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Building for Peace

Reconstruction for Security,
Equity, and Sustainable Peace in MENA



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Equity, and Sustainable Peace in MENA



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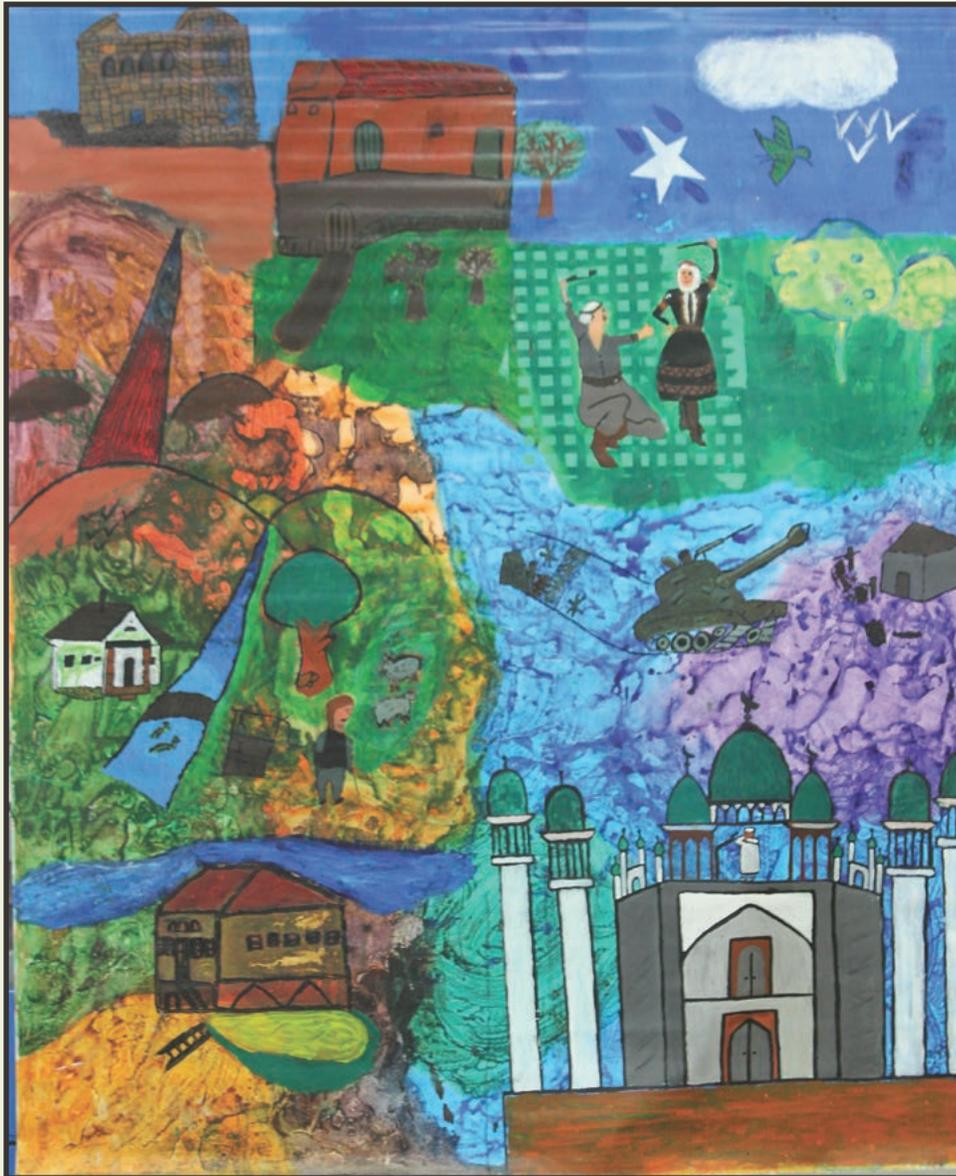
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The cover image is one of the 100 artworks produced by 500 Lebanese and Syrian children, who worked together for the art exhibition “Butterfly: Promoting Peace through the Arts” in Beirut, Lebanon, and Washington, DC, during October–December 2017.

لازلت صغير و لأفهم بأمرور السياسة حتى الآن، لكن اظن اتحاد الدوله مع الشعب صدق الدوله مع الشعب عدم تدخل جهات خارجيه في مجتمعنا والأهم الثقه بين الأفراد

I am still young, and I don't understand political "stuff" yet, but I reckon a union between the government and the people, when the government is honest with the people, stopping foreign interventions in our society and most importantly, trust between individuals.

—High-school student from Wasit Province

In response to the question, "What does constitute a prosperous society?"

RIWI online survey. Iraq, March 2019

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Executive summary

Nine years after the Arab Spring, people in Iraq, Libya, Syria, and Yemen face tragic levels of death, destruction, displacement, and disorder. The breakdown of state governance coupled with the economic and social losses inflicted by conflict in these four countries have had a major impact on regional and international security, humanitarian, social, and economic affairs. From 2013 to 2017, the Middle East and North Africa (MENA) region alone accounted for 68 percent of global battle-related deaths.¹ Yemen is facing the world's largest humanitarian crisis, with close to 80 percent of the population in need.² In Syria, the cumulative losses in gross domestic product have been estimated at \$226 billion through 2017, about four times the Syrian GDP in 2010.³ The majority of the more than 5.6 million people who have left Syria since 2011 sought refuge in Jordan, Lebanon, and Turkey, where the disproportionate influx of people has had significant negative fiscal impacts, widened the service provision deficit, and strained the socioeconomic fabric of each country.⁴ The absence of the state in conflict areas has opened space for nonstate actors, including extremists, terrorists, and armed groups, competing for power and resources. The four conflicts have also drawn in various international and regional powers competing either directly or through proxies and spinning a complex web of intersecting conflicts that threaten regional stability.

These unprecedented levels of conflict and violence pose new challenges to practitioners and policymakers. In light of armed conflict, the systems that promised order—state structures, institutions, economic networks, and social fabrics—are fragile, fragmented, and stressed. State authorities struggle to provide even the minimum level of security to engender the trust and stability to end conflict or build sustainable peace. Where violence and displacement continue, people fearing anarchy and distress have sought security and basic services in informal networks with ever-shifting dynamics. New elite configurations—war lords, often armed, with strong and tangled vested interests in the

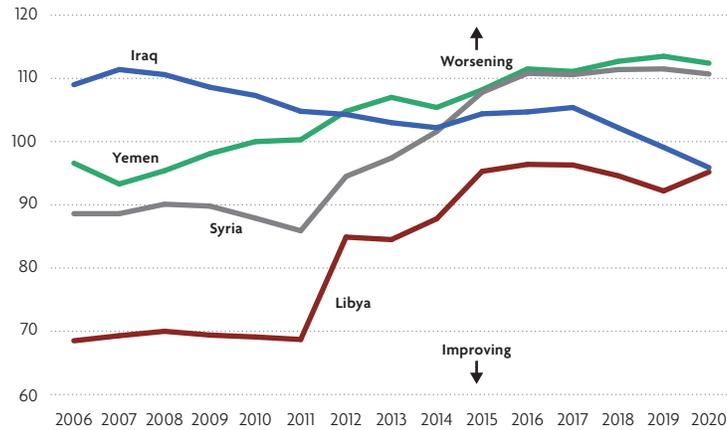
conflict-driven informality—compete for power and resources nationally and locally. Competition among international and regional states only adds to the pressure. Urban areas have come under particular stress as targets of violence in a highly urbanized region—and locations of refuge for the millions of displaced.

The conflicts in Iraq, Libya, Syria, and Yemen in many ways epitomize a type of conflict that has been evolving since the end of the Second World War. These conflicts have become increasingly fluid in their unpredictable evolution—often localized in parts of a country, while creating regional and international spillovers. They have fractured relationships within and between communities, undermining social cohesion, and have drawn in multiple regional and global actors with different interests. They have also reconfigured the political economy in wartorn societies and their neighboring countries, with illicit and informal undertakings and economic activities flourishing domestically and regionally, prompting not just a change in the workforce but also feeding into the establishment of war economies. Last, they are protracted with no clear end and continuing cycles of violence, thus leading to ever more fragile situations (figure ES1).

Spawning insecurity, mass displacement, and disorder—these conflicts are testing the limits of reconstruction and peacebuilding approaches centered on state-building. Over the past 30 years, reconstruction and peacebuilding efforts have tended to follow state-building models, with a consolidated state centrally administering resource mobilization and allocation. The protracted conflicts in MENA, characterized by prolonged fragility, call this central state-building approach into question. In the four conflict countries, a presumed social consensus favoring a central state may have no basis, given an absence of trust that such a state would be accountable and inclusive. In fact, the 2011 uprisings across the Arab region were in many ways a protest against the existing social contracts and

FIGURE ES1 Fragile State Index for Iraq, Libya, Syria, and Yemen, 2006–19

Total country score



Note: An increase in a country's Fragile State Index means the situation is worsening.

Source: Fragilestateindex.org.

a symptom of growing fractures among different social groups (figure ES1). The eroding legitimacy of reform and the ruling elites in MENA countries fueled the outbreak of civil wars, since the long-established power distribution excluded a large part of the population from economic opportunity and political participation.⁵ Moreover, the persistence of informal armed networks only reinforces the centrifugal forces opposing a strong central state apparatus and facilitating civil and intrastate conflict. Given the regional and international dimensions of these conflicts, approaches failing to engage beyond the territory of individual states will struggle to contribute to sustainable peace.

The *Building for Peace* report aims at strengthening the existing approach to sustainable peace by applying global knowledge in conflict prevention and reconstruction to the specific challenges and opportunities of reconstruction and recovery. Transitioning toward sustainable peace is a prolonged journey to remove violence and insecurity and to build social cohesion, equitable economic opportunities, and accountable institutions for all individuals. The report is grounded on the new FCV (Fragility, Conflict, and Violence) strategy for the World Bank and on past analytical and operational experiences. It combines recent development thinking with original research to propose a multidisciplinary approach to reconstruction and the transition

to sustainable peace for conflict countries in the MENA region and globally.

The approach emerging from this report calls for first recognizing the multidimensional and idiosyncratic characteristics of each conflict context. It calls for new criteria and calculations for risk and results, for substantial tolerance for compromise and potential failure, and for necessary or expedient tradeoffs. The approach begins with an overarching focus on the people most affected and most vulnerable. It seeks to understand how to build their sense of security and trust, and how to create time and space for building inclusive institutions. It aims to shed light on the need to address grievances and conflict drivers, creating zones of accountability to replace informal, fluid zones of impunity, and to limit opportunities for spoilers while supporting the drivers of resilience. Grounded on an understanding of the structure and incentives of the actors affected and involved in reconstruction, the approach aspires to become specific in time and place—about the where, what, who, and how.

The report recognizes the difficulties of moving from abstract aspirational prescriptions to active engagement in very difficult and fluid environments. It is not an evaluation of all existing tools for peacebuilding and reconstruction but an inquiry into whether those tools are used to full advantage. To this end, the first step suggested is a more comprehensive and dynamic assessment process to planning interventions. The process emphasizes the use of existing tools and any modifications necessary to gain greater understanding of all actors, institutions, and structural factors on the ground. This understanding is critical because local reactions to ill-conceived interventions could prove counterproductive and undermine future peacebuilding. Further, the infusion of resources into a fluid, fractured, and informal environment could reinforce past power structures or informal and illicit networks, providing them resources to undermine the transition toward sustainable peace.

The report proposes an approach that forges partnerships to identify entry points and builds, incrementally, on the assets present. It calls for greater flexibility in engaging counterparts and key stakeholders, which in turn depends on effective partnerships and convening powers, and much broader

outreach to a wide range of stakeholders and informants. In a global environment fatigued by wars and displacement, traditional financing models continue to have their place. But today's fluid, fractured, and informal contexts call for innovative resource mobilization and deployment with more calculated risk management. Meeting the new challenges of conflict and violence requires an integrated and comprehensive assessment of existing assets and opportunities, strategies focused on the people most affected, new technologies and innovations, more effective partnerships between different actors, and informed interventions driven by international commitment and backed by predictable resources.

Conflict traps and lessons from peacebuilding in MENA

Violence in MENA has erupted as a result of an accumulation of many unaddressed grievances. As the transitions to either peace or violence are gradual processes—rather than one-time breaking points—the persistence of underlying grievances such as exclusion of some segments of the population, injustice, or inequality and people's strategies for coping with instability pushes a country to move into and out of violence. These cycles of violence sustain “conflict traps” that cannot be escaped until these underlying dynamics are addressed. In MENA, the most recent violence expresses the explosion of unaddressed grievances that have been accumulating for decades, leading to the protracted and often localized conflicts in the aftermath of the Arab Spring.

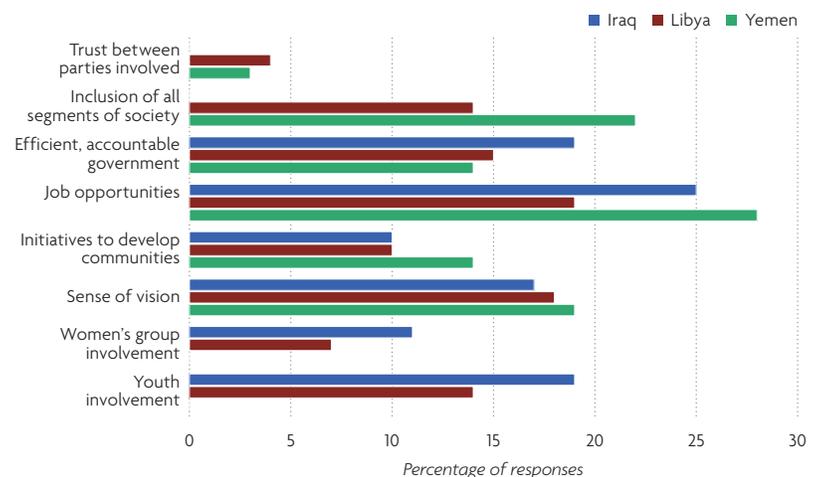
The track record of previous reconstruction and peacebuilding efforts shows that they have rarely managed to permanently break conflict traps, particularly in MENA. Breaking the cycle of violence can be achieved only if policymakers avoid rebuilding the institutions, networks, and dynamics responsible for and benefiting from the conflict, and instead focus on the key drivers and enablers of sustainable peace. The traditional reconstruction approach—applied after the clear ending of a conflict and focused primarily on a clear and stable central government as the key counterpart for implementing a top-down approach to reconstruction—cannot ensure sustainable peace

in today's conflict situations. Complementing top-down approaches with local and community-based bottom-up approaches will enhance the likelihood of achieving peace in the long term. While it may lead to a temporary stabilization, it does not address fully or effectively the conflict's dynamics, causes, and consequences, which is crucial in building sustainable peace.

The example of Iraq illustrates the mismatch between a country's needs as it seeks to transition out of conflict and the priorities identified by the international and local actors. Nearly US\$ 60 billion was spent on reconstruction after 2003, according to the Special Inspector General for Iraq Reconstruction's final report in 2013, mostly targeting the oil sector, which employed 1–2 percent of Iraq's labor force, thus failing to diversify the Iraqi economy and create jobs outside the large public sector.⁶ Yet, in an anonymous online survey of 3,000 random internet users in Iraq in March 2019, 25 percent of the respondents cited “job opportunities” as the main issue lacking in previous peacebuilding work that could have guaranteed a better transition toward peace (figure ES2). In retrospect, this mismatch between local needs and the focus of the reconstruction programs seems to have left the drivers of conflict and fragility unaddressed for more than a decade.

The main motivation for this report is therefore to ask how to begin to meet these complex

FIGURE ES2 Listening to voices of people in Iraq, Libya, and Yemen



Source: RIWI online survey. Iraq, March 2019; Libya and Yemen, June–July 2019.

challenges and support countries in their transition toward sustainable peace. What can we learn from the past, for use in the present, that will improve outcomes in the future for all citizens? This question is of particular relevance to development actors such as the World Bank, which have been engaging with increasing frequency in conflict settings in roles complementary to the main humanitarian actors. This question also cuts to the core of the objectives of the development actors in their mandates to improve people's lives as each new conflict further erodes past development gains.

