political actors (Justino 2016).

Historically, we have observed three broad ‘types’ of governance systems in countries affected by violent conflict.² The first is characterised by strong, accountable and legitimate institutions of governance, such as those that emerged in Western European countries following the Second World War (Tilly 1992). North et al. (2009) refer to these as ‘open access societies’, while Acemoglu and Robinson (2012) describe these societies as governed by ‘inclusive institutions’.

The second ‘type’ – what North et al. (2009, 2013) define as more mature ‘limited order societies’ – is characterised by fairly strong governance structures that often result in extractive, predatory or authoritarian forms of governance but may be effective in avoiding open armed conflict and promoting economic development, sometimes over long periods of time. Some of these regimes can be quite stable over long periods, depending on the strength of their elite coalitions (Slater 2010). In other cases, central authority may be contested at the margins by an array of non-state actors, and governing institutions may collapse in face of internal or external economic or political shocks (Acemoglu and Robinson 2012; Tilly 1992; North et al. 2009, 2013). The threat of violence in these settings is high and credible when central governments are not able to ensure the monopoly of violence and the stability of elite pacts and coalitions (North et al. 2009, 2013; Slater 2010). In fact, violence or the threat of violence is, in itself, an integral part of the way in which governance takes place in many of these settings (North et al. 2009). Several countries, most with a long history of violent conflict in their immediate past, are included in this category – such as Angola, Mozambique, Nigeria, Pakistan, the Philippines, Sierra Leone, Rwanda and Zimbabwe. Levels of violence and instability vary considerably across these countries, and across time, depending on the hold elites have over political power, what bargains and arrangements are set in place between the centre and the periphery, and how internal and external factors and shocks may affect the power of different social groups (Justino 2016).

The remaining ‘type’ includes transitional and often vulnerable systems of governance that take place in countries experiencing protracted forms of violent conflict, and result in vicious cycles of state weakness and violent conflict. Examples include the recent return to open civil war in South Sudan or the ongoing unstable situations in Somalia, Yemen, the Central African Republic and DRC. In these contexts, violent conflict may or may not be overt but (the threat of) violence is prevalent and public state-level authority is largely absent. Interestingly, in some of these countries, elements of stable governance may emerge at the sub-national level in situations when, for instance, alliances between different local political actors may result in the relatively efficient provision of security or, less commonly, other public goods and services (Arjona, Kasfir and Mampilly 2015; Arjona 2014, 2016; Kalyvas 2006; Mampilly 2011; Raeymaekers 2010; Sanchez de la Sierra 2014a, 2014b; Titeca 2011; Titeca and de Herdt 2011).

An important aspect of governance in the second and third ‘types’ discussed above – and what distinguishes it from governance in peaceful contexts – is the management of violence

² This typology is developed in Justino (2013) and further extended in Justino (2016).
(Justino 2016). Although there is an implicit assumption in policy interventions that conflict and peace represent opposite ends of a continuum, this is rarely the case; violent conflict and peace tend to coexist in different degrees of intensity in many countries and areas within countries, even after the formal end of a conflict (Justino et al. 2013). In fact, violence is often a component – rather than a sign of breakdown or collapse – of how governance works in fragile and conflict-affected states, shaped by forms of authority, control and competition between different social groups and political actors (North et al. 2009, 2013). Managing violence as a form of ‘politics as usual’ is a key challenge to governance interventions in countries in conflict or at risk of violent conflict. How then does governance take place in these settings and what does it look like?

Based on a large literature on social and political order accumulated over several decades (Moore 1966; Olson 1993; Tilly 1992), a recent body of research has shown how modern democratic societies emerged as governing institutions were able to limit the use of violence as a way of maintaining or accessing power, or ruling over territories and populations (Acemoglu and Robinson 2006, 2012; Besley and Persson 2009; Boix 2003; North et al. 2009). A unifying idea across this literature is the fact that violence both shapes and is shaped – in other words, violence is endogenous – to how institutions of governance emerge and are sustained (Justino 2013). This literature offers an appealing framework to understand institutional change in fragile and conflict-affected countries characterised by the contestation and fragmentation of state authority, and the use of violence as the central way in which politics are organised. A limitation of this literature is, however, its focus on the historical analysis of the formation of national-level institutions in modern advanced democracies. Whether this analysis will help us to better understand how governance emerges and is sustained in today’s fragile and conflict-affected countries remains debatable.

In an effort to better understand and offer solutions to the institutional and governance challenges that face conflict-affected countries, emerging research has started to offer new important insights into how political authorities in their various guises behave, compete, make decisions and govern in conflict contexts (Arjona et al. 2015; Cramer 2007; Mampilly 2011; Sanchez de la Sierra 2014a). It also offers insights into how territories and populations are ruled and controlled by different political actors (Kalyvas 2006; Weinstein 2007), how civilians interact with political authorities and what social forms of differentiation matter in those relations (Justino 2009, 2012, 2016; Wood 2008), the role of business interests in sustaining or reducing violence (Ahmad 2015), and how alliances are forged or contested across time and space (Christia 2012; Justino 2009). This growing body of work has offered new insights into how institutions emerge and evolve and how governance happens on the ground in conflict-affected countries. These advances have allowed scholars and policymakers to ask operational questions and propose practical solutions to governance in conflict-affected countries – a literature that will be reviewed in Section 3. This body of research emphasises in particular the importance of three key factors that shape governance systems in conflict-affected contexts: (a) large variation in how different social groups and political elites relate, compete or cooperate; (b) the importance of the local level and variation in sub-national political, social and economic institutions; and (c) the relevance of informality in how societies, economies and politics are organised. These characteristics have formed the basis for the design of recent and ongoing governance interventions that will be reviewed in Section 3, as outlined briefly below.

**Elites and social groups.** Systems of governance are generally understood as resulting from arrangements between elites, and a large body of research has described how governance in fragile and conflict-affected states is shaped by strong political elites who resort to the use of violence to extract benefits for them and the group(s) they represent (Reno 1999, 2002; Bates 2008; de Waal 2015). The nature and composition of the elites that govern are context- and time-specific and influenced by a myriad of actors with a variety of
interests that operate at different geographical levels through formal and informal structures and networks. These groups may include ordinary citizens, traditional authorities, religious groups and non-state (often armed) groups, among others. Understanding the complex relationships between these groups is important because different social groups will shape how governance institutions and arrangements are formed, reinforced and change (Justino 2013), notably through their ability to engage in different forms of contentious politics (Slater 2010). In other words, different social groups can act to shape the de facto power of political elites (Acemoglu and Robinson 2006, 2012; Slater 2010), while the exclusion of elements of these groups from state governance may unsettle political order for a long time (Cederman, Gleditsch and Buhaug 2013). This may result in open conflict between different social and political factions (Slater 2010), or to situations of ‘no peace, no war’ experienced by many countries with a history of violent conflict (Richards 2005).

Non-state armed groups are an important group, in their own right and in terms of their relations with the state military, local populations and different political elites. The role of these groups in shaping governance systems is particularly important when they control swathes of territory and sometimes the ‘hearts and minds’ of populations during and after conflicts (Justino 2013, 2016). Examples of these actors include rebel groups, militias, paramilitary groups, warlords, gangs, mafia, drug trafficking factions, private security providers and vigilante groups. Some of these groups may at different times be a part of ruling elites; others may always be confined to being rebels opposing ruling factions contesting existing governance arrangements, often through violent means (Hagmann and Pêclard 2011; Hoffmann and Vlassenroot 2014; Luckham and Kirk 2013).