By focusing on sustainable peace as the final objective, this report speaks to humanitarian and development practitioners and policymakers and nests at the Humanitarian-Development-Peace nexus. Sustainable peace is a more encompassing concept than stability or development: It ensures physical, economic, and social security in the long run for all individuals and communities; rebuilds the social fabric and human capital destroyed by war addressing past and existing grievances; creates economic opportunities for all, while establishing inclusive and accountable institutions; and encompasses all actors—local, national, and international, both formal and informal, looking beyond national borders. In situations of protracted conflicts, there is a need to bridge short-term imperatives with long-term goals, requiring humanitarian, security, and development actors to work together as they seek to support transitions to sustainable peace. To do so, this report adopted a multisector and multidisciplinary methodology that combines insights and advances from numerous academic fields.

The World Bank's efforts to improve outcomes in situations of Fragility, Violence, and Conflict (FCV) over the past decade has culminated in the new strategy for engagement in these situations. Not only are past development gains eroded by conflict, sustainable development is not possible unless built on a foundation of sustainable peace. Going beyond the MENA region, it is estimated that around half the world's extreme poor will be living in fragile and conflict-affected situations by 2030. To better position itself to tackle this challenge, the new FCV strategy articulates a framework for World Bank interventions in FCV

situations. This report is anchored on the strategy and—more specifically—on two areas of engagement: remaining engaged during crisis situations and escaping the fragility trap. Applying this framework to the MENA context, it uses the cases of Iraq, Libya, Syria, and Yemen to develop an approach to World Bank engagement in situations of violent crisis and fragility.

The Building for Peace Integrated Approach: Linking past, present and future

In supporting transitions to sustainable peace, this report puts forward a dynamic and integrated approach linking the past, present, and future and actors' incentives over time. Understanding the past and current political, social, and economic dynamics at the local, national, and regional level is the starting point to inform any intervention seeking to promote sustainable peace. Making sense of the past is crucial to tackling long-lasting grievances, while understanding the present allows for the identification of entry points. This approach goes beyond the past and the present by also taking into account individuals and their incentives in the future. It factors in how the design of policies today may affect the future shape of institutions and society, which is key for ensuring sustainability. Along this time continuum, it explicitly takes into consideration the different actors involved in and affected by the conflict on all levels, the way their incentives change over time, and how these changes affect the transition toward sustainable peace (figure ES3). The approach seeks to:

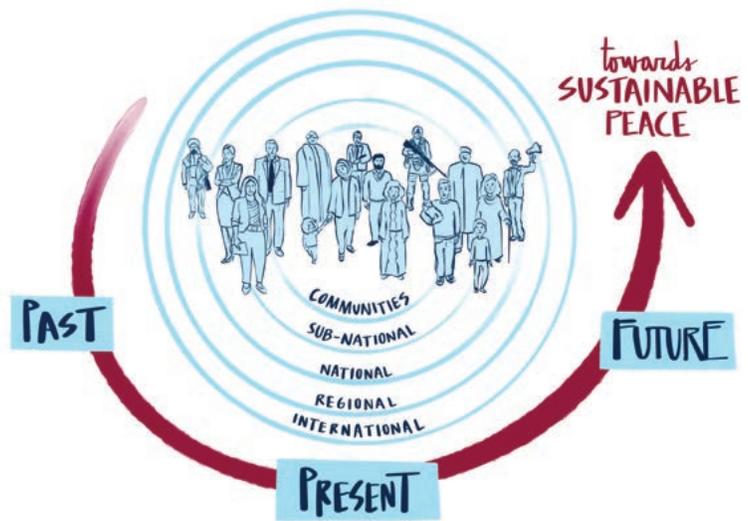
- *Understand the past.* The past allocations of power and resources among actors, past dynamics, and economic interests that may have contributed to conflict, institutional distortions, and unaddressed grievances.
- *Make sense of the present.* The power and incentives of existing actors, the existing allocation of resources, and the political and economic interests revolving around war. This requires assessing existing assets, including not only physical assets but also institutional, human, and social capital, in order to build on them—and to see them as starting points, not gaps.

- *Map the future.* Developing a shared long-term vision that maps out alternative policy options and specifies how these policy options today could affect actors' incentives, power, resource distribution, and institutions in the future. This requires identifying the spoilers and enablers of sustainable peace, their political and economic incentives, and their values, norms, and commitments.

Understanding past, present, and future actors and their incentives offers an effective way to avoid rebuilding the past structures and to create stronger incentives for peace. To manage fluidity, heal fractures, and address informality, interventions should focus on three main entry points: (1) building legitimate and inclusive institutions at all levels, (2) creating sustainable economic opportunities for all, and (3) building on resilient assets while addressing damages. The prewar and wartime arrangements that allowed predatory access to resources and rents to a small group of actors should shift toward an inclusive and open system that allows for the creation of more equitable economic and social opportunities. An integrated long-term vision and a flexible approach must be accompanied by efforts to restore or preserve functioning social and economic activities and spaces for formal exchange among all individuals. This has to be done in ways that support security and livelihoods for all and promote inclusive prosperity rather than exclusion, informality, and private rent-seeking.

Understanding the patterns of continuity and change in institutional structures in the wake of conflict, and those that can emerge from the peace process is crucial. Violent conflicts are likely to accentuate or alter the power balances between the different actors and especially the formal and informal institutional arrangements in place before the onset. As the MENA conflicts continue, a pattern of persistence and change coexist: most civil war contexts witness varying degrees of persistence of preconflict institutional features, even as other elements change radically to give rise to alternative social orders with new contenders for power. There are powerful echoes of this in the Middle East, where in Yemen and to some extent in Libya the current institutional realities represent both a capture and a reinforcement of the past institutional arrangements.

FIGURE ES3 Focusing on people and their changing incentives in space and time



Interventions supporting sustainable economic opportunities should focus both on the actors benefiting from peace and on those losing from it. Creating economic opportunities in a fluid, fractured, and informal situation may require redistributing existing resources and adding more resources, inevitably leading to “winners and losers.” To avoid undermining the path toward sustainable peace at the hands of the potential “losers,” the interventions should provide incentives or alternative opportunities for those currently benefiting from the war economy, while supporting the emergence of new or expanded economic opportunities for those excluded. These economic interventions need to be grounded in a deep understanding of local systems. Without such understanding, efforts to transition toward sustainable peace are doomed, and initial stabilization efforts can be reversed. If such local economic opportunities cannot be credibly created and sustained, then (international) efforts are needed to find ways to reduce opportunities for profiting from the war economy.⁷ Only through the creation of viable economic opportunities for all can the existing allocation of economic resources and powers move toward greater equity and inclusion.

Last, the report proposes complementing the state-centered approach with a focus on local interventions that build on and strengthen the resilience of local assets and institutions. These assets

should include not only infrastructure but also formal and informal institutions as well as human and social capital. A transition toward sustainable peace requires moving beyond physical damages, to also include the destruction of the social fabric of the country and its communities. It also requires a change in focus toward existing assets that have survived the conflict or that have emerged as coping mechanisms in response to the conflict. Local communities and their social and human capital are assets that can support the transition toward sustainable peace, especially as they grew accustomed to surviving without the state, whether before or during the conflict, as in Libya or Yemen,⁸ or as the conflict cools off, as in Iraq and Syria.⁹

The operationalization of this approach requires an engagement that is flexible and oriented toward a long-term vision for the wartorn countries' transition toward sustainable peace. At each level, there is a similar set of questions to answer beginning with the simplest, should development actors engage at all? The answer to this first question will be unique to the different contexts and will also reflect the different mandates of the different actors. If the decision is to engage, a series of questions follows. Where to engage—across the country or in selected regions, cities, and towns? Whom to engage with—external actors? state actors? nonstate actors? local communities? What are the short and long-term objectives? And importantly,

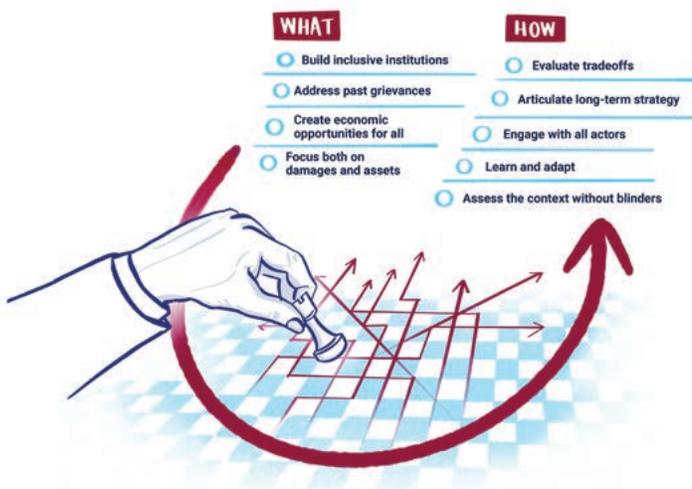
how should development actors work with each other and with counterparts in conflict contexts to develop and implement integrated strategies. Those strategies should be based on a good understanding of past grievances and situated within a shared long-term vision to address and overcome these grievances. They should also be based on an understanding of the tradeoffs that can arise between policies aimed at short-term stability and those addressing the long-term resolution of underlying grievances.

Understanding paths taken and not taken

Identifying the right policies, measures, and interventions in FCV environments is subject to serious constraints. Policymakers on all levels—local, national, and international—are forced to take decisions based on imperfect information, despite recent technological advances. Realities on the ground can change quickly, making it difficult to keep the available information up to date. Some areas may not be easily accessible, and the formal or informal lines of communication between authorities and the population may be impaired. A lack of information on actors' incentives, needs, and interests makes anticipating their future evolution a challenge, aggravated by the multiplicity of actors involved in conflicts, particularly in the MENA region. Further, when the incentives of various actors are misaligned, or when a common planning horizon is lacking, garnering consistent and lasting support for a shared vision can be extremely complex.

Specifically, decisionmakers in fragile environments face tradeoffs when balancing the quest for immediate stability with long-term efforts to generate structural changes conducive to sustainable peace. As local, national, and international policymakers and practitioners seek a path toward sustainable peace, they face a dual challenge: They need to ensure stability by mitigating violence and by addressing its immediate consequences for the population. They also need to tackle the underlying structural and institutional causes of conflict, promoting long-term prosperity, social cohesion, and inclusive institutions to ensure sustainable peace (figure ES4).

FIGURE ES4 An opportunity to plan for a different future



Any short-term recovery efforts must be complemented by long-term strategies, which creates tradeoffs. As previous peacebuilding experiences have shown, promoting equitable economic opportunities, supporting inclusive institutions, and fostering social cohesion may take 30 to 50 years. Recovery efforts, by contrast, are targeted at ceasing violence, tackling immediate needs, introducing some level of security and stability, and generating quick wins. It is essential to understand how these two objectives are inextricably intertwined. The policies supporting one of them may at times undermine the other. From this tension arises a potential tradeoff: Pursuing the short-term objective of stability may at times come at the cost of the long-term objective of sustainable peace, as activities aimed at creating stability and meeting immediate needs often fail to address or even exacerbate the underlying structural issues causing grievances and conflict in the first place.

This time-specific tradeoff is associated with significant risks, as policy choices today create path dependencies that either steer the country on course—or veer it off course—to sustainable peace. When choosing between different policy options today, policymakers must be aware that each intervention introduced along a country's path redistributes resources among actors, thereby altering the balance of power between these actors. Any intervention is thus likely to affect the evolution of actors' interests and incentives and create path dependencies that may either create unintended consequences and lock a society into cycles of conflict and violence or set it on a path to sustainable peace. Even a seemingly impartial intervention such as humanitarian aid can skew the incentives among actors, for example, by partly relieving the government of its responsibility to serve citizens through its own formal service delivery systems and institutions, which may hamper the development of these institutions over the long term.¹⁰

For policymakers and practitioners, the potential tradeoff between achieving short-term stability and setting the ground for achieving long-term sustainable peace manifests itself in the decisions they face today. When identifying priorities and flexibly seizing entry points, decisionmakers need to carefully evaluate options—with and for whom to engage, where and how, and in which sectors.

Such an evaluation needs to consider the opportunity costs and potential negative consequences of each choice, the long-term vision of sustainable peace, and the fact that today's policy choices could affect actors' incentives and the distribution of power that ultimately shape a country's future. Only when practitioners evaluate alternative paths can they manage the risks associated with their choices and—at a minimum—follow the “do no harm” principle.¹¹

How to choose the way forward

Engaging in today's fluid conflicts requires an informed assessment of local, subnational, and regional differences in actors and their incentives, institutions, and structural factors, and how they interact with political and economic dynamics over time. The assessment should go beyond a snapshot of conditions at one point in time and should be an ongoing, multidimensional process of analysis, a living narrative.¹² It should focus not only on the preconflict conditions and the roots of conflict, but also on the dynamics of changes brought by conflict and how, in response, people and institutions adapt to the distribution of economic and political power. A viable strategy and effective implementation plan require a continuing understanding of the priorities of actors and communities, their incentives, their coping mechanisms, and their aspirations—and how these may change going forward. The assessment should seek to understand the political economy, the security dimensions, and the contingent risks and tradeoffs at different levels for successful humanitarian, development, and peacebuilding interventions.

Based on this context, the assessment should then identify policy options and entry points for the transition to sustainable peace. A strategy for identifying these policies and entry points can be likened to the strategy of playing a game of chess—a continuous and dynamic evaluation of the players, the board space, and the pieces on it (figure ES6). That includes their relative positions, capabilities, and power relationships, to guide each move in the short and medium term, maintaining flexibility, while anticipating the consequences of each move for the longer term. Well-informed policy options

FIGURE ES5 Looking at the entire chessboard of players, spaces, and times



Or only some players, spaces, and times?

PRESENT

and entry points are essential to implementing operations for a transition to secure stability and security in the short term and to strengthen and sustain peace for the medium and long term.

Applying the most recent advances in assessment methodology in the field to inform policy dialogue and operational design has been challenging. For decades, the international community has relied on assessments to understand the context and take the first steps in providing joint support for planning, mobilizing resources, and engaging in interventions geared to reconstruction and development in conflict-affected countries. Over time, assessment methodologies, processes, tools, and available information have broadened significantly with greater methodological complexity and depth. But “blinders” on assessment practice—restrictions or limitations that can prevent the full picture of the

situation on the ground from emerging—can lead to information gaps and misinformed interventions.

Building on the integrated and dynamic approach introduced here, a complete assessment of the situation on the ground should seek to:

- *Understand the past* by developing an account of the historical grievances and institutional factors that have determined a country’s path to the present.
- *Make sense of the present* at all levels including the local context.
- *Map the future* through a careful understanding of the populations’ coping mechanisms.

Removing the assessment’s blinders could widen the humanitarian and security perspectives, recognizing that focusing on bottom-up people’s security (physical, economic, and social) will yield greater stability and results. And identifying possible entry points for a peaceful process at different levels and the associated incentives to draw stakeholders in may provide opportunities to begin establishing enduring public service delivery institutions and foster trust between local communities and the central and local governments (table ES1).

To identify opportunities, mapping should bring together different partners and sources of information and tools. Much information and data for structural factors can be gleaned from international and national sources, including the World Bank (infant mortality rates, labor force participation rates), while other information is collected through qualitative interviews and focus group discussions with actors. During conflict in all or part of a country, completing the mapping may not be feasible, but new tools are available to remotely collect the voices of actors we cannot reach. The map would become a framework for a dynamic assessment process to underpin operational flexibility and adaptation and would help all actors and policy-makers identify their comparative advantages and potential areas of partnership and coordination.

For the World Bank, this report is a regional complement to the newly adopted Strategy for Fragility, Conflict, and Violence, which will enhance the

TABLE ESI Removing the blinders on assessments

Blinder	Specific information gap	Way to remove the blinder
Collecting information only from accessible areas	Omits relevant and up-to-date information	Use intermediaries, partners, and proxies with access Use advanced technological tools
Assuming that a peace agreement ends a conflict	Omits key factors that could perpetuate instability or cause resurgence of conflict/violence	Adopt during-conflict tactics to map out possible entry points for interventions and opportunities for early recovery, taking into account the actors and incentives for continued conflict/violence
Considering people's physical security only	Omits security factors that drive diverse affected stakeholders' incentives and coping mechanisms	Adopt a comprehensive security lens and use a bottom-up people's security orientation that accounts for all aspects of their security environment
Missing key actors	Omits key (internal/external, informal/illicit/nonstate) stakeholders that could perpetuate instability or cause resurgence of conflict/violence. It could also compromise the understanding of the parameters of people's security undermining stabilization and sustainable peacebuilding.	Build selective partnerships to leverage comparative advantage Focus on conflict-affected individuals, institutions, and the economy at the local level, taking a holistic view of how individuals and communities assess their present and future security in their day-to-day lives
Ignoring structural factors	Omits factors that influence the overall context (such as climate, geography, resources, demography, and political and cultural heritage).	Assessment design should be based on a thorough analysis of structural factors prepared as an assessment threshold that would begin an asset mapping exercise

organization's effectiveness in conflict contexts by guiding decisions on policies, programming, personnel, and partnerships. How other policymakers, practitioners, and development actors will translate the findings of this report into their activities ultimately depends on their mandates, priorities, policies, and the governance structures. However,

what is clear is that strategic partnerships that bring together humanitarian, developmental, and security actors are indispensable for achieving results. Only when siloed project-driven approaches are left behind and peacebuilding efforts are united behind one holistic vision, can people's dignity and security take center stage.

Notes

1. Jones, Call, and Toubolets 2018.
2. UN News 2019.
3. World Bank 2017.
4. UNHCR 2019.
5. Loewe, Trautner, and Zintl 2018.
6. Haddad 2018; Matsunaga 2019.
7. Eaton 2018; Eaton et al. 2019; Lacher and al-Idrissi 2018.
8. Fardoust, Harrison, and Salem 2018.
9. In Syria, local committees have taken over local administration in the areas held by the opposition. Chapter 1 stresses how the disappearance of the state in many places forced local communities to administer and to protect themselves, as in the Lebanese civil war (1975–91) (Balanche 2018; Trautner 2018). A common objective and some level of local social cohesion were sufficient to ensure the functioning of local communities despite a weak social contract between citizens and the central state.
10. ISE 2019.
11. ISE 2019.
12. Malik 2018.

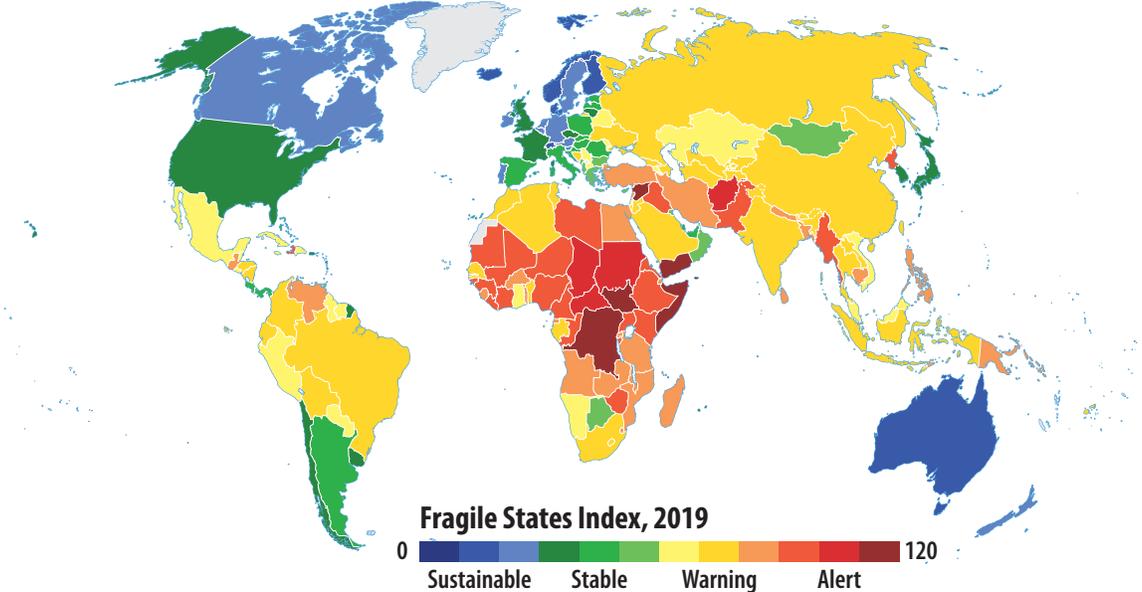
Introduction

Nine years after the Arab Spring, people in the Middle East and North Africa (MENA) region face unprecedented levels of conflict and violence leading to death, destruction, and displacement. In light of these challenges, the systems that promised order and security—state structures, economic networks, and social fabrics—are fragile, fragmented, and stressed and unable to break the cycle of violence.

Prolonged conflict with no clear end and localized violence pose new and different challenges to practitioners and policymakers beyond the MENA region. The Fund for Peace heat map highlights how conflict and fragility reach beyond those countries immediately affected by outright wars (map 1). With around half the world’s extreme poor projected to be living in fragile and conflict-affected situations by 2030, addressing the drivers of fragility, conflict, and violence is a high priority for policymakers and many development practitioners—especially for the World Bank Group.

The World Bank has been focusing on how to effectively engage in situations of Fragility, Violence, and Conflict (FCV) over the past decade. The 2011 World Development Report on conflict, security, and development, dubbed a “game-changer,” initiated the call for a paradigm shift in operational engagement and financial assistance for FCV countries—to build confidence, respond flexibly, and commit to establishing legitimate institutions for the long term. This created space for further work to emerge, from the evaluations by Independent Evaluation Group in 2014 and 2016 to the Bank reports *The Toll of War* (2017) and *Pathways for Peace* (2018). While *Pathways for Peace* focused especially on conflict prevention, *The Toll of War* analysis argues for the need to go beyond physical infrastructure when thinking about breaking the cycle of violence and reconstruction and to look at the human, social, and economic consequences of conflict that overshadow the destruction of infrastructure and other physical capital.

MAP 1 Conflict and fragility are widespread



Source: <https://fragilestatesindex.org/analytics/fsi-heat-map/>.

The new focus on human, social, and economic causes and consequences of conflict and fragility has culminated in a new strategy for engagement in FCV situations for the World Bank Group released on February 27, 2020. Building on progress over the past decades and mindful of the increasing fragility and challenges in the MENA region and around the world, the FCV Strategy articulates a consistent operating framework for the World Bank to adapt its interventions to the different types of FCV situations and to the local context—and to make its instruments more agile, flexible, and FCV-sensitive. It identifies four key areas for engagement:

1. *Preventing violent conflicts and interpersonal violence* by addressing the drivers of fragility and the long-term risks—including natural resource degradation and depletion exacerbated by climate change, demographic shocks, and gender inequality.
2. *Remaining engaged in crisis situations and active conflicts* to support countries mired in high-intensity crisis settings.
3. *Escaping the fragility trap by helping countries build capacity and strengthen the social contract* to support countries as they transition out of situations of fragility and conflict.
4. *Mitigating the impacts of fragility, conflict, and violence* to support countries and communities, especially the most vulnerable ones, in dealing with cross-border challenges and spillover shocks.

To address the MENA region's plight, this report is anchored on two of the areas of the broader World Bank FCV Strategy—remaining engaged during crisis situations and escaping the fragility trap. *Remaining engaged* means ongoing dialogue and potential involvement with a broad group of traditional and nontraditional actors—local, national, and international—to develop a long-term vision for sustainable peace in countries mired in high-intensity crises. *Escaping the fragility trap* means creating the foundations to build resilient and inclusive institutions and economic opportunities, addressing grievances, and producing greater social cohesion, rather than simply reconstructing old institutions and infrastructure subject to another round of destruction when unresolved social fractures reemerge. Together, remaining engaged and escaping the fragility trap focus practitioners and policymakers on engaging the people most affected by the crisis in the steps leading to a sustainable peace (figure 1).

The *Building for Peace* report asks what policymakers and practitioners should continue to do and what they should be doing differently. It focuses on the current MENA context building on the World Bank's experience with working and engaging in FCV environments around the world and explores how countries could be placed on the path toward inclusive and sustainable peace. It brings together new research and policy analysis to give life to the FCV Strategy's framework and to help devise a coherent vision for sustainable peace. And it advocates a fresh approach to reconstruction and development that complements the existing approaches centered on physical reconstruction and central government institutions—and that focuses on people and their evolving incentives to escape the conflict trap.

FIGURE 1 The World Bank Group's Strategy for Fragility, Conflict, and Violence



The *Building for Peace* report recommends understanding the context, the institutions, the actors, and their incentives through time and space, when engaging in FCV countries.¹ Policymakers and practitioners need to carefully map the local, national, and international actors involved in the conflict—and to understand their incentives, the existing institutional context, and the overarching structural factors affecting that context. This exercise should not, however, be a snapshot focusing only on the present. Instead, it should be multidimensional,

linking the past with the present and the future. The reason is that actors and their incentives are affected by past grievances, evolve as affected by conflict, and may change in the future in response to actions taken today. Understanding the past, making sense of the present, and mapping the future become the ingredients to begin charting a transition toward sustainable peace.

By focusing on sustainable and inclusive peace, *Building for Peace* anchors itself on the humanitarian–development–peace nexus and places individuals and their security at the core of its approach. This report introduces *sustainable peace* as a goal and defines it as a prolonged situation without violence, built on social cohesion, regional integration, equitable economic opportunities, and inclusive and accountable institutions for all individuals. This articulation of sustainable peace as the long-term goal embraces the humanitarian–development–peace nexus and paves the way for a multidisciplinary and integrated approach to address the changing nature of conflicts in the MENA region. Acknowledging that peacebuilding interventions cannot foster trust, livelihoods, social cohesion, economic opportunities, and institutional legitimacy in the stabilization phase without focusing on people’s security, the report suggests putting people and their livelihoods at the center of its approach.

The report stresses the importance of remaining engaged with the broadest group possible of state and nonstate actors—local, national, and international—to develop a long-term vision for sustainable peace. This calls for recognizing and carefully analyzing key actors and their potential reactions to interventions in conflict countries, to understand the consequences these interventions may have on the paths taken by wartorn societies. The approach suggests that engagement starts with a more comprehensive, integrated, and dynamic assessment of the actors and their incentives when planning interventions. It emphasizes ways to gain greater understanding of all actors and how they relate to institutions and structural factors in order to better calibrate interventions that produce not just outputs but achieve intended results.

Building for Peace urges factoring in the geopolitical and geo-economic interests of international actors, state and nonstate, in MENA’s conflicts

and elsewhere, identifying their incentives, and mustering regional and global players to explore areas of collaboration, cooperation, and partnerships for peace. Indeed, today’s conflicts draw in regional and global actors, as regional and global powers enter conflicts in response to immediate threats or the spreading consequences of conflicts—or to advance their geo-political agendas. The MENA region today can be seen as the theater of a regional and global proxy war that involves many state and nonstate actors with competing interests. The approach in this report thus proposes factoring in the incentives of all actors involved in the protracted conflicts, as these international actors can be either supporters or spoilers of peace.

Building for Peace recommends building economic networks and social capital, not just physical capital. Conflicts in the region have had profound social and economic impacts on societies. Efforts supporting sustainable peace have to focus first on recognizing what economic networks (formal and informal) and social capital remain and how they function—and then to engage with and strengthen those that would advance a path for escaping the fragility trap. To engage, policymakers and practitioners need to look not just at the conflict and its contenders at the national level but also at the conflict dynamics in communities. The common denominator of these dynamics and the population’s coping mechanisms have been first physical security and justice, next basic human survival and livelihood, then health and education. Building for Peace advocates addressing these local realities by recognizing the social and economic networks that address these needs (however flawed) and seeking to build resilient and inclusive institutions.

Building for Peace proposes an approach that forges partnerships to identify entry points and build, incrementally, on the assets present on the ground and within the affected communities. Given the diverse and evolving environment, partnerships facilitate identifying and engaging with a wide range of actors and economic, social, and security networks. They have wider latitude to address grievances and to create zones of accountability to replace fluid informal zones of impunity. And they can limit opportunities for spoilers while supporting the drivers of resilience. But they require investments of time and resources for coordination, which should be

anticipated at the outset for greater flexibility and synergies in engagements.

The research behind this report uses a multisectoral and multidisciplinary approach that combines insights and advances from numerous academic fields—economics, political science, geography, psychology, social sciences, gender studies, cultural analysis, engineering, urban planning, geo-politics, and geo-economics. Its development has benefited from the valuable inputs and the new collective thinking of academic researchers, policymakers, government officials, practitioners on the ground, and colleagues from other international organizations and NGOs. This diverse cross-sectoral group of experts has worked collaboratively over a period of two years, shaping the framework described here through multiple exchanges and workshops. It has also benefited from the views and collective feedback of citizens, experts, and practitioners through a series of consultative workshops and online surveys conducted anonymously in Iraq, Libya, and Yemen.

Building for Peace is for policymakers and practitioners who operate and engage in FCV contexts and who design and implement interventions, so its aspirations extend beyond its pages. Rather than offer specifics for sector specialists, the report presents ways to think more strategically and long-term about the many issues in sustainable building for peace. Understanding that there are no one-size-fits-all solutions, the community of experts and practitioners involved in this project is committed to continue developing this approach and supporting its use on the ground, in the search for best practices and recommendations that help pave the road toward sustainable peace.

Chapter 1 offers an overview of the ways conflict and peacebuilding have evolved in the past decades, and the lessons learned from previous peacebuilding efforts, with a focus on the MENA region. In many cases, those efforts made the eventual relapses all the more inevitable by overlooking and failing to address, and even repressing, deeper social, political, and economic tensions—the real drivers of conflict.

Chapter 2 presents an integrated and more nuanced approach urgently needed for interventions in conflict countries in the MENA region. The cornerstone

of such an integrated approach is linking past, present, and future actors as policymakers design a long-term strategy to support the transition toward sustainable peace. The chapter shows how efforts to do so must be grounded in an understanding of a country's prewar social, economic, and communal composition, in the changes wrought in conflict, and in a long-term vision for its future.

Chapter 3 argues that this long-term strategy requires policymakers and practitioners to balance the immediate need to create stability by curtailing violence with the longer-term quest of addressing the structures that cause conflict. It discusses the tradeoffs that arise between policies aimed at short-term stability and those addressing long-term resolutions of underlying grievances, elaborating on examples of creating inclusive institutions, building urban infrastructure, delivering services, and promoting economic opportunities.

Chapter 4 advocates a more comprehensive and continuing approach *in practice* to understanding *all* of a society's key actors, its social and economic networks, the coping mechanisms for the security of its population, and the institutions and structural factors that impinge on the context. It also discusses the need to grasp local, subnational, national, and regional differences and how they interact with the political and economic dynamics. The chapter argues that this contextual knowledge is necessary not only to develop an entry strategy but also to evaluate the existing tradeoffs and recognize the risks and obstacles that policymakers may be tempted to overlook for the sake of expediency in the immediate term at the cost of longer term progress.

The messages emerging from each chapter are complemented by four spotlights that ground *Building for Peace* in the MENA context and offer initial evidence of the challenges and opportunities present in the region. The report closes by highlighting the emerging messages and offering some reflections on the challenges and opportunities practitioners and government leaders face on the ground to create the conditions for sustainable and inclusive peace.

Note

1. World Bank 2017d.

SPOTLIGHT 1

Listening to more than 13,000 citizen voices

One of the pillars of the *Building for Peace* report is its people-centered approach. The approach draws on lessons from previous peacebuilding and reconstruction experiences, which did not fully help conflict countries transition toward sustainable peace. The priorities and needs of the wartorn societies were not always addressed, particularly in the MENA region, partly because national and international efforts for peacebuilding did not match today's changed nature of conflict.

As part of the research for *Building for Peace*, the World Bank partnered with RIWI Corporation¹ in March–July 2019 to assess the views of people in Iraq, Libya, and Yemen—on what the international community has managed to achieve in healing these conflict situations. In total, 4,455 Iraqis, 4,514 Libyans, and 5,195 Yemenis fully completed their surveys, with roughly the same questionnaire used in all three countries. By dividing the number of completed surveys by the number of people who participated in the very first click, the corresponding response rates were 13 percent in Iraq (the first survey), 16 percent in Libya, and 17 percent in Yemen.

The main themes of the report were reflected in the survey questions. On the surface, there are some similarities in the wavering belief toward leaders to actually deliver effective change, and a loss of hope for their children's future. All three countries show exasperation with the government, local leaders, and foreign intervention. Instead, the highest trust was generally in national society (not in national governments or international actors), high levels

of perception of security, as well as a strong sense of empowerment in people's own individual ability to improve their personal economic situation.