Ordinary citizens are another group that may profoundly shape governance structures in conflict-affected countries. Notably, the way in which the views of different citizens across different identities are incorporated into governance systems (the social contract) is important because it determines how citizens perceive the balance of power between themselves and those that govern them (Justino 2016). The form and perceived effectiveness of this ‘social contract’ in turn will shape their (cooperative, violent or resistant) behaviour towards political elites and other citizens (Gáfaro, Ibáñez and Justino 2014). This is because civilians are not just victims and can exercise considerable agency in violent contexts through the ways in which they navigate, mitigate, resist, create alliances and manage conflict in the midst of seeming disorder (Justino 2013). These forms of civilian agency, in turn, may either destabilise political pacts or offer entry points for the implementation of successful conflict resolution mechanisms.

Other actors such as traditional leaders outside ruling elite pacts, religious organisations and other civic organisations may also affect governance systems through their influence on the composition of elites and their own leadership roles, their alliances with local populations, their influence in how local social groups are mobilised and their relationship with and influence over external actors (such as aid donors and the international community as a whole) – what Slater (2010) describes as ‘symbolic power’. In some cases, these relations may work to the detriment of local populations. In other cases, state and non-state actors effectively function together in the co-provisioning of services and security (Ananth Pur and Moore 2009; Joshi and Moore 2004; Mampilly 2011; Cederman, Min and Winner 2010), including forms of conflict mediation and local security (Arjona 2016; Mampilly 2011).

Recognition of these complex relationships between different social groups in fragile and conflict-affected countries has generated a variety of governance interventions that have attempted to strengthen the capacity of local communities for collective action (through the popular Community Driven Development (CDD) programmes supported by the World Bank) or the role of traditional authorities. These interventions have generated a mix of development and stability outcomes that will be discussed further in Section 3.
The local level. Governance takes place at different levels: from individuals, households and communities (the micro/local level) to the national and international levels (Balcells and Justino 2014). The current literature on governance and economic development has largely focused on macro-level historical processes of state formation, and on the security of states and the capacity of states to provide services and public goods, and to maintain the rule of law. However, states may themselves be directly or indirectly responsible for violence and for predatory and repressive behaviours that perpetuate violence. Therefore, ensuring the security of states may often be at odds with ensuring the security of citizens, and governance interventions aimed at improving the capacity of states to govern may (often inadvertently) reinforce ways of governance detrimental to the economic and physical security of those that are governed (Autesserre 2010; Mampilly 2011).

In addition, governance systems have important micro-level foundations grounded on how societies and economies are organised, ruled and governed locally (Balcells and Justino 2014; Pande and Udry 2005; Kalyvas, Shapiro and Masoud 2008). These are particularly central to understanding contexts of weak state capacity where public authority is contested and fragmented (Justino 2012, 2013). Notably, local political dynamics under situations of fragmented state-level authority may not always aggregate to coherent national-level outcomes. For instance, several studies have documented the emergence and persistence of pockets of peace and stability even amidst the worst forms of armed conflict (Nordstrom 1997; Mampilly 2011), as well as the fact that local (and not just state-level) institutional structures influence political processes during and after conflicts (Justino 2012; Justino, Brück and Verwimp 2013; Kalyvas 2006). This local perspective is important because policies that work in one region may not work in another region in the same country, since multiple conflicts and forms of governance can occur within the same state with limited geographical overlap. As a result, many governance interventions being implemented in conflict-affected countries have adopted a strong sub-national focus. Many have had positive results, while others have raised important challenges, as will be discussed in Section 3.

Formal and informal institutions. Governance systems are shaped by institutions – ‘the rules of the game in a society’ (North 1990: 3) – that are created and changed at different moments in time. These can be formal rules and organisations, but can also be informal, illegal and sometimes violent – the type of institutions that characterise how governance structures operate in fragile and conflict-affected countries. An influential body of literature has long questioned the centrality of formal state institutions in local systems of governance in areas of uneven or absent state presence (Batley 2011; Joshi and Moore 2004; Scott 1999, 2009; Unsworth 2010). In conflict-affected countries, where public authority is at best weak and fragmented, institutions are shaped by how political power is distributed across different parts of the territory and the social groups that inhabit them. In these settings, there is an important distinction to be made between de jure political power, whose allocation is determined by legitimate and representative institutions (such as through voting), and de facto political power, which is held by different political actors as a result of the use or the threat of force, or the ability to engage powerful systems of patronage and clientelism (Acemoglu and Robinson 2006). Recent governance interventions in conflict-affected settings have attempted to support state governance by strengthening its de jure political power (Acemoglu and Robinson 2006, 2012). Popular interventions have included the reform of electoral systems, the formalisation of property rights, strengthening systems of revenue allocation, and improvements in the provision of public goods and services. Other interventions (such as forms of participatory development) have attempted to encourage changes in the distribution of the de facto political power in ways that result in more inclusive institutions. These are also discussed in more detail in Section 3.

---

4 See, for instance, Collier and Hoeffler (2004) and Fearon and Laitin (2003), and review in Blattman and Miguel (2010).
3 Governance interventions in conflict-affected settings

The most up-to-date review of policy interventions in conflict-affected countries (Brown et al. 2015) identifies ‘public sector governance capacity building and reform’ as a key area where we have very limited evidence on what works (see also Cameron et al. 2015). A recent policy report on the role of governance in fragile and conflict-affected contexts concludes in addition that ‘the potential of local governance for peacebuilding, state-building and recovery often remains neglected’ (UNDP 2016b: 15; see also Hughes, Öjendal and Schierenbeck 2015). However, several international institutions, governments and non-governmental organisations (NGOs) have argued for the need to intervene and implement governance structures that prevent violent conflicts and reduce the risk of violence (UNDP 2016b; World Bank 2011, 2017).

Some progress has been made with a number of recent and ongoing interventions attempting to address key aspects of governance in countries with ongoing violent conflict, recovering from conflict or at serious risk of conflict. These interventions have largely focused on the following areas: (a) local governance, decentralisation, and improving local capacity for collective action; (b) strengthening accountability, legitimacy and reach of state institutions, including improving information and the provision of public goods and services; and (c) interventions aimed at changing rules and norms that shape systems of governance, including informal relations and institutions. This literature is reviewed in this section. As already noted, the review focuses on governance interventions that have been rigorously evaluated using counterfactual qualitative or quantitative analysis. This focus necessarily means that some past or ongoing governance interventions where only descriptive information is available may not be part of the review. However, the learning potential from rigorous evaluations allows us to concentrate on identifying what aspects of governance interventions may or may not work (and why) in countries experiencing violent conflict or at risk of conflict.

3.1 The local level, decentralisation and collective action

This is probably the area where most recent governance interventions have taken place. These interventions, in general terms, have been built on the premise, discussed in the previous section, that authority in conflict-affected countries is fragmented. Therefore, strong state institutional capacity – commonly heralded as a necessary condition for successful governance – may not always be present in these contexts. As a result, collective action and coordination across different socioeconomic groups may have an important role to play in these contexts (Bardhan 2005; North 1990; Ostrom 1990; Putnam 1993), where local community organisations may develop efficient informal institutions because information is more easily transmitted among local networks, and social norms are more easily enforced (Ostrom 1990).

As a result, large amounts of international aid have been transferred to post-conflict countries through Community Driven Development (CDD) programmes. These programmes have, for the most part, been promoted by the World Bank (with funding of around £2bn per year) but the idea of supporting better governance through bottom-up approaches and decentralisation of governance institutions is pervasive across most international donors (see UNDP 2016b).
The aim of CDD programmes is largely to support the establishment of local institutions to promote participatory governance and more transparent and accountable decision-making processes (Pritchett and Woolcock 2003). In general (even though there is some variation within donor programmes), CDD programmes involve the creation of community councils that decide on a series of local development plans and funding allocations based on participatory and transparent decision-making processes involving the whole community. The underlying assumption is that communities will ‘learn’ about participatory democracy and accountable governance in ways that will outlast the programme (King and Samii 2014).

These programmes in effect support a larger agenda of greater political and institutional decentralisation in conflict-affected countries as a way of: (1) improving the administration and delivery of public goods and services in contexts where central governments are weak and ineffective; (2) establishing local participation and autonomy in decision-making processes by involving whole communities and social groups in participatory processes of decision-making and resource allocation; and (3) redistributing power, supporting local power-sharing and appeasing local ethnic or religious tensions and divisions. As a result, each of these programmes is effectively ‘a democracy project disguised as – or at least as well as – a development project’ (Barron, Diprose and Woolcock 2011: 4). Two key objectives of these interventions are, therefore, to strengthen local social cohesion in ways that promote inclusive forms of local governance (that eventually will scale up to better governance institutions nationally), and to broaden the political representation and power-sharing of marginalised groups in governance systems.

3.1.1. Strengthening social cohesion and community-level governance

There is limited agreement in the literature about which policy reforms will lead to legitimate and more accountable forms of governance in conflict-affected countries. However, there is a strong sense – discussed in Section 2 – that local initiatives which take into account the myriad interests and power structures that emerge at the sub-national level and their informal nature may yield positive outcomes. These assumptions have supported a number of interventions to strengthen the capacity of local communities for collective action and governance, and the role of informal and traditional authorities in processes of decentralised political decision-making. The results of these governance interventions in how institutions in conflict-affected countries govern, uphold the rule of law, and manage conflict and violence have been mixed.

Some of these large CDD programmes have been subject to meticulous impact evaluation, often embedded at the design stage of the programme. In one of the first studies of this kind, Fearon, Humphreys and Weinsten (2009) used a randomised field experiment to evaluate the impact of a community-driven reconstruction programme in northern Liberia. The programme aimed to establish democratic, community-level institutions to implement decisions about local public goods using a participatory approach. The study assessed whether and how the introduction of these new institutions has affected patterns of social cooperation. The authors found that the programme improved community cooperation in a way that persisted after the end of the programme due to increases in coordination among community members.

Subsequent evaluations of similar CDD programmes have been less positive. Casey, Glennerster and Miguel (2012) evaluated an attempt to reform local governance institutions in Sierra Leone by exploiting a randomly assigned governance intervention as part of the ‘GoBifo’ CDD programme. The objectives of the intervention were to increase local coordination by setting up village development committees, and to enhance the participation of young people and women in leadership positions. Sierra Leone is a relevant country for this purpose because elite co-option and predatory behaviour were considered to be key
drivers of the civil war that started in 1991 and of slow development progress in the country before and since (Acemoglu, Reed and Robinson 2013). The results of the study showed that the intervention was successful in setting up new village structures, in improving local public goods and in enhancing economic welfare. However, the study did not find evidence of persistent changes in village institutions, local collective action capacity, social norms and attitudes or the nature of de facto political power.

Using similar experimental methodologies, Beath, Christia and Enikolopov (2012) evaluated the large-scale National Solidarity Program (NSP) in Afghanistan. The study reported that food distribution systems through traditional or elected local elites did not result in improvements in effectiveness but led to less appropriation by elected elites. The authors also found a positive effect of the NSP on attitudes towards government and levels of security, but only in areas with lower initial levels of violence, leading the authors to conclude that ‘a certain minimum threshold of security has to be in place for the provision of goods and services to have an effect on improving attitudes towards the government and reducing violence’” (see also Beath et al. 2013a).

Humphreys, Sanchez de la Sierra and Van der Windt (2014) evaluated the impact of the community-driven reconstruction ‘Tuungane’ programme implemented in the DRC, which sought to alter attitudes towards democratic practices and local decision-making. As with other CDD interventions, the programme provided training in leadership, good governance and social inclusion to local communities. Afterwards, an elected committee worked alongside other community members to select and implement a number of infrastructure development projects. The evaluation study showed that the programme did not have significant effects on intended outcomes, including participation, accountability, efficiency transparency and capture, in treated communities. Similar results have been reported in the evaluation of a comparable recent programme implemented between 2006 and 2011 in Sudan (Avdeenko and Gilligan 2014).

The studies discussed above have focused on the effects of CDD programmes on key areas of local governance, including inclusive participation, social cohesion, collective action and accountability. More recently, some studies have evaluated CDD programmes and the institutions of governance they create in terms of their effects on violence and conflict outcomes. This literature is still in its infancy but it has generated unexpected results. Crost, Felter and Johnston (2014) evaluated a large-scale CDD programme in the Philippines, which aimed to enhance local infrastructure, governance, participation and social cohesion. They found that the programme exacerbated the conflict when insurgents were able to sabotage the programmes for political gain. In contrast, Barron et al. (2011) found that the Kecamatan Development Program in Indonesia, in areas where it was well-implemented and rules followed, improved village-level conflict resolution structures but did not necessarily affect forms of violent conflict external to the programme.

These results are in line with recent findings on the impact of various forms of international aid on violent conflict. Although an earlier study found that humanitarian aid was effective in reducing the occurrence of violent conflict (Ree and Nillesen 2009), two recent studies have reported the opposite result. Nunn and Qian (2014) show that food aid increased the incidence of civil conflicts in a panel of 125 non-OECD countries in the period between 1971 and 2006, while Dube and Naidu (2010) report a negative effect of US military aid on political conflict in Colombia. Similarly to the CDD findings above, in both studies, the results are explained by the ability of armed factions and opposition groups to appropriate aid and use it for their own strategic objectives – an issue that will be addressed in more detail in Section 4.
Another area of local governance intervention has been to support the role of traditional authorities. Local chiefs have taken prominence in recent studies (Acemoglu et al. 2013; Baldwin and Mvukiyehe 2011; Meriggi and Bulte 2015; Turley et al. 2016). The main idea is that, in countries where the majority of population live in rural areas, and where the national state lacks the capacity and the power to penetrate society, traditional institutions of local governance may be more efficient in shaping development outcomes. Decentralising decision-making in these settings may therefore yield potential development benefits for local populations. However, very few of these interventions have been evaluated rigorously and often it is not clear what outcomes the programme intends to address.

In one of the few available empirical analyses on the role of traditional authorities in conflict-affected countries, Acemoglu et al. (2013) discuss the interesting result that communities in Sierra Leone, where the power of chiefs was stronger (and less constraint by local elites), exhibited greater social capital (attendance at community meetings, participation in social groups and the undertaking of collective actions). This finding arises because more dominant elites generally shape civil society and institutions of civic participation in their villages for their own benefit and continued dominance. Chiefs that face fewer constraints from these local elites build social capital as a way to control or monitor society, with resulting welfare benefits for their community members. A complementary result is reported in Turley et al. (2016), who compared the quality of management of a local development project (assigned through a CDD programme), also in Sierra Leone, when it was overseen by local elites or by a committee of villagers. The study showed that local elites/chiefs were not more likely to divert funds from the project than villagers. Chiefs were more likely to better manage the projects (including their timely start and completion) and to ensure more benefits to the community – most likely due to their wider social connectivity within the community. Baldwin and Mvukiyehe (2011) analysed a particular situation in post-conflict Liberia where, after 2002, local chiefs became appointed through participatory processes whereby they were selected by their communities; (before 2002 chiefs could either be selected by participatory processes or appointed by higher-level authorities). The study found that participatory approaches to the appointment of chiefs resulted in higher levels of community consultation by chiefs and civic participation, even though it led to lower community contributions towards local public goods.