The results also show a lack of consensus on perceptions of peacebuilding efforts, elements lost in society, elements needed for the future, or the biggest roadblocks to lasting peace, as all options seemed extremely important to respondents. No single answer managed to capture a majority of respondents. And while a rank of options did appear, there was rarely a great distance between the top four or five choices. Where the first choice was usually shared across all three countries, it was the second and third options that reflected each unique conflict situation. The results of these perception surveys therefore tell a story that is shaped by the history, the geography, and the socioeconomic, demographic, and political reality of each of the three countries.

The responses paint a picture similar to the ones in Wave V of the Arab Barometer surveys in Iraq, Libya, and Yemen, confirming once again the general loss of trust in leaders to deliver effective change and the dissatisfaction with the ongoing efforts to tackle the challenges in people's day-to-day lives. As the *Building for Peace* approach recommends, forming this overall picture is crucial for conducting an integrated assessment of the situation on the ground to help the local, national, and international actors plan their interventions appropriately, and to forge a path toward sustainable peace while avoiding unintended consequences. The surveys helped confirm

some of the underlying assumptions in the *Building for Peace* report, and shed light on the different sets of challenges and priorities for the respondents in each country. The differences between the results from each country also point to the fact that there are no “one-size fits-all” solutions to building sustainable peace. The interventions need to be tailored to the specific priorities and challenges identified by people living in different environments.

People in Iraq, Libya, and Yemen have been living under protracted conflict for more than a decade, and have developed different coping mechanisms for living with instability. They share some key perceptions, but digging beneath the surface exposes differences that reflect the uniqueness of their own conflict situations. Broadly, the majority of people in all three countries feel that their local community is a safe place to live (84 percent of respondents in Iraq, 78 percent in Libya, and 83 percent in Yemen) and that they are personally able to improve their own economic situations. This finding is unsurprising, as many previous studies show perceptions of safety to be highly subjective—based on what respondents have become accustomed to in coping with protracted conflict.

A little more than half the people in each country believe their leaders can deliver effective change for their communities or their country. In all three countries, the most significant thing lost since the beginning of conflict is hope for their children's future (figure S1.1). The second most significant thing differs by country—critical services in Yemen, personal security in Libya, and

FIGURE S1.1 Most significant thing individuals and communities have lost since the beginning of war

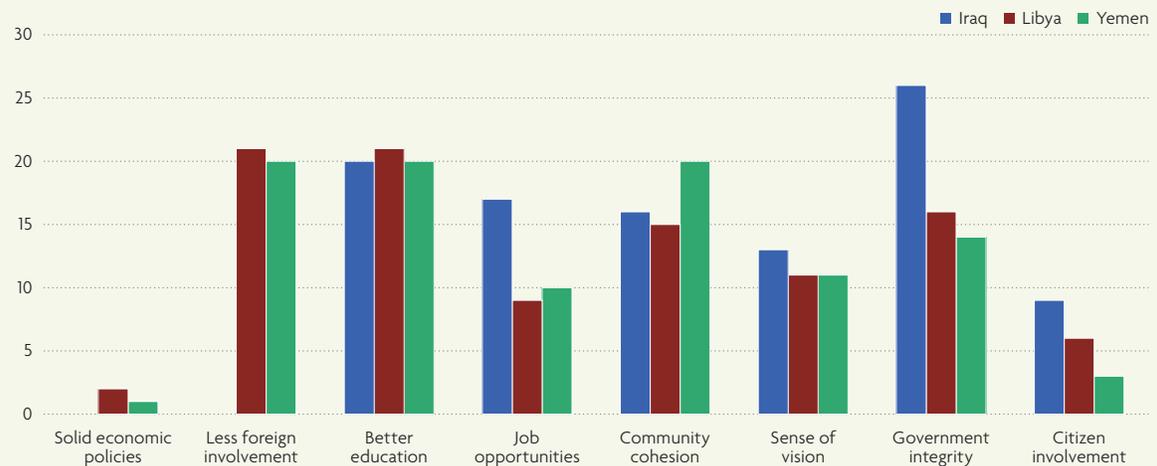
Percentage of responses



Source: RIWI online survey. Iraq, March 2019; Libya and Yemen, June–July 2019.

FIGURE S1.2 What people believe is the most important element needed to achieve lasting, sustainable peace

Percentage of responses



Source: RIWI online survey. Iraq, March 2019; Libya and Yemen, June–July 2019.

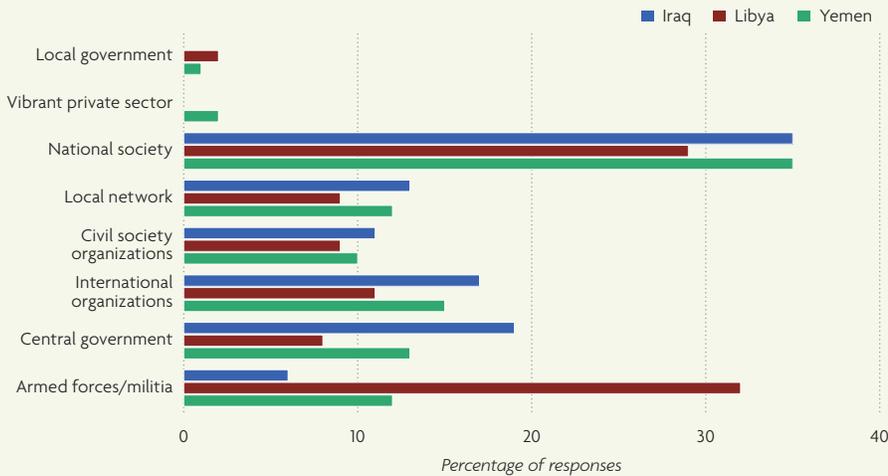
integrity in Iraq. These responses seem to reflect the different stages and natures of each conflict. Across financial situations, lost hope for their children's future is driven mainly by those who perceive they are in difficult or critical financial health. These are the individuals who likely feel the brunt of the conflict, and whose attention is focused on fundamental needs.

On the most important element needed to achieve lasting sustainable peace, there is no clear frontrunner, but the top three choices are roughly shared among the three countries (figure S1.2). In Iraq, government integrity is needed most (26 percent), followed by better education (20 percent). Libyans selected both better education and less foreign involvement as their top choice (each 21 percent). In

Yemen, less foreign involvement, community cohesion, and better education were tied (each 20 percent). The options for answering this question were tailored to each country, so a direct comparison is not possible. The responses show how the path forward differs for each country.

Respondents in the three countries report fairly high levels of social

FIGURE S1.3 Who is most trusted to improve the economic situation for individuals and their families



Source: RIWI online survey. Iraq, March 2019; Libya and Yemen, June–July 2019.

integration, with more than 80 percent of respondents feeling at least somewhat integrated into their local neighborhood and community. But the levels of trust in government to deliver progress differ.

People in Yemen and Iraq identified their own national society as the most trusted body to improve their economic situation and their family's, at 35 percent each. People in Libya reported the greatest

trust in the armed forces (32 percent), slightly more than in national society (29 percent). Iraqis and Yemenis had little trust in the armed forces (6 percent and 12 percent respectively) (figure S1.3). There is no significant difference in whether respondents believe their government can improve their community as compared with their country. Libyans have slightly more trust in their local leaders than Yemenis and Iraqis, for both community and country progress.

Note

1. RIWI is a global survey firm that documents public attitudes and opinions using anonymous online surveys, rapidly gathering unconditioned survey response data on the web. Questions were developed to determine what unintended damage may have been done to citizens' trust, agency, or hope for the future, and what citizens say is the best path forward for both their society and their families. For additional information see annex 3.

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CHAPTER 1

Going beyond reconstruction in fluid, fractured, and informal conflicts

Conflict has evolved since the 20th century, particularly in the MENA region. This chapter contrasts the conflicts of the past 30 years with earlier struggles that featured defined front lines and clear ends. Today's conflicts are characterized as *fluid* in their unpredictable evolution, *fractured* across space and across multiple actors and interests, and *informal* in their socioeconomic underpinnings and consequences. For MENA's wartorn societies to move toward sustainable peace, the root causes of their conflicts must be understood and carefully addressed. Previous peacebuilding and reconstruction experiences, especially in MENA, failed at this, contributing to repeated relapses into conflict and violence.

Traditional efforts usually adopted a bricks-and-mortar and state-centered approach focused on rebuilding physical assets and central institutions, temporarily restoring the country on the surface. But by overlooking or failing to address, and even repressing, deeper social, political, and economic tensions—the real drivers of conflict—they sometimes made the eventual relapse all the more violent. Such reconstructions could lock the country into a “conflict trap,” as happened recently in Iraq and Yemen, inadvertently promoting a relapse. The chapter thus argues for the need for an updated approach to reconstruction and peacebuilding in the MENA region and beyond.

The changed nature of conflicts

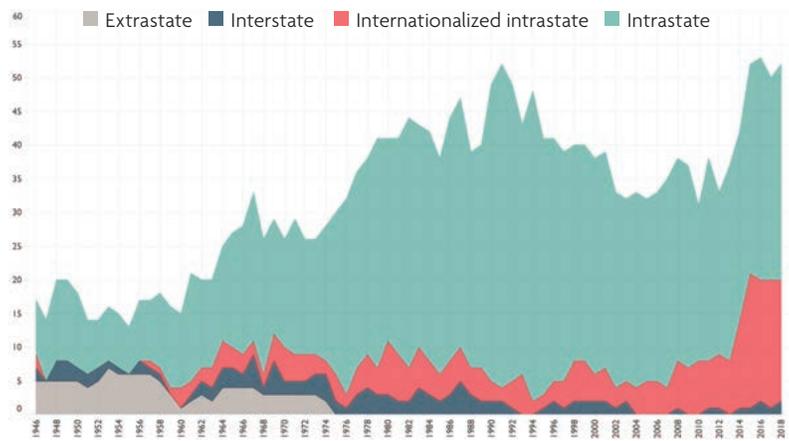
Conflicts in Syria, Iraq, Libya, and Yemen in many ways epitomize a type of conflict that has been evolving since the end of the Second World War. Conflicts no longer have easily defined front lines and rarely a clear beginning or end.¹ They are fractured across space and time. They engage multiple state and nonstate actors, domestically, regionally, and often globally (figure 1.1). They relapse in the absence of disincentives for the use of violence and institutional mechanisms for managing

competition and disputes. They represent a complex web of intertwined interests and external interference—from control of local resources to geo-political influences, to ideology, identity, and unaddressed historical grievances.² This complex web is the reality today in the MENA region, with around two-thirds of the world's battle-related deaths from 2013 to 2017.³

Protracted conflicts, especially in the MENA region, can be described as fluid, fractured, and informal. They have become increasingly fluid in their unpredictable evolution over time and in the actors involved. After years of violence, local and national communities are broken, social cohesion is undermined, and social capital is depleted.⁴ Economic relationships are reconfigured, as the conflict fuels informal activity and exchange both within and across borders. Prolonged conflicts may be localized in parts of a country, but they also

FIGURE 1.1 Conflicts and incidents of one-sided violence have increased since 1946, peaking in the past few years

Number of armed conflicts



Note: The war categories paraphrase UCDP/PRIO's technical definitions of extrasystemic, internal, internationalized internal, and interstate.

Source: Uppsala Conflict Data Program/Peace Research Institute Oslo (UCDP/PRIO) Armed Conflict Dataset.

have regional and international spillovers. Beyond the local actors involved, conflicts have become more internationalized as they have drawn multiple regional and global actors. Illicit and informal undertakings and businesses flourish domestically and regionally, prompting not just a change in the workforce but also a basic reorientation of the political economy in wartorn societies and in neighboring countries, feeding into the establishment of a war economy that flourishes because of the fluidity and fractures of the situation. Episodes of violence occur whenever and wherever the actors' incentives and alliances clash in the absence of mediating institutions supported by social cohesion, especially when regional and international actors are involved in proxy dynamics.

Iraq, Libya, Syria, and Yemen have all witnessed some of these phenomena over the past decade. In particular, the events in 2018 in Yemen illustrate unmistakably this changed nature of conflicts in MENA, when the Houthi opposition was fighting a battle with the internationally recognized government over the control of the Hudaydah port and the capital, Sana'a.⁵ In Libya, two governments still struggle for control of the country's "oil crescent" as well as the capital, Tripoli, while illicit economic trade has flourished and foreign interventions fail to broker peace.⁶ In the Mashreq subregion, despite the international efforts and the nearly US\$220 billion spent on Iraq's reconstruction, the country still seems to be trapped in a cycle of protracted and relapsed violence and conflicts, with its different reconstruction programs largely seen in a negative light. Syria exemplifies how proxy dynamics between regional and global actors can lead to a protracted conflict with consequences extending beyond the region.

As populations urbanize, conflicts and their consequences also urbanize—reflecting some of the fractures and inequalities that accumulate and fuel wars. Industrialization and economic growth spurred the rise of dense urban areas worldwide, particularly in the second half of the 20th century. In the MENA region, nearly 65 percent of the population lived in urban areas in 2017, above the world's average of almost 54 percent.⁷ With urbanization, battlegrounds have also moved to urban areas. They offer a wide range of high-visibility targets, from hotels, airports, and cultural sites to

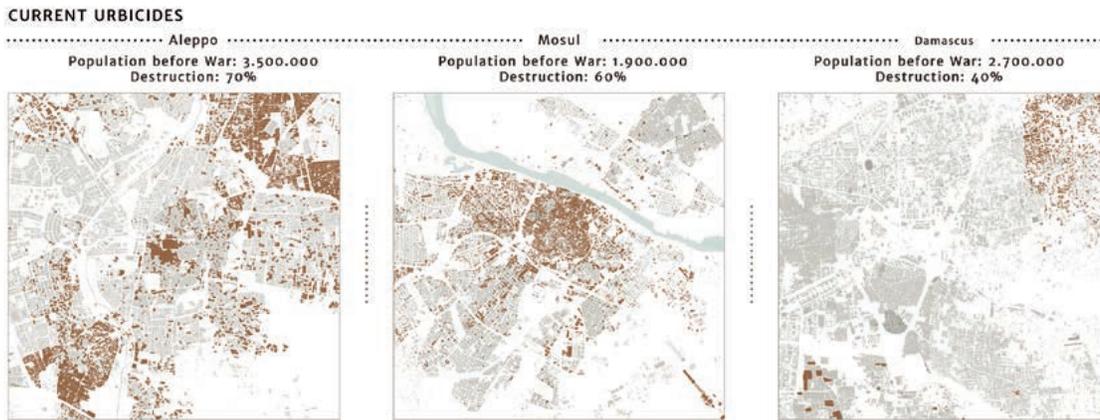
government institutions—often the main centers of political and economic state power. The battle for control over urban centers is therefore one about controlling the center of power.

Urban battles yield disproportionately high civilian casualties.⁸ The "classic" open warfare model with clear fighting fronts is no longer the norm, particularly with the improved surveillance techniques and live satellite imaging. The urbanization of warfare has led to an "urbicide," the killing of whole cities and urban centers (map 1.1). Warsaw was the largest city fully destroyed during World War II—with 1.2 million citizens at that time. Today's destroyed Aleppo fostered 3.5 million inhabitants, and Mosul 1.8 million.⁹ Yet conflict also continues where governmental control over remote rural regions has weakened and where security forces are rarely seen.

Nine years after the Arab Spring, civil wars have created a stability and security vacuum in MENA. Spreading of the effects of conflict to regional neighbors has drawn in regional and international actors, as regional and global powers enter conflicts in response to immediate threats and opportunities. The vacuum has also created incentives for these powers to avoid agreements over mutual interests and advance their interests by pursuing a regional war. Thus, the civil wars in Iraq, Libya, Syria, and Yemen have spawned a regional conflict connected to but separate from the wars in each individual country, which could even be considered as the mere terrain for this regional conflict. Some of these outside powers deliberately pushed themselves into the fray, seizing what they saw as a strategic opportunity to promote their regional interests or act on perceived rivalries.¹⁰ Common interests among states in the region are overshadowed by their divergent parochial interests—and further intensified by the interference of global powers with different political agendas.

Spillover effects—across borders and across communities—further highlight the fluidity and fractures of modern conflict, especially seeing the historic flow of refugees and internally displaced persons, both within MENA and to neighboring countries. In 2016, an estimated 16.4 million people were forcibly displaced in countries across the MENA region. For each refugee displaced in MENA,

MAP 1.1 “Urbicide,” or killing cities—Aleppo, Mosul, and Raqqa



Source: University IUAV of Venice.