3.1.2 Broadening the representation of marginalised groups and improving inclusiveness

A growing literature has analysed the role of the political power of minorities on various outcomes, such as crime, policymaking and pro-social attitudes, under the implicit assumption that improving inclusiveness and local power-sharing among different social groups will generate stronger forms of governance accountability and legitimacy and reduce the risk of violence between groups. Most of the evidence to date comes from India where, in 1993, the government mandated the establishment of political representation quotas for women and other marginalised groups at various levels in local government. A number of studies have found significant positive effects of female leaders on various community-level welfare outcomes (Chattopadhyay and Duflo 2004; Bhalotra and Clots-Figueras 2011), on improved attitudes towards women leaders (Beaman et al. 2009) and on higher aspirations and educational attainment of girls (Beaman et al. 2011). Similarly, increased representation of disadvantaged castes in political office has been found to bring greater benefits for these castes (Pande 2003). Iyer et al. (2012) report, in addition, that political representation is an important means of improving the reporting of crime against women.

Replicating these findings in conflict contexts has been limited, and the evidence on the effectiveness of community-level governance reforms to improve inclusiveness, power-sharing and the welfare of marginalised groups in conflict-affected countries is mixed. Casey et al. (2012), discussed above, evaluated one such attempt in the form of a CDD
programme implemented in Sierra Leone. Part of the aim of this intervention was to improve the participation of youth and women in leadership positions in newly created village councils. The study found no evidence that the programme empowered minorities, improved collective action or increased female representation in local decision-making over the longer term. A possible explanation may lie in the fact that communities may have been pushed towards more inclusion without actually challenging the elites who hold the *de facto* power, as discussed in Section 2. This is in contrast with the examples from India, which specifically focused on promoting effective changes in *de jure* power (such as the introduction of female leadership quotas), with more effective welfare outcomes among minorities.

A more positive result is reported in Beath *et al.* (2013b), also discussed above, who conducted a randomised field experiment to examine the effect of the NSP in Afghanistan. The programme included a mandate to increase female political participation by prescribing the creation of local councils with equal representation of men and women through secret ballot voting. The study found that the programme, similarly to the interventions in India, increased female participation in village governance, community life and economic activity, and increased female village-level decision-making. Taken together, these findings suggest that assigning minorities formal designated roles in decision-making and political processes (as discussed in Beath *et al.* 2013b) may produce stronger effect than interventions that merely encourage (through training or education campaigns, for instance) the participation of minorities more generally (as reported in Casey *et al.* 2012).

### 3.2 Accountability, legitimacy and the reach of state institutions

One way of improving governance interventions in weak states at risk of conflict and violence is to strengthen the role of state institutions. Existing research has shown that accountability and legitimacy of state institutions are key determinants of economic performance and political stability (Banerjee and Iyer 2005; Paris 2004). The role of the state has traditionally been viewed as central to institution-building processes because central states may be better able to enforce contracts, the rule of law and property rights than local political authorities (Besley 1995). But the centralisation of public authority depends on how governments are able to credibly commit to non-predatory behaviour and the upholding of the social contract (North and Weingast 1989; Goodwin 2001; Olken 2007). This, in turn, requires a series of checks and balances that shape how governing institutions function, when and how rules are not overcome by the interests of powerful elites, and how the risk of violence at different stages of the process of governance is managed by governments.

State elites may not engage in predatory behaviour and may support governance reforms when the political costs of doing so (i.e. the potential loss of future political power) are low, or the political costs of not reforming (for instance, not being elected) are high (Acemoglu and Robinson 2006; Bardhan 2005; North *et al.* 2009). Based on these key theoretical premises, a series of studies have proposed and evaluated a number of recent governance interventions aimed at strengthening the functioning of weak democratic institutions through information campaigns, and through wider and more inclusive provision of public goods and services. These two areas of intervention are reviewed below.

#### 3.2.1 Reducing information constraints in weak democracies

Electoral institutions – a cornerstone of ‘good governance’ agendas – sometimes fail to improve governance and accountability partly because voters lack information about the actions of politicians and about their behaviour and preferences (Besley and Burgess 2002). As a result, in recent years, a number of interventions have been designed and implemented to investigate whether providing information to citizens about politicians will have an effect on turnout, voter choice and, eventually, how elected politicians perform. The first generation of these interventions was implemented in contexts of weak governance that were largely
peaceful (India, Mexico and Brazil). More recent interventions have focused on conflict-affected countries.

Banerjee et al. (2011) implemented a randomised experiment aimed at providing mass information through newspapers about the achievements and shortcomings of politicians standing for election in India. The aim of the study was to assess whether this type of information influenced voter turnout. They found that the information led to higher turnout in areas that received the information, reduced vote-buying, and led to higher vote share for better-performing and more-qualified incumbents. In a related study in Mexico, Chong et al. (2011) examined whether providing information to voters about political corruption influenced their participation in elections and their support for the opposition. To that purpose, the study developed a randomised experiment at the municipality level in which households received different information about corruption and public spending in the lead-up to the 2009 Mexican elections. Access to this information led to reduced votes for the incumbent, lower voter turnout and more votes for the opposition. Contrary to the case of India, in Mexico, voters seemed to have responded to the provision of information by withdrawing from the political process. In a similar study, de Figueiredo, Hidalgo and Kasahara (2013) found that information about corruption among politicians in Brazil also led to reduced voter turnout.

Despite these mixed results in peaceful settings, the idea that information on political candidates and voter education campaigns may shape voting outcomes – and therefore the accountability and legitimacy of those that govern – has taken off as a form of improving governance in fragile and conflict-affected countries. As above, these interventions are based on the implicit assumption that citizens in weak states may lack information on politicians’ performance, which restricts their ability to decide on whether to reward or sanction incumbents in elections. Gine and Mansuri (2012) conducted a field experiment in Pakistan to examine the impact of pre-election voter information campaigns on voter participation, particularly among women. The evaluation of the intervention found that women targeted by the information campaign were more likely to vote, discuss political issues, and value the importance of voting. Similarly, Bidwell, Casey and Glennerster (2015) provided voters with information on campaign platforms during the 2012 parliamentary elections in post-conflict Sierra Leone by filming and disseminating debates between candidates using mobile cinemas. The study reported an increase in political knowledge, political alignment and voting percentages in areas where the debates were shown. Humphreys and Weinstein (2012) implemented a similar experiment in Uganda in which voters were provided with information about politicians’ behaviour and incumbents’ performance. The study evaluated the impact of greater transparency on voters’ attitudes, the performance of politicians and on electoral outcomes. However, and similarly to the above-mentioned studies on Mexico and Brazil, the authors did not find evidence that increased transparency about political performance improves democratic accountability.

A study by Collier and Vicente (2014) analysed the effect of similar information campaigns on violence. The study started from the premise that recent pressures to run elections in societies with weak governance may cause an increase in violence as different factions fight for popular support – possibly because, as theorised in North et al. (2009), violence is part of how these societies are governed. The authors conducted a field experiment in Nigeria to establish the effect of community-based anti-violence information campaigns conducted before the 2007 elections. The results show that such campaigns led to an increased sense of security among individuals targeted by the campaign and to increases in voter turnout. In another related study, Vicente (2014) found that voter education campaigns against vote-buying in São Tomé and Príncipe reduced corruption during the 2006 presidential elections. The results of the study showed that providing voters with more information about key areas of incumbent performance may instil a civic culture, with positive effects on their political behaviour and, ultimately, on accountability. More recently, Mvukiyehe and Samii (2015)
analysed the effect of a democracy project in Liberia to improve voters’ access to information, voter coordination and voter security. The project randomly assigned different communities across Liberia to a combination of monthly civil education activities and a security committee programme that linked communities to the United Nations peacekeeping mission. The results showed a positive effect of the education programme on civic participation, increased sensitivity to voter intimidation and stronger preferences for national rather than local political candidates involved in local patronage systems. The security programme had negligible effects on these outcomes.

3.2.2 Strengthening public goods provision
The support of livelihoods and the provision of public goods and services are indicators of an operational ‘social contract’ (Bates 1983; Olson 1993) – arguably an important component of stability and peace. But they may not automatically correlate to equal distribution of goods and services across regions or groups. In fact, some social groups and individuals may benefit from the political alliances and relations that emerge during conflicts, while others are left out for reasons related to the specific configurations of different governance arrangements.

A large body of literature has recently argued that one way of strengthening accountability, legitimacy and the reach of state institutions would be through the better provision of security and public goods and services (Pande and Udry 2005). Empirical analyses of these effects in largely peaceful settings have, however, generated mixed findings. Manacorda, Miguel and Vigorito (2011) found that the Plan de Atención Nacional a la Emergencia Social (PANES) cash transfer programme implemented in Uruguay between 2005 and 2007 led to improved support of the incumbent government among programme beneficiaries. Similar results are reported in Baez et al. (2012) for the Familias en Acción programme in Colombia, and Zucco (2013) for the conditional cash transfer (CCT) programmes in Brazil. In contrast, Linos (2013) found that a small cash transfer programme implemented in Honduras between 2000 and 2005 resulted in increases in the re-election probabilities of local mayors, but had no effect on presidential election outcomes. De La O (2013) shows that the Oportunidades programme in Mexico increased both voter turnout in the 2000 presidential election and the incumbent’s share of the votes. However, using different model specifications, Imai, King and Martorano (2016b) show that increases in the coverage of the same programme during the 2008 financial crisis resulted in larger individual participation in the 2010 presidential elections in Mexico and in higher individual propensity to vote, particularly for the incumbent party.

Despite these mixed results, CCT programmes have become a popular form of intervention to strengthen the legitimacy of state governing institutions (see, for instance, World Bank 2009), including in fragile and conflict-affected contexts (UNHCR 2012). But regardless of such claims, very few programmes to date have been evaluated in terms of their effects on governance outcomes. There are a few exceptions: two initial studies focused on estimating the effect of cash transfer programmes on social cohesion and violent attitudes. The first was the Northern Uganda Social Action Fund (NUSAF) and Youth Opportunities Program, implemented by Innovations for Poverty Action (IPA) (Blattman, Fiala and Martinez 2014). This programme provided cash transfers ($7,100) to groups of young adults (aged 16–35) to be used in skills training and self-employment trades. The evaluation of the programme found evidence for a modest increase in social cohesion – arguably a key factor in improving the strength of governance institutions – as a result of the programme. The second study, by Blattman, Jamison and Sheridan (2017), found that cash interventions aimed at improving self-control and fostering positive aspirations among criminally engaged young men in Liberia reduced acts of crime and violence by 20–50 per cent. These are interesting
examples of interventions that are not directly aimed at improving governance but rather at promoting forms of constructive citizenship that may yield future benefits in terms of stronger governance performance and reducing the risks of reigniting violence. A related body of literature has also shown evidence for a causal effect of cash transfer programmes on crime reduction (Chioda, de Mello and Soares 2012; Camacho and Mejia 2014).

To the best of my knowledge, the only study to date that has evaluated the effect of a cash transfer programme on violent conflict is that of Crost, Felter and Johnston (2016). The study analysed the effects of a CCT programme implemented in the Philippines and reported a reduction in violent events during the first nine months in villages where the programme was implemented (in relation to control villages, where the programme was not implemented), as well as a reduction in the levels of control exercised by insurgent groups.

A growing literature has examined the effects of government welfare spending on political violence beyond cash transfer programmes. These studies show, in general, a positive correlation between government social expenditures and the incidence of armed conflict (Taydas and Peksen 2012; Thyne 2006). Justino (2015) provides causal evidence that government expenditure on social services contributed to the reduction of rioting in India using state-level data over the period between 1960 and 2011, while Justino and Martorano (2016a) showed a similar effect of government welfare expenditure on the incidence of armed conflict across Latin America between 1970 and 2010. Berman, Shapiro and Felter (2011) found that spending by the US army on local public goods in Iraq led to reductions in violence due to increased support for the government and rises in the opportunity costs of individuals that benefited from the payments joining insurgent groups. Iyengar, Monten and Hanson (2011) add to these findings that the same funding by the US army in Iraq, when used on labour-intensive projects, had the effect of substantially reducing violence. The study argues this is because legal labour markets may provide an alternative to insurgent activity. This is in line with Khanna and Zimmermann (2014), who analyse the effect of the large-scale Indian National Rural Employment Guarantee Scheme (NREGS) on the incidence of Maoist violence across the country. The scheme provides 100 days of guaranteed public sector employment at the minimum wage to all rural households willing to work. One of its aims was to reduce the support of rural populations for the Maoist insurgency that has spread through India in recent years. The study finds that the NREGS led to civilians providing more information to the state, which has improved the efficiency of the police against the insurgents.

The positive effects of government social policies are not limited to welfare transfers. Cerdá et al. (2012) report the effects on violence of the now notorious cable car system and associated infrastructure investments conducted by the mayor’s office in Medellín, Colombia. The idea was to improve the quality of infrastructure in poorer areas in Medellín and improve their links with the city’s urban centre in an effort to improve living conditions and reduce crime and violence. The results of this government-led infrastructure and public good provision included a 66 per cent reduction in homicides in neighbourhoods that benefited from the investment, and a 75 per cent reduction in reports of violence in the same areas. Similarly, de Juan and Bank (2015) have shown that the risk of violence in the recent conflict in Syria between March 2011 and November 2012 was lower in sub-districts where there was greater government provision of electricity.