Note: The term “urbicide”—city killing—was coined by the author Michael Moorcock in 1963.

there are almost five internally displaced persons.¹¹ Most forcibly displaced populations do not live in refugee camps—they live in cities, where they are the most vulnerable part of the urban population.

While countries sharing a border with wartorn neighbors host the majority of refugees, more distant countries host an almost equal number. That highlights the fluidity and internationalization of the consequences of the conflict. The longer conflicts have created “protracted refugees,” defined by the United Nations High Commissioner for Refugees as “25,000 or more refugees from the same nationality ... in exile for five consecutive years or more in a given asylum country.”¹² Modern conflicts in the era of globalization have long-term effects, both on the countries torn by violence and on those that host refugees from violence.

The fluid and fractured nature of MENA’s conflicts have expanded the region’s pre-existing informality in political, economic, and social relationships. People seeking security and basic services accept different informal and nonstate actors as providers of some basic stability, developing various coping strategies to survive insecurity and meet their daily needs. In Lebanon, the West Bank and Gaza, and Yemen, one sees—even in stabilized areas with little violence—persistent, often violent competition for informal and illicit political and economic power. Though frequently overlooked by

practitioners, these informal coping mechanisms can spoil peace and reconstruction. The reason? Participants, whether local or international, perceive the opportunity to benefit from the war economy, and not from the peace, as their chief incentive. In the MENA region particularly, the war economy has spanned across borders as a direct consequence of the internationalization of the conflict. This contributes to a vicious cycle of violence with unaddressed grievances, destabilizing coping mechanisms, and risks of conflict triggers and relapses.¹³

Prolonged and fractured conflicts are a fertile ground for illicit and informal activities that benefit both state and nonstate actors and groups. The illicit economic activities of formal and informal actors, whether local or international, have detrimental effects on government efforts to build peace, as in Afghanistan, Libya, and Yemen.¹⁴ New informal and semiformal groups and actors emerging during conflict benefit from the links between illicit organized crime and black markets. And they actively support alternative institutional arrangements that guarantee rent extraction to a small group of individuals (whether local or international) and benefit from opaque and informal situations.

In these fluid, fractured, and informal contexts, the incentives for these actors to support the emergence of a more inclusive and transparent set of institutional arrangements are low or nonexistent

and need to be fostered. Posing a significant challenge to the creation of more equitable economic and social opportunities, the institutional arrangements that allow predatory access to resources and rents to a small group of actors can outlast the actors who established such arrangements originally.¹⁵ The coping mechanisms developed by local communities living under this fluid context thus deflect the trajectory of peacebuilding for long periods of time, as communities coming out of war resist changing what provides stability, even if that stability does not lead to sustainable peace or serves only their local community.

Conflict traps in MENA

Countries experiencing conflicts in MENA since 2011 also experienced episodes of violence and wars during the preceding three decades on a local level. This is consistent with the global findings that 90 percent of the wars between 2000 and 2010 took place in countries that experienced civil wars in the preceding 30 years, showing that most countries do not really reach a postconflict phase, as argued in the World Bank's 2011 *World Development Report* on Conflict, Security, and Development. This points to a "conflict trap."¹⁶ Once a country goes through a period of violence, its chances of relapsing into additional episodes of violence increase. This also

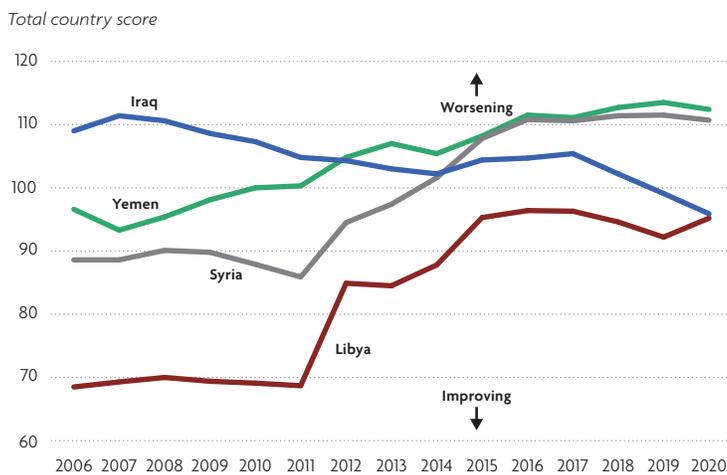
shows that preventing internal conflicts is a question not of averting new conflicts but of "permanently ending the ones that have already started" over three or four decades through the accumulation of grievances.¹⁷ It is also a question of addressing the drivers of fragility that accumulate over decades of limited institutional capacity, gender gaps, and illicit financial flows, thus creating a situation of protracted fragility (figure 1.2).¹⁸

The 2011 uprisings across the Arab region appear as a protest against the erosion of the social contract and a symptom of growing fractures among different social, regional, or ethnic groups. The eroding legitimacy of the ruling elites in MENA countries fueled the outbreak of uprisings and later of violence. Accompanying the diminished state capacity was an attenuated social contract and the rise of nonstate—often armed—actors, further questioning the state's legitimacy.¹⁹ With the fall of the Soviet Union in 1991, the political and economic transitions to adapt to the fall of the socialist state model by its allies in the MENA region led to exclusionary crony capitalism and a decline in inclusive and effective public services.²⁰ The long-established power distribution excluded a large part of the population from economic opportunity and political participation (box 1.1).²¹ This has been the case for the populations in the south of Yemen, the Sunnis in Iraq after 2003, and the different non-Alawite communities in Syria since the 1970s.

The breakdown of the social contract between the people and the ruling elite was also a trigger to shifting alliances within the MENA region. Local nonstate actors and substate security forces found support from regional or international actors. This support deepened the divide between the people and the ruling elite and pushed disenfranchised local communities to voice their opposition against the exclusionary status quo even louder. This complex web of power networks, accentuated by the regional geo-politics of energy and oil, culminated with an internationalization of conflict that makes the MENA region today a theater of different proxy wars between global actors.²²

The uprisings illustrate the impact of dysfunctional political economy dynamics on citizens' trust in their governments and the legitimacy of the status quo. In 2011, "the typical Arab protestor was single,

FIGURE 1.2 Fragile State Index for Iraq, Libya, Syria, and Yemen, 2006–19



Note: An increase in a country's Fragile State Index means the situation is worsening.

Source: Fragilestateindex.org.

BOX 1.1

Social contracts, social cohesion, and social capital

The social contracts established in the Middle East and North Africa (MENA) after independence have had a “distinctively interventionist and redistributive character,” marked by a preference for state planning over free market outcomes, the rise of a centralized and hierarchal bureaucracy/administration, and a preference for redistribution, with the state perceived as responsible for providing welfare and social services, including to a great extent employment.¹ In exchange for citizen acceptance of state capture and the relative lack of political participation and accountability, the state created massive employment opportunities in the public sector, provided free education and health care, and generously subsidized food, water, and energy.²

Using repressive means, MENA governments had been able to provide a fairly high degree of stability and security. But in the face of declining oil prices, rising public debt, and rapidly growing populations, authorities in the region struggled to meet citizen expectations and uphold their end of this redistributive social contract. Leading up to the Arab Spring, governments were forced to cut wages in the public sector and implemented hiring freezes for government jobs, leaving a growing share of the educated populace unemployed. Increases in oil and energy subsidies, intended to appease the middle class most directly affected by lowering public wages, were introduced at the cost of the poor, who saw their food subsidies shrinking.³

The uprisings in many Arab countries in 2011 and 2012 can thus be interpreted as an expression of deep discontent with the social contracts that provided neither political participation nor substantial social benefits. Social contracts in Libya, Syria, and Yemen broke down entirely during the wars, with no countrywide new contracts in sight. And Iraq has been struggling to build one

since 2003, as demonstrated by the recent protests and political turmoil. With governments unable to deliver stability and security, *de facto* subnational social contracts between communities and local authorities have emerged.⁴

Social cohesion—the willingness of members of a community to cooperate to survive and prosper—reflects the state of relationships within a community based on the behaviors and attitudes of individual community members and the levels of trust and collaboration among them. It thus constitutes both the positive outcome of the process of social capital formation and a reinforcing influence on more social capital formation. While the social contract looks exclusively at formal–informal institutional aspects of vertical state–citizen relations, social cohesion takes into account the interdependencies of vertical and horizontal societal relations. It is the vertical cohesiveness between society and its organizing principles that is influenced by the subjective dimension of trust and expectations and the horizontal intrasocietal glue. Thus defined, social cohesion is one of the main forces that sustains and may even be necessary for forging resilient social contracts.

In MENA, building horizontal social cohesion through strengthening social capital and linking local communities with each other can help overcome violence and the isolation of societal groups.⁵ Once there is enough consensus around the power relationships between different sovereigns and social groups, horizontal social covenants can be integrated into a countrywide social contract.⁶

Notes: 1. Yousef 2004. 2. Loewe and Jawad 2018. 3. Ianchovichina 2018. 4. Loewe, Trautner, and Zintl 2018. 5. Balanche 2018. 6. Loewe, Trautner, and Zintl 2018.

educated, relatively young (younger than 44 years old), middle class, urban and male,” according to the Arab Barometer. The main demands voiced in these protests focused on better economic opportunities and socioeconomic justice—and expressed dissatisfaction with widespread corruption and political exclusion.²³ Especially disenfranchised were millions of young people, in a region with the world’s biggest youth bulge. MENA recently recorded its highest unemployment among those aged 15–24 since the 1990s.²⁴ It also has the world’s lowest rate of female labor force participation—only 14 percent in 2017, compared with 35 percent worldwide.²⁵

Igniting the protests was the inability of the region’s governments to address the demands and expectations of their educated young people—or to deliver basic services to some local communities. Regional proxy dynamics intertwined with the rise of local networks and nonstate armed actors and combined with the existing social fractures, adding fuel to the fire and eroding the state’s legitimacy in the eyes of the disenfranchised groups. As regional and global actors supported opposing sides to protect their geo-economic interests, violence spread vertically from the central to the local and horizontally between different local actors and communities, finally breaking out in civil wars. The spillover of these outbreaks of violence have affected other countries inside and outside the region, with some directly involved in the conflict.²⁶

In most situations, violence erupts as a result of the accumulation of many unaddressed grievances such as political exclusion of some segments of the population, injustice, or inequality. The joint United Nations–World Bank report, *Pathways for Peace* (2018) introduced the concept of “arenas of contestation,” spaces with an accumulation of risks and grievances that, left unaddressed, can trigger violent outbreaks. These arenas define the de facto balance of power and represent what different groups are willing to fight over: access to power, to land and natural resources, to services, and to responsive justice and security. Since the transitions to either peace or violence are a gradual process—rather than a one-time breaking point—the persistence of underlying grievances in these arenas and people’s strategies for coping with instability pushes a country to move into and out of violence.

In MENA, the most recent violence expresses the explosion of unaddressed grievances around arenas that have been accumulating for decades, leading to the protracted conflicts in the aftermath of the Arab Spring.

Once violence erupts, the incentive structures of the different players and actors change accordingly. That can create a self-sustained violent environment that survives on people’s acceptance of some informal actors as providers of security and services. Thus, many local and international actors benefit from continuing the conflict. Reconstruction efforts that fail to address this evolution of the power networks push countries to oscillate between temporary stabilization and recurrent episodes of violence in a “conflict trap,” since the structural issues and drivers of violence are not addressed.

Breaking the cycle of violence can be achieved only if policymakers avoid rebuilding the institutions, networks, and dynamics responsible for and benefiting from the conflict, and instead focus on the key drivers and enablers of sustainable peace. The traditional reconstruction approach—emerging after the clear ending of a conflict and focused primarily on a clear and stable central government as the key counterpart for implementing a top-down approach to reconstruction—cannot lead to sustainable peace in today’s conflict situations. It most likely leads only to a temporary stabilization that does not address fully or effectively the conflict’s dynamics, causes, and consequences.²⁷

Learning from previous reconstruction and peacebuilding experiences

The persistence of conflict traps suggests that peacebuilding efforts within societies experiencing protracted episodes of violence or civil wars have had limited success in achieving a true transition toward sustainable peace, especially in the MENA region. Traditionally and colloquially, reconstruction is understood as a process that begins after the conflict ends, usually following a peace agreement, and that bears fruits within a few years to a decade after the conflict is deemed over. However, case studies show that transitioning toward sustainable peace can take three to five decades to be truly achieved.

So it requires an extended long-term vision for a wartorn country,²⁸ as well as a clear understanding of the long-term consequences of the choices and interventions made today. Moreover, interventions that rebuild the previous status quo are unable to singlehandedly address today's political fluidity, to heal existing fractures and create new social cohesion, or to reorganize the powers, interests, and coping mechanisms that drive informality.

Thinking about the drivers of violence and fragility is evolving within the World Bank, with the FCV Strategy and IDA19's special FCV theme, but operationalizing such findings remains a challenge. Each situation of violence is deeply rooted in the context of the region or country, making it difficult and inappropriate to find one-size-fits-all recommendations for international involvement.²⁹ Moreover, there is continuous pressures on donors and the governments of fragile and conflict countries to deliver quantifiable goals and "quick wins" that can be presented to the populations of both the donor and the conflict countries. And when the urgency of short-term needs is disconnected from the complexities of long-term goals, making a transition toward stability and sustainable peace would seem an unattainable goal,³⁰ as in the multiple attempts to reconstruct Afghanistan and Iraq.³¹

Previous peacebuilding efforts have lacked a sharp enough focus on providing the wartorn communities with stability and physical, social, and economic security in their daily experience.³² Without this sense of security in life as it is lived, peacebuilding interventions cannot foster trust, livelihoods, social cohesion, economic opportunities, and institutional legitimacy in the stabilization phase. Providing security in today's conflict settings is possible only by using people-centered thinking to understand that the dynamics of conflict are different today, that the state is not the only frame of reference or counterpart, and that peacebuilding and reconstruction are processes that bear fruit in three to five decades.

Humanitarian emergency responses, peacebuilding interventions, and development programs cannot be seen as serial processes. They are all needed at the same time to support the transitions to sustainable peace. In these contexts, the integrated humanitarian–development–peace nexus is crucial to respond to short-term and emergency needs

without compromising the long-term goals of addressing the root causes of violence and building consensus around a long-term vision for sustainable peace (box 1.2).³³

The fluid, fractured, and informal nature of today's conflicts in the MENA region shows the potential mismatch between the reconstruction approach used today and the true needs of countries and societies in protracted situations of conflict. A focus on rebuilding physical assets is necessary but not sufficient to ensure sustainable peace. Recent efforts by the international community in Libya, South Sudan, and Yemen focused mostly on the emergency needs of the population or on small capacity-building activities while waiting for a clear peace agreement and a stable government to emerge. In line with the humanitarian–development–peace nexus, this focus on the short term needs to be complemented with an approach that sets a long-term vision for the conflict country, especially since a peace agreement and a clear end to conflict seems unlikely. Indeed, while well-intended but fragmented short-term initiatives have mushroomed, the changes they bring to the distribution of power and access to resources could create further exclusion and have unintended consequences, due to their poor coordination and the lack of long-term vision.

More than 20 case studies of peacebuilding and reconstruction highlight the challenges and risks policymakers and practitioners face when implementing reconstruction and peacebuilding:³⁴

- Silo-driven project approaches, which can drive mismanagement and corruption.
- Fragmented and incoherent government systems and institutions as well as international support.
- Little understanding of the nature of the regime, the character of the state, and the incentives of interest groups that shape the political dynamics.
- Flawed or negative incentive structures—such as failures to handle disarmament, demobilization, and reintegration appropriately—that will take decades to undo, as institutional inertia and incentives for violence continue.

BOX 1.2 Sustainable peace and security

Drawing on *Pathways for Peace*,¹ this report defines sustainable peace as a prolonged situation without violence built on social cohesion, regional integration, equitable economic opportunities, and inclusive institutions for all individuals. Correspondingly, the objective of peacebuilding is the creation of structures and institutions that do not merely rebuild the past but are accountable, capable, inclusive, and responsive to the needs of all segments of the population. Such systems break vicious cycles of lapsing and relapsing into conflict by incentivizing actors to choose peaceful means over violence and by reversing patterns of inequality, exclusion, and injustice. The process of peacebuilding is characterized by the risk of violence and the opportunities for stability and peace that emerge and change over time, depending on the incentives of local, national, regional, and global actors.