A final area of governance interventions aimed at strengthening state capacity has incorporated a series of programmes under the banner of ‘security sector reform’. Such interventions aim to improve the state provision of security and the rule of law, as well as trust in and reach of state institutions, given that the police and courts are usually some of the common ways in which citizens relate to the state (O’Donnell 2004). A large literature

---

3 This literature is reviewed in Justino and Martorano (2016a).
has focused on the importance of security sector reform in conflict-affected countries, with mixed results (see, for instance, DFID 2007). This literature is largely descriptive but, recently, more rigorous studies have started to emerge. Some interventions have, understandably, focused on the role of ex-combatants and their integration into civilian life given the highly debated perceived or real threat such individuals may pose to security (see Grossman, Manekin and Miodownik 2015). Two key studies in this area are Humphreys and Weinstein (2007) and Gilligan, Mvukiyehe and Samii (2013), both showing less than positive effects of ex-combatant reintegration programmes. The study by Humphreys and Weinstein (2007) analysed the results of a disarmament, demobilisation and reintegration (DDR) intervention conducted in Sierra Leone. The study found limited evidence that the programme facilitated reintegration of combatants into civilian life, particularly among those exposed to more abusive military factions and among the wealthier and more educated ex-combatants, who tend to retain social links to their former military factions. Gilligan et al. (2013) evaluated a similar DDR programme implemented in Burundi. The results showed a 20–35 per cent reduction in poverty and improved livelihoods among ex-combatants who benefited from the programme, but no effect on their attitudes towards the peace process or the government.

Other security interventions have aimed more directly at improving state capacity and state-citizen relations by strengthening trust in the state police and the justice and security sectors through improved policing at the community level and education campaigns to increase awareness about the rule of law and justice and security interventions. The notorious Pacifying Police Units introduced to reduce crime in Brazilian favelas are one of such examples (Magaloni, Franco and Melo 2015). Examples from conflict-affected countries are still rare. One recent study conducted by Blair, Karim and Morse (2016) evaluated the Liberian National Police ‘Confidence Patrol’ community policing programme. As with other similar interventions, the main aim of the programme was to build trust in the state police in post-conflict Liberia and raise community awareness about wider reforms in the justice and security sectors. The study reports increased knowledge about the police and about access to justice among communities where the programme was implemented (compared to control communities), as well as increased security in property rights, lower incidence of crimes (assault and domestic violence) and rises in reporting of crimes to the police. The programme did not, however, seem to affect trust in the police, largely due to very high expectations placed on the new police unit. This may, however, change over the long term as the programme matures.

The studies reviewed in this section seem to strongly suggest that strengthening state capacity – notably, in terms of improved public goods and security provision – may have positive effects on reducing conflict and the risk of violence. These interventions come naturally at a cost for public finances. However, while there has been a rise in research on the role of public good provision in conflict contexts, much less has been done to understand the reform of public revenues – taxation, in particular – in conflict-affected contexts or countries at risk of violence. Taxation is, however, a central element of how states are built, shaping their capacity to provide public goods and services and increasing the reach of their institutions and bureaucracies (Brautigam, Fjeldstad and Moore 2008; Levi 1988; Tilly 1992). The role of taxation in processes of state-building in conflict-affected countries has only begun to be explored (Justino 2016). Examples include the study by Jibao and Prichard (2016) of a property tax reform in the aftermath of the conflict in Sierra Leone, which shows evidence for the successful implementation of the reform programme thanks to effective local partnerships, enhanced local capacity for revenue collection and improved transparency. Another example is the analysis conducted by Mascagni, Nell and Monkam (2016) of an intervention aimed at improving tax compliance in Rwanda, which shows that methods that improve awareness about taxes increase compliance. These two studies reflect on the importance of improved tax systems in two post-conflict countries. However, no study to date has yet considered how systems of taxation may be used in state-building
processes in post-conflict countries (Justino 2016), despite historical evidence about the importance of such processes elsewhere (Tilly 1992). One exception is the ongoing work of Paler, Prichard, Sanchez de la Sierra and Samii on formal and informal taxation in the DRC. Results of this research are, however, not yet available.

3.3 Social rules and norms

One interesting angle in recent research on governance and institutions in developing countries has been the role of non-state institutional coordination – such as through family values, culture and beliefs – which has been shown to profoundly shape economic and political outcomes in the long term (Akerlof and Kranton 2000, 2010; Aldashev and Platteau 2014; Alesina and Giuliano 2013; Guiso, Sapienza and Zingales 2006; Tabellini 2008; Platteau 2000; Platteau and Peccoud 2010). Because norms and beliefs are endogenous to development processes (Bowles 2003), governance reforms may be able to affect them in ways that may strengthen the institutional capacity of weak states to govern and to support sustainable development and peace. Interesting emerging areas of research have been the use of the media as a tool for institutional change and accountability (Besley and Prat 2006; La Ferrara, Chong and Duryea 2012), as well as research on the role of informal institutions in countries with weak state capacity (Ostrom 1990; Putnam 1993).

Another promising area is related to a better understanding of the social norms, attitudes, traditions, culture, beliefs and morals that may shape more formal governance institutions or constrain the establishment of such institutions (Alesina and La Ferrara 2000; Jakiela 2011; North 1990). For instance, recent research has shown that, although in many cases armed conflict may destroy communities and social relations, individual exposure to violence may result in positive collective engagement and cooperation (Bellows and Miguel 2009; Blattman 2009; Schaub 2014; Voors et al. 2012). Strong community cooperation has, however, at times also created the conditions for the outbreak or renewal of violence (Petersen 2001; Wood 2003). But understanding pro-social (as well as less cooperative) norms, beliefs and behaviours, and how they change, is fundamental to understanding how the interaction between formal and informal institutions of governance can be harnessed to deliver desirable policy goals.

This literature on the links between institutions, norms and governance outcomes is small but has yielded initial positive results. Jakiela (2011) discusses how experimental economics methods can be used to better understand the mechanisms that shape informal institutions. The most promising are those experiments designed to measure altruism and reciprocity, social cooperation, and how non-cooperative behaviour is (or is not) punished. Dal Bó, Foster and Putterman (2010) suggest ways in which democratic institutions may affect cooperative behaviour. Using a series of lab-based behavioural experiments, they find that the effect of policies on levels of social cooperation are greater when they are chosen democratically by citizens rather than when they are externally imposed. This finding suggests that governance reforms may be most effective when they promote pro-social norms and behaviours.

Some of these lessons have been applied (in a very small but growing literature) to conflict-affected countries. Paluck and Green 2009 studied the effect of a radio programme in post-genocide Rwanda on social norms and attitudes, by investigating the role of the media as an agent of social change in post-conflict societies. The results showed limited effects on many measures of pro-social beliefs and attitudes, but a positive effect on individual willingness to express dissent and on forms of collective action to solve communal problems. Blattman, Hartman and Blair (2014) studied the effect of a mass education campaign in Liberia on

---


7 This literature is reviewed in Bauer et al. (2016).
informal practices and norms that shape the resolution of local disputes. They found that, a year after the campaign, towns where the mass education programme had taken place benefited from higher levels of resolution of land disputes and lower levels of violence than towns where the programme was not implemented. The authors concluded that such forms of mass education can potentially improve informal bargaining processes when formal governance is weak.

4 Lessons and ways forward

The main aim of this paper was to review an emerging body of literature on the design and evaluation of current or recent governance interventions in weak states experiencing ongoing conflict or at risk of conflict and violence. The paper started by proposing a conceptual analysis of the relationship between governance, fragility and conflict, which highlighted three features of conflict-affected contexts that may affect the implementation of successful governance interventions. These are: the relationship between elites and other social groups; the importance of the local level; and the interaction (often tense) between formal and informal institutions. The second part of the paper reviewed existing and ongoing governance interventions in conflict-affected contexts, with the aim of identifying what aspects of governance interventions may or may not work in countries experiencing violent conflict or at risk of conflict, and the challenges of conducting governance interventions in such contexts. The next section summarises the main findings, while Section 4.2 proposes ways forward for future research and policy interventions in conflict-affected contexts.

4.1 Summary and conclusions

The review conducted in the paper showed that there is a scarcity of evidence on which governance reforms may work to reduce violence and conflict. Although a great deal of progress has been achieved in addressing the challenges of governing countries either experiencing ongoing violent conflict, recovering from conflict or at serious risk of conflict, there is still much we do not understand about such complex processes. In addition, estimated effects on inclusiveness, social cohesion and security outcomes are to date mixed and appear highly sensitive to the design of the intervention and the context in which it is implemented. We summarise the main findings of the review below.

The local level, decentralisation and collective action. The fragmented nature of authority in conflict-affected countries has led to a policy emphasis on the need to build democracy, institutions and governance from the bottom up. CDD programmes have become a popular form of intervention in these contexts, where development projects and aid are provided alongside localised training on participatory democracy. Section 3 reviewed how these interventions have addressed their two main objectives of strengthening social cohesion and local governance, and broadening the political representation of marginalised groups. The (limited) existing evidence is mixed. Generally, CDD programmes have had limited effect on social cohesion, local capacity for collective action or social inclusiveness. In some instances, some interventions have been associated with rises in conflict. Interventions implemented to strengthen the role of traditional authorities appear to have been more successful but rigorous evidence is still very limited.

Some reasons may explain these mixed results. The logic underlying CDD programmes and their efforts to build democratic governance from the bottom up is based on the premise that more participation and more inclusive decision-making processes will improve social cohesion, trust and cooperation. However, areas where violence is prevalent may follow a very different logic. First, almost all governance interventions in conflict-affected countries in
the form of CDD programmes do not take into account the particular institutional features of these settings, notably the fact that violence is often a component of governance (Justino 2016). Even in cases that appear more stable and thus more prone to successful CDD programmes, violent norms of governance may persist as different political actors compete for political control and power. There is, therefore, a risk that external interventions (in the form of CDD programmes or other forms of international aid) may perpetuate such processes when they fail to acknowledge how the intervention may affect local political processes of authority, control and competition during or in the aftermath of violent conflicts.

Second, power-sharing, participatory decision-making and inclusiveness – values that shape CDD programmes and other forms of local external governance interventions – may not necessarily result in stability and social cohesion, particularly in deeply divided societies during and after violent conflicts. Often, disputes arise over the terms of inclusiveness and power-sharing (Barron et al. 2011). It is, therefore, important that policy interventions in these settings take more explicit consideration of their distributive effects and are aware of who benefits from interventions which are themselves shaped by local social and political processes of institutional change. Understanding how interventions may affect specific forms of de jure and de facto political power are particularly useful in these contexts. These two points will be discussed in more detail in Section 4.2 below.

**Accountability, legitimacy and the reach of state institutions.** There has been strong pressure to strengthen the accountability, legitimacy and reach of state institutions in conflict-affected countries as a form of improving how governance institutions maintain peace and stability in the post-conflict period. The most popular form of intervention to date to improve accountability and legitimacy has been the use of information campaigns. Some results suggest that an increase in transparency about politicians’ performance through mass education and information campaigns may be a powerful mechanism to improve accountability and legitimacy. However, other studies have shown that some of these tools can have adverse effects on voter turnout, possibly because information flows interact with different institutional set-ups in ways that still remain under-researched and ill-understood. There is, therefore, an urgent need for more work on how information can increase democratic participation and make democracy work, particularly in countries experiencing or at risk of experiencing violent conflict.

Other recent governance interventions have attempted to strengthen the reach of state institutions through improving the provision of public goods and services. These have had positive results overall. Findings from a growing body of evidence show that cash transfer programmes, government welfare expenditures and government investments in infrastructure may be useful tools to improve the social contract and avoid (or at least mitigate or reduce) violence and conflict. Effects on security reform interventions are less clear, but interventions that have improved relations between the state police and communities have yielded better results than more traditional reforms linked to DDR programmes. These results stand in contrast with the more negative findings of evaluations of CDD programmes discussed above. At the moment, it is difficult to identify the reasons for these contrasting results given the limited number of studies on both types of interventions. However, it is possible that this may reflect a difference between internally and externally driven forms of reform, an issue addressed in more detail in the next section.

**Social rules and norms.** A small body of literature has examined how changes in institutions and governance may be done in ways that affect norms of behaviour, such as altruism, reciprocity and social cooperation. Most of this literature has focused on peaceful settings. Some examples of successful interventions in conflict-affected settings include the use of media to improve social cooperation in Rwanda and the design of education campaigns to improve local mechanisms of conflict resolution in Liberia. This is a very promising area of research and policy intervention because reducing the risk of conflict and
violence depends not only on institutional design (more democratic processes of decision-making, more effective provision of public goods, and so forth) but also on how social norms around pro-social behaviour and attitudes towards violence evolve and change.

4.2 Way forward for future research

Overall, existing evidence on the effectiveness of governance interventions shows mixed results. These mixed results are, to a large extent, a reflection of the fact that governance interventions (and evaluations of such) in countries experiencing or at risk of experiencing conflict have been few and far between. There is, in particular, a need for more empirical and theoretical work to identify the conditions under which the introduction of new governance institutions might be effective and ultimately improve development and peace outcomes.

Notwithstanding these caveats, recent studies on how to improve the effectiveness of governance interventions in fragile and conflict-affected countries allow us to draw a number of important lessons for future governance agendas focused on ensuring more sustainable state-building and peace processes. The first is the clear need to better understand the political dynamics of conflict-affected countries, as most such governance interventions are rarely embedded in the political contexts in which they are implemented. The second lesson is related to emerging findings on the importance of internally driven governance reforms. Thirdly, the analysis presented in this paper suggests important trade-offs among the intended outcomes of governance interventions. In particular, there is a great need to better understand the distributional consequences of governance interventions. Finally, both Sections 2 and 3 discussed the importance of the local level given the fragmentation of authority that characterises countries. As a result, governance interventions in such contexts have largely focused on an implicit push for decentralisation of decision-making processes and building ‘good governance’ and ‘good (or good enough) institutions’ from the bottom up. While that approach has undoubtedly allowed new interventions and original policy solutions in areas of weak state presence, the analysis conducted in this paper also suggests the need for a closer look at multi-level approaches to governance in countries at risk of conflict. These four lessons are discussed in more detail below, alongside suggestions for future research.

4.2.1 Understanding the political dynamics of conflict-affected countries

Section 2 made the important point that managing violence – i.e. avoiding violence becoming an integral part of governance structures – is a central challenge to governance interventions in countries experiencing conflict or at risk of violent conflict. But as is clear from the review conducted in Section 3, one critical weakness of existing governance interventions in fragile and conflict-affected countries is that they are often disconnected from the political contexts in which they are implemented (see Mansuri and Rao 2012). However, it is important to recognise that governance interventions are not designed in an institutional vacuum, despite ongoing or recently ended conflict. In fact, governance often emerges from conflict: ‘Today’s governance is the child of yesterday’s violence… Even the countries that enjoy the highest per capita incomes and most peaceful societies in the world, such as most of Europe, emerged from wars and violent contests for power…’ (World Bank 2017: 112). This is because conflicts and wars give rise to important ‘wartime institutions’ and forms of ‘wartime governance’ (Justino 2016) that tend to persist and shape how institutions and forms of governance emerge and evolve in the aftermath of the conflict.

But while the literature has largely focused on how governance interventions may be able to affect ongoing violence or the future prospect of violence, much less attention has been paid to the fact that conflict or the risk of conflict may affect the success, effectiveness and feasibility of such interventions. There is also an implicit and erroneous assumption that
conflict-affected areas are anarchic, disordered and ungoverned – and therefore ripe for ‘better’ forms of governance in the post-conflict period. This could not be further from reality.