This report takes a security and people-centric approach to sustainable peacebuilding. When embarking on the path toward sustainable peace, taking into account the well-being and security of all individuals becomes crucial.

Promoting inclusive, accountable, and capable institutions and creating equitable economic opportunities constitutes a long-term process that may not be linear, as the risk of violence lingers at different crossroads. So, when working toward the long-term vision of sustainable peace, people and their most pressing concerns need to feature at the center of any peacebuilding approach. Efforts to promote sustainable peace should at a minimum ensure that individuals' security and safety are not undermined and try deliberately to support and foster them.

Security is a static concept that refers to the condition individuals find themselves in at a given point in time, beyond the mere physical security from violence or threats of violence. Individual security is thus both a defining element of sustainable peace and a useful lens for the process of peacebuilding as it allows decisionmakers to factor in the security of all individuals in society on the path to peace.

Note: 1. UN and World Bank 2018.

- Inadvertent support for the illicit criminal economy, not only thwarting the potential for the legitimate economy to grow but also ripening conditions for corruption.
- Elite capture of resources meant for reconstruction, peacebuilding, and development, preventing the redistribution of wealth and power, perpetuating inequalities and grievances.

Iraq illustrates the tension and the mismatch between a country's needs coming out of conflict and the priorities identified by the international and local actors. The country went through a reconstruction process after 2003 led by the United States, only to relapse into a violent internal conflict in 2014 with the rise of the Islamic State.³⁵ Nearly US\$ 60 billion was spent on reconstruction after 2003, according to the Special Inspector

General for Iraq Reconstruction's final report in 2013, mostly targeting the oil sector, which employed 1–2 percent of Iraq's labor force, thus failing to diversify the Iraqi economy and create jobs outside the large public sector.³⁶ Yet, in an anonymous online survey of 3,000 random internet users in Iraq in March 2019, 25 percent of the respondents cited "job opportunities" as the main issue lacking in previous peacebuilding work that could have guaranteed a better transition toward peace (figure 1.3).

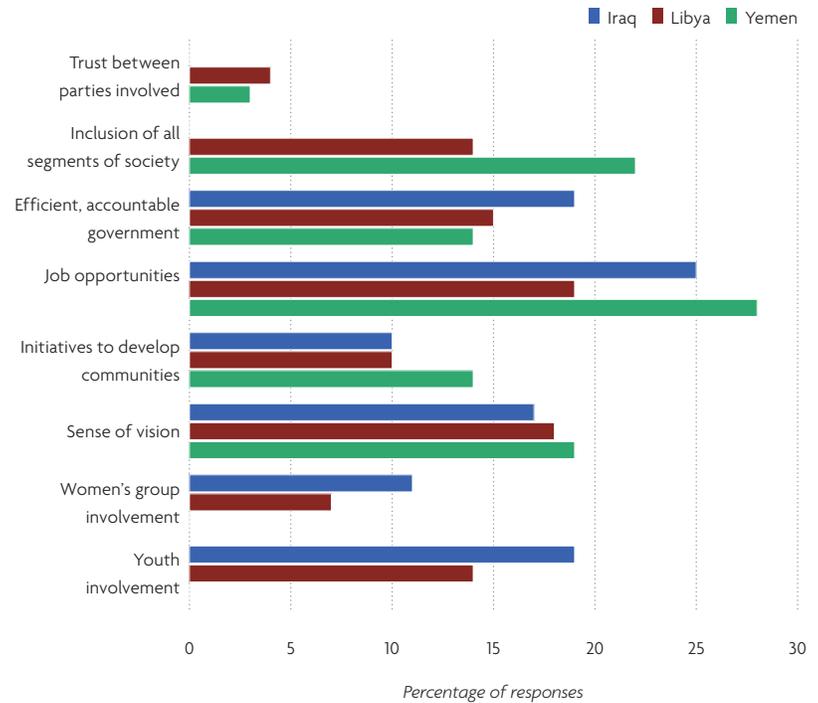
In retrospect, this mismatch between local needs and the focus of the reconstruction programs seems to have left the drivers of conflict and fragility unaddressed for more than a decade. The lack of security pushed the UN and other international actors to conduct reconstruction operations remotely. The lack of institutional capacity and legitimacy left post-invasion efforts unable to support

reconstruction, exacerbated by pre-existing, yet historically repressed, ethno-sectarian divisions. Increased interventions by regional and global actors seeking to promote their agendas fueled the multiple relapses into violence.³⁷

In contrast, some countries offer grounds for optimism, sometimes on a local or sectoral level. Fifty years ago, countries such as Colombia, Ethiopia, Indonesia, Kyrgyz Republic, Pakistan, South Sudan, and others elsewhere, which today offer stories of successful implementation of specific interventions, were locked in a conflict and poverty cycle. More recently, Rwanda, Liberia, and Nepal have also shown that sustained cycles of conflict are not inevitable. Approaches and interventions that have worked were marked by consistent, coordinated, and patient commitments, with an integrated view across the domains of security and justice, social and institutional development, and economic recovery.³⁸ When interventions had a more informed and nuanced long-term vision that complemented a top-down approach with interventions focused on the opportunities and needs at the local level, they were able to support a more successful transition toward sustainable peace, while having a greater impact on the ground (see box 1.2).³⁹

The challenges and risks associated with intervening in a conflict situation can be managed and mitigated by adopting a well-informed, flexible, and multifaceted approach that combines responding to short-term emergency needs with long-term state-building efforts. Afghanistan, Bosnia and Herzegovina, Somalia, and Timor-Leste show that restoring core government functions at the appropriate levels, tackling corruption and the illicit economy, and mapping the human capital capabilities can contribute to peacebuilding and are essential steps in building for peace. The interventions should also be coupled with understanding the impact the conflict and subsequent interventions have had on the country's economy and labor market—as well as the recognition that culture, identity, and history can contribute to bottom-up peacebuilding and mending the social fabric.⁴⁰ These experiences show how peacebuilding and state-building can go hand in hand. Peacebuilding focuses on ending or preventing violent conflict and supporting sustainable peace. State-building seeks to establish capable, accountable, responsive, and legitimate states to foster that peace.⁴¹

FIGURE 1.3 Listening to voices of people in Iraq, Libya, and Yemen



Source: RIWI online survey. Iraq, March 2019; Libya and Yemen, June–July 2019.

For interventions in FCV contexts to be more successful, a solid understanding of the local conditions and dynamics, as well as their evolution during the conflict, is crucial. The Independent Evaluation Group's 2014 and 2016 reports on the World Bank Group's Engagement in Situations of Fragility, Conflict, and Violence offer recommendations for the most effective ways international organizations can engage in a conflict situation. Both reports conclude that planned interventions should be rooted in a strong awareness of the main drivers of violence, on the local, national, and regional levels, and thus avoid simply rebuilding the power networks and infrastructure that predated the conflict.⁴²

A combination of innovative implementation setups, a profound understanding of the actors and their incentives, and management support to take more risks has proven a common thread in the successful programs of the World Bank.

- In Pakistan, the World Bank's interventions recognized the need to ensure continued access to education, particularly for girls, in the conflict

regions. The education program developed an institutional framework to work at the provincial level by providing training to teachers and staff, which ultimately led to very successful results in student scores. The Bank's engagement in Pakistan also complemented national and regional community-driven development with social development projects, particularly in the northwestern regions, where the real drivers of conflict were identified through multiple assessments such as the Post-Conflict Needs Assessment.⁴³

- In Kyrgyz Republic, after the 2010 violence outbreak, an acknowledgment of the ethnic tensions as well as the grievances caused by some national policies led to the adoption of a conflict filter that helped ensure that the Bank's activities distributed benefits equally among different ethnic and social groups, thus mitigating the risk of violence and strengthening social cohesion. This simple and inexpensive tool proved to be highly effective in avoiding an exacerbation of grievances and drivers of conflict.⁴⁴
- Since reengaging in Yemen through a specialized arrangement with the United Nations, the World Bank Group provides IDA funding and technical expertise and United Nations specialized agencies implement with their operational expertise in country, while the Bank remains responsible for supervision. This innovative collaboration setup between the humanitarian and development actors has allowed the project teams to overcome the government's inability to access some regions within the countries, as well as the limited technical capacity to deliver basic services.⁴⁵

Crucial in breaking the conflict trap is addressing long-term challenges and grievances to help conflict countries reach a situation of stability and sustainable peace. This chapter has described the fluid, fractured, and informal character of today's MENA conflicts. It highlighted the multiplicity of state and nonstate actors, some of them international. It described the changing conflict settings—stretching from urbicide in cities to domestic and international spillovers driving flows of refugees and internally displaced persons. Particularly in MENA, the chapter noted, breakdowns in social

contracts determining the distribution of jobs and goods have led to repeated upheavals. An analysis of traditional reconstruction efforts showed the need in contexts of fragility, conflict, and violence to understand local conditions, local actors, and their incentives to address long-term challenges and pursue sustainable peace.

In sum

With today's changed nature of conflict, the track record of previous reconstruction and peacebuilding experiences shows that the conflict traps have not been broken, particularly in MENA. The focus on rebuilding the destroyed physical capital and the central state should be complemented with a focus on the "soft" aspects of peacebuilding, particularly since the most important socioeconomic consequence of protracted wars is the disruption of economic and social networks and ties. These disruptions exceed by far the losses from the destruction of infrastructure and physical capital.⁴⁶ The transition from conflict and violence to sustainable peace requires approaches that move away from a top-down rebuilding of past institutions and networks and try to navigate a more complex regional and global geo-economic environment. Reconstruction and peacebuilding in MENA should thus move beyond rebuilding the destroyed infrastructure and physical capital to also mend the destroyed socioeconomic fabric of the wartorn communities.

As the next chapter will argue, an updated approach to peacebuilding in protracted conflict settings should address these evolving characteristics of conflicts. It should *mitigate the fluidity* of events and behaviors by inducing new commitments, *heal fractures* by creating new incentives for social cohesion and inclusion, and *address and adapt to informality* to ensure shared prosperity for all. It pursues a more integrated approach to security that puts people at center stage and focuses on their livelihoods, their access to services, and their exercise of civil, political, social, and economic rights. Complementing this broader understanding of security is a political economy approach to peacebuilding that shifts beyond the state to address the real roots of conflicts and develops institutional structures at the local, national, and regional levels.

Notes

1. WDR2011; UN and World Bank (2018).
2. UN and World Bank 2018.
3. Jones, Call, Toubolets, and Fritz 2018.
4. Fardoust, Harrison, and Salem 2018a; Diwan 2018.
5. Al-Eryani 2018.
6. Eaton 2018.
7. OWD (Our World in Data) data.
8. Konaev 2018.
9. University IUAV of Venice.
10. Fardoust, Harrison, and Salem 2018b.
11. World Bank 2017b, page 4.
12. UNHCR. 2018, chapter 2, page 22.
13. This report builds on the official definition of the informal economy provided by the International Labor Conference and expands it beyond the legal relationships between enterprises, those they hire, and the state to include the illicit or “war economy.”
14. ISE 2019.
15. Malik 2018.
16. Collier and Sambanis 2002.
17. Walter 2011.
18. World Bank 2018.
19. Fardoust, Harrison, and Salem 2018a; Diwan 2018.
20. Harrison 2019.
21. Loewe, Trautner, and Zintl 2018.
22. Balanche 2018.
23. Ianchovichina 2018.
24. “Since the 1990s, the MENA [Middle East and North Africa] region has had the highest rates of youth unemployment in the world, reaching 27 percent in 2017, more than twice the world average. ... All MENA countries with available data have youth unemployment rates among their national populations that are higher than the world average of 13.4 percent” (Kabbani 2018).
25. Kabbani 2019, citing World Development Indicators 2019.
26. Ianchovichina 2018.
27. UN and World Bank 2018; IEG 2014 and 2016.
28. ISE 2019.
29. IEG 2016.
30. Oxfam 2019.
31. ISE 2019.
32. Barma, Huybens and Vinuela 2014; World Bank 2018.
33. Oxfam 2019.
34. ISE 2019.
35. Matsunaga 2019.
36. Haddad 2018; Matsunaga 2019.
37. Matsunaga 2019.
38. ISE 2019.
39. World Bank 2011; IEG 2016.

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SPOTLIGHT 2

Yemen's mosaic of fluid conflicts

Yemen illustrates how fluid and protracted situations of conflict require approaches that link past, present, and future to break the cycle of violence. Now in its fifth year, the war has turned into a complex crisis that has fragmented the country into several competing areas dominated by various state and non-state actors. These actors are linked to regional powers in a complex web of alliances shaped by geopolitical dynamics.

Yemen's civil war pits northern Houthi rebels, who are Zaydi Shiites, against a mix of the Yemeni government troops, Islamist militants, and tribal fighters, along with southern secessionists, each party to the conflict supported by different regional and international actors. Throughout the war, shifting configurations of state armies and nonstate armed groups have created multiple fault lines that materialize in various active fronts.

The power vacuum created by the conflict between the government of Yemen and the Houthi Ansar Allah movement has allowed various local groups to establish and consolidate control over territories and local governance structures. The influence of various terrorist groups, such as Al Qaeda, has spread throughout the country, and informal—and often illicit—economic networks have sprung up within and across Yemen's borders. Local tribes govern in Marib, Shabwa, and the coastal areas of Hadhramout. Southern separatist forces, aligned with the United Arab Emirates, have established control in the southwest and briefly took over the internationally recognized government's temporary capital of Aden in summer 2019 in an attempt to enforce separation.¹

Key indicator	2011	Most recent
Population (millions)	23.8	28.5 (2018)
Urban population (%)	32.4	36.6 (2018)
Fragile State Index (FSI) rank ^a	13th	1st (2019)
State Capacity rate ^b	0.35	0.30 (2015)
Governance Index ^c	3.7 (2012)	1.7 (2018)
Human Development Index (HDI) rank ^d	—	178th (2017)
Life expectancy at birth (years)	63.8	65.2 (2017)
GDP per capita (current US\$)	1,374.6	944.4 (2018)
Working poor at PPP\$3.10 a day (% of total employment)	49.1	81.2 (2017)
Total unemployment rate (%)	13.1	12.9 (2018)
Youth unemployment rate (%)	22.8	23.7 (2018)
UN Education Index	0.343	0.349 (2017)
Gender Inequality Index	0.821	0.834 (2018)

a. The ranking (of 178 countries) goes from the most fragile (FSI = 1) to the least (FSI = 178).

b. Values close to 1 indicate excellent performance; values close to 0 indicate substantive deficiencies.

c. Values close to 1 indicate low performance; values close to 10, high performance.

d. The ranking (of 189 countries) goes from the highest human development (HDI = 1) to the lowest (HDI = 189).

What has largely been considered a regional proxy war now poses a threat to regional stability, as frictions in the region have emerged, with the Yemeni conflict being the theater of such frictions.