Although conflict-affected countries tend to be defined as ‘collapsed’ or ‘failed’ states, in reality, the breakdown of governments does not necessarily lead to the end of ‘governance’ (Menkhaus 2007; Raeymaekers, Menkhaus and Vlassenroot 2008). Often it is accompanied by institutional changes as different political actors gain the monopoly over the use of violence in contested areas and become the de facto authority. These endogenous dynamics of conflict and governance have considerable consequences for the outcomes of governance interventions in the post-conflict period by shaping the institutional and relational settings under which such interventions are implemented (Justino 2016) – as was the case in the Philippines (Crost et al. 2014). A better understanding of these complex political constellations that dominated conflict areas well beyond the end of the conflict is of key importance for the success of future governance interventions. In particular, it would help us to better understand points of pressure and breakdown that may re-ignite local tensions and violence, as well as points of resilience and opportunities to prevent future violent outbreaks such as, for instance, local pockets of peace and reform within conflict zones, or social movements and organisations seeking less violent pathways to change in conflict contexts.

4.2.2 The importance of internally driven governance reforms

As discussed above, CDD interventions have become very popular based on the premise that accountability and inclusiveness of local governance institutions are key determinants of economic performance and reduced conflict risk in countries where authority is fragmented and contested. There is also an implicit assumption that local ‘good’ governance practices over the course of a few years can alter social behaviour in the longer term in ways that will scale up to the national level. As a result, many international aid agencies are now heavily involved in attempts to strengthen civil society and build local governance in the hope that these measures will increase local accountability and public good provision. These interventions have become very popular despite concerns with the appropriateness of governance reform and democracy promotion in contexts of widespread poverty, or the scepticism with which elites and ordinary citizens in conflict-affected countries may perceive externally driven interventions to promote ‘good governance’ and Western-style democratic structures (Paris 2004). However, there is no clear evidence that these local interventions have been successfully able to build new institutions of governance, improve the accountability of existing ones or effectively change social cohesion and patterns of cooperation.

These findings stand in contrast with the effects of cash transfer programmes and government welfare expenditures. The review showed that interventions to improve the provision of public goods and services by governments have generally been associated with reduced conflict and violence. One possible explanation for these contrasting results may lie in the fact that government expenditures reflect a clear social contract between governments and citizens, while externally imposed governance interventions may be implemented without affecting this relationship. This would suggest that government-led public goods provision programmes may have an important role to play in reducing or mitigating violent conflict. However, this argument needs to be balanced against the fact that government expenditures may indeed ‘buy peace’ but the cost may be corruption and harmful forms of clientelism, which may generate conflict and violence in the face of external shocks or budgetary constraints when expenditures are not linked to political reform (World Bank 2017). Some scholars have argued that this may have been the case in Syria and more widely across countries affected by the ‘Arab Spring’ events, where large government programmes in contexts of state autocracy eventually failed to address the expectations of the population at large (see Devarajan and Ianchovichina 2017; Justino and Martorano 2016c).
However, the central role of government expenditure in preventing or mitigating violence is further supported by additional evidence from a number of studies that have examined the impact of government infrastructure investments on violence. These are intriguing results, suggesting that it might be ineffective to impose institutions externally in contexts where informal institutions and uneven power structures prevail. Therefore, greater consideration must be given in future research and policy to reforms enacted internally by the governments that are devoted to mandate a change in the distribution of *de facto* and *de jure* power and how these may affect the social contract between citizens and the state, as well as relations of cooperation and trust between different social groups. This finding also emphasises the need for much greater knowledge about how to increase the revenue-raising capacity of weak states at risk of conflict in ways that may promote more sustainable forms of state-building that do not require externally imposed institutional designs.

### 4.2.3 Understanding the distributional consequences of governance reforms in countries at risk of conflict

Despite the recent focus on the importance of inclusive governance structures, the review in Section 3 suggests that it is not clear that political inclusivity is always necessarily associated with political stability (see also Cederman *et al.* 2010, 2013). This is illustrated by the mixed evidence on the effect of governance interventions aimed at improving participatory decision-making, power-sharing between different social groups and the inclusiveness of marginal groups. The reality is that social tensions and sometimes violence often emerge as a result of competition between different social groups and political actors over the terms of inclusivity of different interventions, particularly in settings where public authority is not fully consolidated at the centre. However, research has yet to examine who benefits from governance interventions that are designed and implemented in particular ways and in specific institutional settings.

As discussed in Section 2, a recent body of research has argued that the emergence of inclusive and democratic societies is largely explained by how institutions manage social diversity and different interests at historical transition points (Acemoglu and Robinson 2006; Boix 2003; North *et al.* 2009). Distributional differences affect not only how state institutions function, but also how local self-governing institutions deliver local public goods. Notably, high levels of distributive conflicts may lead to local institutional failures when resources and power are captured – or perceived to be captured (see Barron *et al.* 2011) – by elites or interest groups at the expense of other sections of the population (Bardhan 2005; Ostrom 1990; Platteau 2004). These distributional considerations are important because governance interventions, and the institutional frameworks that result from them, produce winners and losers that may themselves shape how systems of governance will operate in the future, and for whom. A key mechanism, as discussed above, is related to how resources are mobilised and distributed through systems of formal and informal taxation – a topic that has received very limited attention in the literature but should be at the centre of future research and policy interventions on governance systems in conflict-affected settings. Another mechanism may be related to changes in social norms and attitudes towards violence, cooperation, reciprocity and trust – an issue that needs urgent attention in the literature and in the design of policies aimed at improving the governance of countries experiencing or at risk of experiencing violent conflict, in ways that promote more sustainable and inclusive state-building and peace processes.

### 4.2.4 A multi-level approach to governance in countries at risk of conflict

One final point relates to the geographical level at which governance interventions take place. A large proportion of (even if not all) recent and ongoing governance interventions in conflict settings have taken place at the community level. In many cases this is the natural unit of intervention from which we can gather important information on micro-level
foundations of governance in contexts where public authority is contested and fragmented. However, this unit of intervention may restrict the possibility of scaled-up interventions that may effectively shape state governance structures. Despite the impressive advances brought by the emerging literature on governance reviewed above, we still have only limited knowledge or evidence on the complex processes that link the multitude of power arrangements at the local level with national-level governance systems.

In moving forward, there is a need to develop new multi-level analytical perspectives on how interventions to strengthen governance systems in weak states are designed and implemented. This involves a more detailed knowledge on: (1) how governance systems and power-sharing arrangements that emerge at the local level may reinforce violent and non-violent, or inclusive and non-inclusive, institutions of governance at the national level; (2) how different arrangements and institutions of governance at the national level may result in different security, political and development outcomes for local communities; and (3) how international factors may affect power configurations at the local and national levels (Balcells and Justino 2014). A better understanding of these complex links between the ‘local’ and the ‘national’ is likely to offer important entry points at the levels of actors, processes and locations when interventions may be able to promote peace and sustainable state-building and development processes in countries at risk of conflict and violence.
References


Dynamics of Conflict, Violence and Development, Oxford University Press (with Tilman and Philip Verwimp)


Justino, P. and Martorano, B. (2016c) Inequality, Distributive Beliefs and Protests: A Recent Story from Latin America, IDS Working Paper 467, Brighton: IDS