History of power struggles and grievances

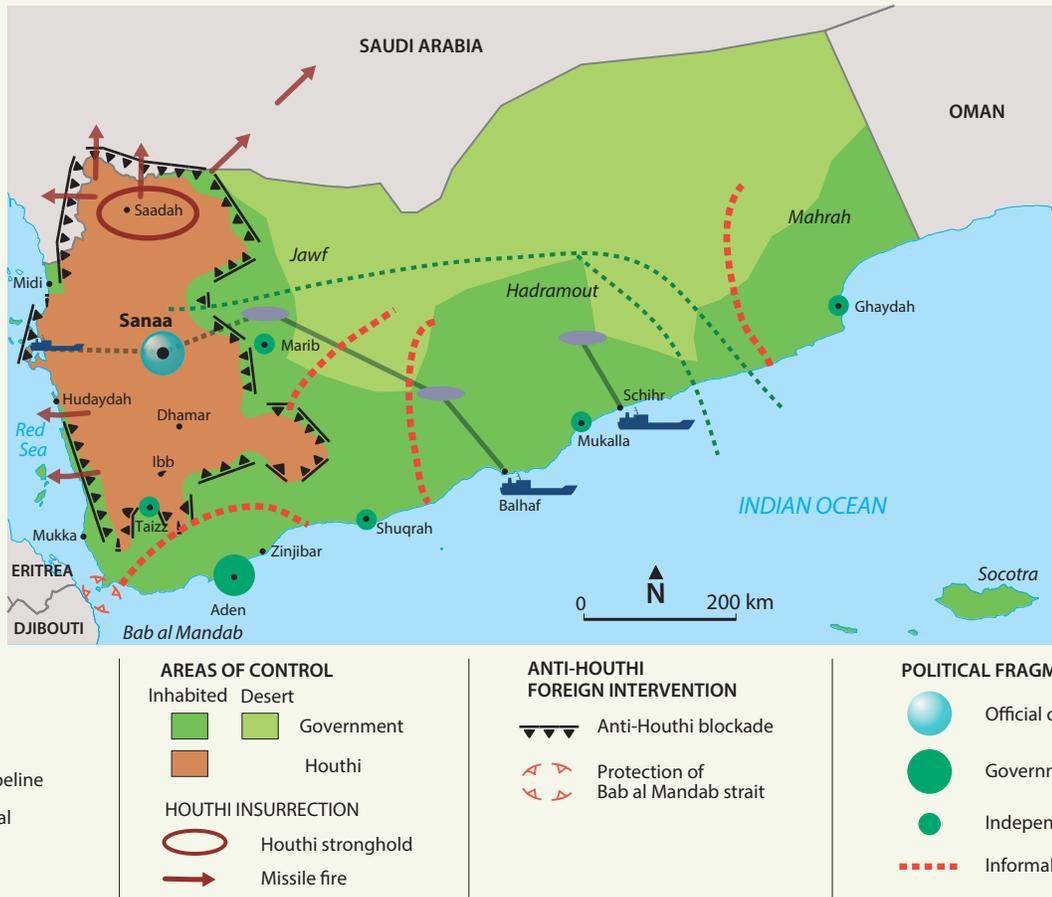
This mosaic of multifaceted international, regional, and local conflicts are the legacy of decades-old power struggles and mounting grievances arising from political exclusion and economic marginalization, reinforced by a corrupt rentier state. The systematic failure to address those grievances has generated repeated cycles of violence since the foundation of the modern Yemeni state

in the 1960s. The ongoing conflict is only the latest flare-up.²

Until the early 1960s, the country was ruled by a monarchy in the north and the British in the south. Coups in both regions plunged the country into decades of violence, ending with reunification in 1990. But the reunification did not eliminate the political differences between the north and the south, and many southerners have been calling for independence ever since.

Under President Saleh, a wide-ranging patronage system created some stability by orchestrating a delicate balance of power between different tribal, political, and religious actors. But the rule through patronage fueled corruption and the distribution of government and

MAP S2.1 Yemen in tatters—Summer 2018



Source: Balanche 2018.

economic spoils to tribal and military elites—rather than sustained institutional and economic development.

Yemen’s rentier state prevented the establishment of state institutions that could deliver basic services to all parts of the Yemeni population. Despite the country’s strategic location at the crucial Bab el-Mandeb chokepoint, through which so much of the world’s maritime oil and trade traffic flows every day, socioeconomic development and economic opportunities failed to materialize. This reinforced grievances in the south but also gave rise to the

Houthi movement in the remote northern regions that felt equally marginalized by the Saleh regime. Both movements have engaged in violent struggles against the central governments since the 1990s.

Impact of the conflict

Prolonged violence has taken a heavy toll on the Yemeni population and turned an already tense situation—stemming from decades of poverty, poor governance, unaddressed grievances, cycles of violence, and failed

attempts of stabilization—into the world’s largest humanitarian crisis.

Conflict-related deaths are estimated at more than 70,000 since 2016.³ Approximately 3.3 million remain displaced, and those who have returned home may have found their houses and communities destroyed. According to UN numbers from early 2019, 24 million people—more than two-thirds of the population—are in need of humanitarian assistance. And more than 20 million people are food insecure, including 9.6 million on the brink of famine. The conflict has also torn apart the social

TIMELINE

Yemen

May—North and South Yemen unite as the Republic of Yemen with Ali Abdallah Saleh as president.

1990

May–July—President Saleh declares a state of emergency and dismisses Vice-President Ali Salem al-Beid and other southern officials, who declare the secession of the south before being defeated by the national army.

1994

Yemen and Eritrea clash over the disputed Hanish Islands in the Red Sea. International arbitration awarded the bulk of the archipelago to Yemen in 1998.

1995

October—U.S. naval vessel USS Cole damaged in al-Qaeda suicide attack in Aden. Seventeen U.S. personnel killed.

2000

October—Al-Qaeda attacks and badly damages oil supertanker MV Limburg in Gulf of Aden, killing one and injuring 12 crew members, and costing Yemen in lost port revenues.

2002

July—Insurgency in the north led by Hussein al-Houthi.

2004–07

September—Al-Qaeda attack on U.S. embassy in Sanaa kills 12 people.

2008

November—Arab Spring reaches Yemen. President Saleh agrees to hand over power to his deputy, Abdrabbuh Mansour Hadi, after months of protests. A unity government is formed.

2011

September–October—
The Houthis take control over most of Yemen's capital, Sanaa. The following month the rebels seize the Red Sea port city of Hudaydah.

2014

Civil war breaks out in earnest as Saudi-led coalition of mainly Gulf Arab states launches air strikes against Houthi targets and imposes naval blockade, in order to halt their advance on Aden.

June—2015 June—Leader of al-Qaeda in Arabian Peninsula, Nasser al-Wuhayshi, is killed in a U.S. drone strike in Yemen.

2015

December—Former President Saleh is killed by Houthi rebels as he attempts to switch sides.

2017

January—Southern Yemeni separatists—backed by the United Arab Emirates—seize control of Aden.

November–December—United Nations announces Stockholm agreement, involving a prisoner swap, a ceasefire and troop withdrawal from the Red Sea port of Hudaydah, and the formation of a committee to negotiate the future of the southwestern city of Taiz.

2018

2019

June—United Arab Emirates, a key member of the Saudi-led coalition, begins scaling back its military presence.

fabric of communities and exacerbated sectarian divisions.

GDP per capita fell by more than 30 percent between 2011 and 2018, and poverty increased sharply, with nearly 80 percent of the population below the poverty line.⁴ Income and employment opportunities have diminished in the contracting economy, and at least 23 percent of youth are unemployed.⁵

Public services have also been severely curtailed. Almost 18 million people lack access to safe water and sanitation, and 19.7 million people lack basic healthcare. Cholera, diphtheria, and other communicable diseases have been spreading rapidly.⁶ In 2018, UNICEF estimated that more than 2,500 schools in Yemen are not in use.⁷

Challenges to rebuilding

Fluctuating alliances fueled by geopolitical tensions have so far impeded conflict resolution efforts, but an end to the conflict in Yemen may not be out of reach. After years of fighting, all factions in Yemen are exhausted, and international powers are seeking a way out. Most recently, a pathway to peace may have opened with the signing of the Riyadh Agreement between the Hadi government and the southern transition council. Despite these positive developments, the gaps between the positions of the main parties to the conflict remain and a unified Yemeni state governed by a central government

seems out of reach given the current fragmentation.⁸ Federalism has been proposed as one solution to prevent fragmentation, but the first tentative attempt at federalism in 2014 was unsuccessful.

In any case, the road to sustainable peace and development will be long. The country was already one of the poorest and least developed in the MENA region before the last round of fighting. Even with a peaceful resolution of the conflict, the main challenges will be to rebuild the tattered economy, integrate members of various militias, ensure efficient use of the massive inflow of humanitarian and reconstruction aid, and allocate sufficient resources to restore basic services and the badly damaged infrastructure.

A major effort will be needed to re-establish mutual trust among the warring factions and to rebuild confidence in the country's institutions. A conducive environment for a successful reconstruction would allow Yemen to embark on a sustainable and inclusive growth path over the medium term.

While social capital has been eroded by political, social, and economic changes in recent years, the strong traditions of community self-help and dispute mediation continue to be important for some communities. Yemen's civil society has been one of the most vibrant and progressive in the MENA region, enabled by a history of a relatively open political environment. Peacebuilding will

have to take full account of the many patterns and legacies from the country's complex and troubled past.

Economic activity in agriculture, the main source of employment for about 37 percent of the population, has been constrained since the fighting.⁹ Much of the economy is informal. The private sector is mostly small and medium enterprises, which employ nearly 80 percent of the private workforce—and so have the potential to create more jobs. Empowering them will have to be a key part of any reconstruction effort.

Since the 1990s, Yemen's economy has become increasingly dependent on oil as a major source of revenue and hard currency, discouraging economic diversification. Agriculture, manufacturing, and fisheries—which could have a direct positive impact on employment and livelihoods in rural, coastal, and urban environments—have been neglected but could be revived.

The economic opportunities that emerged since the implementation of liberal economic reforms after 1990—focusing on price and trade liberalization, privatization, and deregulation—created new opportunities for elites in trading, energy, banking, telecommunications, and manufacturing, based on networks of patronage and ties to the government. Making the private sector accessible to all Yemenis could be a path to equitable livelihood opportunities for all.¹⁰

Notes

1. Transfeld 2019.
2. Feierstein 2019.
3. ACLED 2019.
4. World Bank 2020a.
5. ILO 2019.
6. USAID 2019a and 2019b.
7. UNICEF 2018.
8. Salisbury 2019.
9. World Bank 2020b.
10. Al-Eryani 2018.

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CHAPTER 2

From rebuilding the past to building for sustainable peace

Chapter 1 characterized today's conflicts as fluid in their unpredictable evolution, fractured across space and across multiple actors and interests, and informal in their socioeconomic underpinnings and consequences. To avoid the conflict trap—repeated breakdowns prompted by rebuilding infrastructure and institutions without resolving the underlying motivations for conflict—the chapter argued for an updated approach focusing, though not exclusively, on local conditions, local actors, and their incentives.

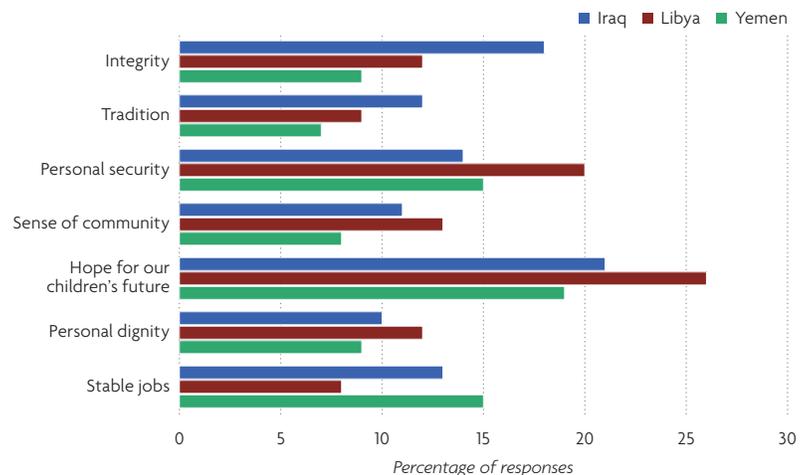
This chapter discusses the integrated and more nuanced approach urgently needed in the MENA region to escape the conflict trap and transition toward sustainable peace. It emphasizes engaging the past, present, and future of the conflict actors. The *past* includes the interests, power allocations, institutional distortions, and unaddressed grievances that contributed to the conflict. The *present* consists of current power relations, incentives, resource allocations, and political and economic interests, including social capital. The *future* comprises a shared long-term vision of policy options and how they could affect actors' incentives, power and resource distributions, and institutions. Creating durable economic opportunities for all can increase social cohesion and promote inclusive institutions. But the chapter shows that efforts to do so must be grounded in an understanding of the country's prewar social, economic, and religious composition.

Despite efforts on multiple fronts by a diverse set of actors, MENA countries and communities over the past decades have not been able to break the cycle of stabilization and conflict and have instead seen their fragility indicators get worse (figure 1.2 in chapter 1). Previous reconstruction efforts in these countries are perceived to have lacked a vision of sustainable peace and a focus on inclusion and job opportunities that can allow people to provide for themselves and their families. This has led to a lack of trust in government and a loss of hope for the

future, as also shown by the results of the online survey in Iraq, Libya and Yemen (figure 2.1).

To break the cycle of violence, practitioners and policymakers have collectively pushed to move toward a more integrated and nuanced long-term approach for sustainable peace. The past decade has witnessed a growing understanding of the social, economic and human impact of conflict on countries and their citizens—of the importance of addressing the root causes behind the conflict to impede future relapses and the complexity associated with the transition from conflict to sustainable peace.¹ In addition, practitioners have begun to analyze more systematically the impact of more traditional approaches in conflict countries.² What has emerged is a sobering view of donor and national efforts to address conflict and support reconstruction. In particular, “business as usual” promotes exclusion and capture and fosters illicit activities and war economy. It does not support the rebuilding of trust within public institutions or the emergence of a more inclusive social contract.

FIGURE 2.1 What's been lost since the beginning of war



Source: RIWI online survey. Iraq, March 2019; Libya and Yemen, June–July 2019.

That is why it is essential to go beyond physical reconstruction alone and to anchor the development of a long-term vision and the establishment of a fair and more inclusive society within the humanitarian–development–peace nexus. This report thus proposes an integrated approach using the humanitarian–development–peace lens to support countries in articulating a long-term vision for sustainable peace grounded in an understanding of past, present, and future dynamics and an evaluation of the existing policy tradeoffs and their long-term consequences for people and their communities.

How can this more comprehensive approach—aimed at restoring long-term stability, social cohesion, and economic and political inclusion—be articulated?

The Building for Peace integrated approach

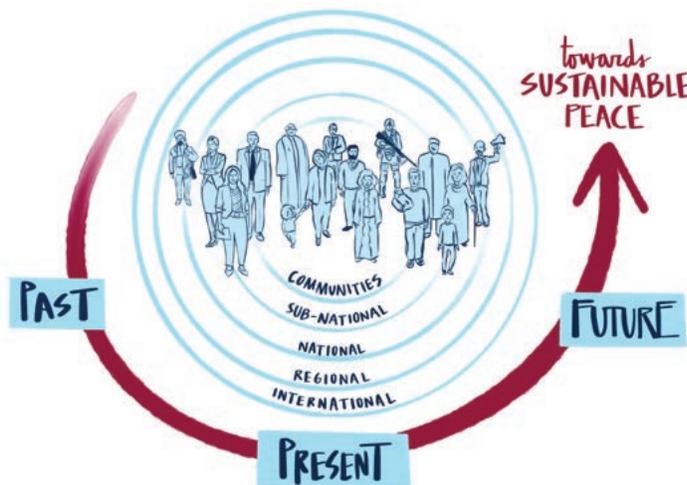
The road from today’s conflicts to sustainable peace cannot focus only on the present or the past, or only on the country in conflict. Instead, it should link the past and present with the future and recognize how actors and their incentives can change over time and space.³ The transition toward

peace should promote security and livelihoods. It should foster social cohesion while rebuilding the social fabric destroyed by war by bringing together people, spaces, and times with the goal of sustainable peace (figure 2.2). And it should create economic opportunities and human capital for long-term prosperity and equity.⁴ This cannot be achieved without taking into explicit consideration the different actors involved in and affected by the conflict, the way their incentives change over time, and how these changes affect the transition toward sustainable peace.

The Building for Peace Integrated Approach is anchored in two areas of engagement in the World Bank’s FCV Strategy: remaining engaged in conflicts and helping countries escape conflict traps. The approach however articulates in more detail the importance of the time dimension when thinking about transition toward sustainable peace by linking past, present, and future:

1. *Understanding the past.* The past allocations of power and resources among actors, past dynamics, and economic interests that may have contributed to conflict, institutional distortions, and unaddressed grievances.
2. *Making sense of the present.* The power and incentives of existing actors, the existing allocation of resources, and the political and economic interests revolving around war. This requires assessing existing assets, including not only physical assets but also institutional, human, and social capital, in order to build on them—and to see them as starting points, not gaps.
3. *Mapping the future.* Developing a shared long-term vision that maps out alternative policy options and specifies how these policy options today could affect actors’ incentives, power, resource distribution, and institutions in the future. This requires identifying the spoilers and enablers of sustainable peace, their political and economic incentives, and their values, norms, and commitments.

FIGURE 2.2 Focusing on people and their changing incentives in space and time



The articulation of how actors and their incentives evolve over time and the link between past, present, and future can allow policymakers and practitioners to develop a more nuanced and long-term

understanding of the context-specific challenges and the policy options to address them. As chapter 1 discusses, local, national, and regional actors and their incentives are critical elements in today's conflicts in MENA and globally. They evolve over time, affecting the shape of the conflict, its impact, and the efforts to transition toward sustainable peace.⁵ By explicitly articulating how actors and incentives can change over time, this integrated approach allows policymakers and practitioners to develop policies and interventions that can respond more effectively to today's conflicts and violence all while avoiding relapses into instability. Moreover, focusing on the long-term objective of sustainable peace and mapping the alternative roads to that future can increase awareness of the existing risks and unintended consequences of reconstruction efforts.

Taking into account not just the past or the present but also the future—and how the design of policies today may affect the future shape of institutions and the society of a country—is key for sustainability. Plentiful evidence shows that major brick-and-mortar investments can expand the productive frontier but also unintentionally reinforce new inequalities among different communities and individuals while creating the conditions for future tensions and violence.⁶ To support the emergence of sustainable peace, it is critical to consider both their short-term economic impact and their possible implications for future social and political equilibria, forcing policymakers to evaluate different policy options. Unlike the siloed strategies for reconstruction, programs developed through the integrated approach and analysis of policy options can increase the benefits of peaceful contestation over the use of violence, reducing the risk of renewed conflict and offering a way out of the conflict trap.

Understanding past, present, and future actors and their incentives can offer a more effective way to respond to the changed nature of conflicts. This more integrated approach can:

- *Manage fluidity* by linking past, present, and future through a long-term vision that addresses immediate needs while laying the foundations to address past grievances and drivers of conflict, thus creating incentives for various actors

to reject violence in the short term and paving the way for a long-term transition toward sustainable peace.

- *Heal past and present fractures* by rebuilding social capital and social cohesion through addressing deep rooted grievances, engaging with different actors, strengthening the links between various groups, and supporting regional cooperation and integration.
- *Address today's informality* by supporting the emergence of inclusive and legitimate institutions able to provide services to their constituents and economic opportunities for all while breaking the enabling structures of the existing war economy and creating space for the small and medium-scale private sector to emerge and grow.

This approach thus aims to put the country or the community experiencing conflict on a path toward sustainable peace while managing the new features of conflict.

Avoiding relapses into conflicts requires consciously designing a path for transitioning toward sustainable peace that starts from the definition of the goal itself and will require understanding the distribution of power among actors. As stressed in chapter 1 (see box 1.2), sustainable peace is a more encompassing concept than stability or development.

- It ensures physical, economic, and social security for all individuals and communities.
- It rebuilds the social fabric and human capital destroyed by war.
- It creates economic opportunities for all, while establishing inclusive and accountable institutions.
- It encompasses all actors—local, national, and international, both formal and informal, looking beyond national borders.

Transitioning from conflict to sustainable peace requires an approach grounded in understanding the powers and incentives of all actors and how they can evolve and interact before, during, and after

conflict. As more fully developed in chapter 4, that requires mapping the prewar allocation of power and resources among different actors (including informal and nontraditional actors), the way conflict affected or strengthened such power and resource allocations, and the link between the war and the emerging distribution of power as the conflict evolves within the country and across the region. It also requires understanding how reconstruction and peacebuilding interventions might disrupt the power structure that benefits some actors during protracted conflicts, thus creating potential spoilers of peace. This focus on incentives needs to be complemented by an understanding of the assets and resources available—not just of damages and losses—to identify priorities and options to address them in supporting the long-term transition.

The Building for Peace approach elaborates a vision that builds bridges from short-term imperatives to long-term goals and articulates alternative paths to achieve the long-term objective. Precisely in such fluid, fractured, and informal situations, a long-term vision is needed to complement short-term interventions, identify, and coordinate priorities across multiple sectors, and engage both at the center and at the local level to reduce the risks of unintended consequences. That vision can also link top-down reconstruction efforts focused on countrywide programs with bottom-up initiatives focused on local needs and opportunities. By learning from previous reconstruction experiences and clarifying what sustainable peace could look like for conflict-affected countries and communities, and what physical, social and economic security, social and human capital, inclusive institutional arrangements and economic opportunities are needed, such a long-term vision can help governments and donors to manage the alternatives and put countries on a path toward sustainable peace.⁷

Creating stronger incentives for peace

The proposed integrated approach comprises four key elements. The first element is the development of a long-term vision and strategy that can guide policymakers and practitioners in the transition toward sustainable peace. The second element is flexibility and learning as the strategy is implemented.

The third element is the focus on a broad concept of livelihoods for all individuals in the affected communities. The fourth and final element is the importance of local assets rather than damages as an entry point for designing interventions.

A long-term vision helps coordinate, prioritize, and sequence specific initiatives, both from the top and from the bottom, increasing their impact on the ground. To begin to address the drivers of conflict, the vision needs to spell out the past landscape of actors and their incentives at the local and regional level. It should unfold through a participatory process that can help build consensus and social cohesion (box 2.1) and ensure the establishment of inclusive institutions for the future. The participatory approach for the Yemen National Dialogue Conference, for example, helped create safe spaces for conflict-affected people to address their grievances.⁸

Creating the conditions for the emergence of this long-term vision from the point of view of policymakers and development practitioners should not wait until a peace agreement is signed, since protracted conflicts rarely end with such agreements. The importance of staying engaged in crisis situations and active conflict is one of the four areas of engagement of the World Bank FCV Strategy (see the introduction). The explicit integration of how actors and their incentives change over time helps unbundle how a long-term vision can shape the peace agreements that may emerge and that will determine the reallocation of powers and resources.⁹ This requires understanding the cause and dynamics of the conflict (the past), and engaging with different (local, national, and regional) stakeholders during conflict (the present), before a peace settlement is reached—a practice not common among development practitioners (see chapter 4). It also takes previous peacebuilding approaches forward by proposing to map how actors' incentives will be affected and may change because of implementing the proposed reconstruction efforts (the future).

In implementing the long-term vision, interventions need to be flexible and to foster learning during implementation—the second key feature of this integrated approach. The successes that offer grounds for optimism are marked not only by a long-term vision that help make policy choices that

support long-term peace but also by flexible, adaptive, and creative interventions. This flexibility and adaptability allow for learning and reassessment of the local context, critical in a fluid situation.¹⁰ Such flexibility helps policymakers and practitioners identify the most appropriate tools, entry points, and counterparts to start healing fractures and supporting social cohesion.

The Building for Peace approach, with its flexibility and adaptability, allows practitioners and governments to employ a richer set of tools, increasing impact and learning in the process. Its flexibility can support the transition toward greater social cohesion and sustainable peace by beginning to focus on restoring the historical and urban cores of damaged cities to different “cells” or neighborhoods in the cities, connecting physical (“hard”) and soft reconstruction. The focus can be adjusted as the situation on the ground evolves and different challenges emerge. That is the approach behind the World Bank Governance and Public Financial Management program in Libya, which articulates alternative scenarios for engagement depending on the security situation. It can also include innovative interventions along more traditional lines, building leadership skills within the affected communities and addressing grievances and postconflict trauma of both the perpetrators and the victims. This has been very effective in Tripoli, Lebanon (using drama and theater workshops),¹¹ and in Iraq (focusing on cultural interventions).¹²

The third feature of a successful transition toward sustainable peace is to focus on the livelihoods of all those involved in and affected by the conflict. While the first two features focus on the “how” of reconstruction and peacebuilding efforts, the third feature stress the importance of identifying the “what” of the reconstruction process. An integrated long-term vision and a flexible approach must be accompanied by efforts to restore social and economic activities and spaces for formal exchange among individuals in ways that support security and livelihoods for all and promote inclusive prosperity rather than exclusion, informality, and private rent-seeking, thus linking both the negative and positive definitions of peace (see the introduction). Policy efforts will not be sustainable and may unintentionally continue to foster informal and illicit activities if they are unable to create opportunities

BOX 2.1

Facilitating a common vision through multiactor perspectives and consensus building

Following the conflicts in Kosovo, Nepal, and South Sudan, policymakers and donor partners focused on the design of reconstruction plans using a participatory approach to build consensus and greater social cohesion while mapping the reconstruction program. These plans were developed through an approach called Critical Stakeholder Inquiry, and followed these seven steps:

1. Understand actors as interest groups, and map stakeholders.
2. Determine the process and validate the authorizing environment.
3. Convene stakeholders and conduct appreciative inquiry.
4. Form joint groups to consolidate action points.
5. Jointly assemble possible and likely scenarios, understand risks and risk reduction opportunities.
6. Identify a common path, with a limited number of critical tasks.
7. Validate with other groups.

This process is meant to identify the critical issues and opportunities facing the state and society, facilitate consensus, create a vision, and identify entry points for how that vision can be executed.

Source: ISE 2019.

for all individuals to have a livelihood, if they do not address the emerging war economy, and if they do not foster inclusive and effective social, political, and economic institutions across different levels of government.¹³

Viable economic opportunities for all communities and individuals can change the existing allocation of economic resources and powers, move toward greater equity and inclusion, and begin to address the root causes of conflict and inequality. The lack of access to political and economic opportunities for wide segments of society is one of the main reasons why conflicts have erupted in the MENA

region and elsewhere (chapter 1). The new distribution of economic opportunities can shift the incentives of excluded groups to continue operating in the informal economy and can begin redistributing resources among actors. It can also create greater incentives for long-term peace and growth. How? Through measures supporting an enabling environment for all micro and small businesses, through a more inclusive justice system, and through more transparent and accountable management of state-owned enterprises, land, and other natural resources that allows the different arenas of contestation to be addressed nonviolently (box 2.2). The move toward greater economic inclusion also needs to be based on improved relationships between the central government and local authorities—and between the government and the private sector. A clearer and more transparent relationship between these actors can increase accountability and reduce

state capture and vested interests, supporting the transition toward sustainable peace.¹⁴

These measures should also be complemented with training activities aimed at building skills to increase opportunities for meaningful employment. In particular, training programs for youth and employed individuals, like those implemented in Colombia and Liberia or those providing vocational training for youth in Lebanon in host and overstressed communities,¹⁵ while challenging at the implementation stage, suggest the importance of building technical and soft skills for long-term, more meaningful employment that can also reduce the incentives of a relapse into violence. These programs, implemented in various FCV contexts, have shown mixed results but appear to be more effective when the targeted individuals received some capital in addition to skills.¹⁶

The fourth and final feature of the approach is the move away from damages brought by the war toward the assets still present and emerging during the conflict in local communities that can support the transition toward sustainable peace. Communities are clearly affected by the conflict and under incredible stress, and the past focus has been on the damages that these communities have suffered. But they are also accustomed to surviving without the state, whether before or during the conflict, as in Libya or Yemen,¹⁷ or as the conflict cools off, as in Iraq and Syria.¹⁸ In designing a long-term vision, policymakers and practitioners should identify any local assets that are still present and that could support the transition toward sustainable peace. This focus on local assets can create favorable conditions for greater social cohesion and the reemergence of trust between citizens and the state. The state-centered approach should therefore be complemented with more local interventions that build on and strengthen the resilience of local assets and institutions.

Policymakers and donors should adopt a social-capital and asset-based approach when designing and implementing recovery projects. Increasing the participation of local social networks enhances the ownership and effectiveness of such interventions. Local councils—such as village, municipal, or other subnational ones—can build momentum for social engagement and positive change by enabling young people to support their own communities

BOX 2.2

Land disputes as a trigger for ongoing tensions and conflicts in arenas of contestation

In contested areas, competing authorities and warring groups use land ownership to prosecute war and assert their authority and legitimacy during and after military operations. Expropriations for political purposes started long before 2011 in Iraq, Libya, Syria, and Yemen and stirred longstanding grievances. In the 1980s and 1990s, in northern Iraq, the Iraqi government dispossessed tens of thousands of Kurdish and Turkmen farmers and transferred their land to Arab settlers. The Libyan government legislated to redistribute tribal land in 1970 and abolished private land ownership in 1986, and neither law has yet been repealed.

During and after armed conflicts in the region, expropriations have been commonly used by nonstate and state actors not only for retribution against perceived enemies, individually or collectively, but also to assert their authority by enforcing their own legal order. In Iraq and Syria, in areas under its control, ISIS “articulated elaborate rules for property and land ... justifying the expropriation of agricultural businesses that previously belonged to apostates before the group captured them, and additional regulations for the distribution of such confiscated property as charity for the poor and to recruits.”

Source: Revkin 2016.

through programs that allow them to develop and use their skills to help build community resiliency and restore some trust and hope, engaging them in a more meaningful way. Yemen offers an example of focusing on available social capital and networks, rather than on lost social capital. Yemen's social capital comes from various sources, including tribal structures, local community structures, religious and political movements, and civil society organizations. In a sense, some of Yemen's problems might reflect the challenge of strong societies in weak states, where the competing interests of powerful solidarity groups prevent the emergence of strong state institutions and often lead to political breakdowns and armed confrontations. The strength and availability of social capital differ geographically, as does the strength of tribal structures. This heterogeneity can help explain the higher resilience in Yemen's northwestern areas.

Economic inclusion and opportunities that build on assets are especially relevant for young people and women in the MENA region. As increasingly documented by researchers, the participation of women and youth and their representation in economic and political activities in these countries have been extremely limited (box 2.3).¹⁹ Exacerbating this situation are the already skewed economic systems, the prolonged conflict, the resulting weak government institutions, and the rise of economic informality. In such conditions, any sustainable peace effort has to take into account the economic and institutional constraints present on the ground and to begin creating sustainable economic opportunities for these groups in the formal sector. The RIWI survey in Iraq, Libya, and Yemen shows that the inclusion of all segments of society, as well as the inclusion of women and youth, is seen as an element that has been lacking in previous peacebuilding interventions (see figure 1.3 in chapter 1).

Creating more equitable and sustainable economic opportunities is challenging and can face substantial resistance from those losing their exclusive access to resources. It often requires reallocating powers and resources across economic actors and different political and social groups. This can create incentives for some actors to undermine the efforts to create such opportunities. Understanding the past and current political, social, and economic dynamics at the local, national, and regional level is the starting point

to inform any intervention seeking to create more equitable economic opportunities. This also requires understanding the dynamics and incentives of semi-formal and informal actors because more open and equitable economic opportunities and stronger rule of law can significantly reduce the profits from illicit and informal activities related to the war.²⁰

Interventions supporting sustainable economic opportunities should focus both on the actors benefiting from peace and on those losing from it. Creating economic opportunities in a fluid, fractured, and informal situation may require redistributing existing resources and adding more resources, inevitably leading to “winners and losers.” To avoid having potential “losers” undermine the path toward sustainable peace, the interventions should provide incentives or alternative opportunities for those currently benefiting from the war economy, while supporting the emergence of new or expanded economic opportunities for those excluded. These (economic) interventions need to be grounded in a deep understanding of local sociopolitical systems. Without such understanding, efforts to transition toward sustainable peace are doomed, and initial stabilization efforts can be reversed (as is happening in Afghanistan). If such local economic opportunities cannot be credibly created and sustained, then (international) efforts are needed to find ways to reduce opportunities for profiting from the war economy.²¹

The focus on the dynamic incentives of elite actors should also be combined with a focus on local assets still present on the ground. These assets should include not only infrastructure but also formal and informal institutions as well as human and social capital—and be viewed as one of the pillars for the transition toward sustainable peace. Chapter 1 argues that past reconstruction efforts have often focused mostly on damages to existing institutions and infrastructure and to the country as a whole. But a transition toward sustainable peace requires moving beyond physical damages, to also include the destruction of the social fabric of the country and its communities. It also requires a change in focus toward existing assets that have survived the conflict or that have emerged as coping mechanisms in response to the conflict. As chapter 4 elaborates, understanding and building on local assets can also help avoid creating parallel systems.²² This integrated

BOX 2.3**How are women contributing to peacebuilding?**

Women are instrumental as leaders and change agents in promoting peace—but their efforts sometimes go unrecognized by the outside world. Women can influence peace at the formal negotiating table and beyond. Women also contribute to peacebuilding in civil society, local government, research, and the private sector, as well as through community interventions.¹

An example of women's formal engagement is the Colombian peace process, where women participated as negotiators, gender advisors, and experts, and in delegations of women affected by conflict, making up one-third of peace-table participants and more than 60 percent of victims and experts. The Colombia process also established the first gender subcommittee of its kind, to review all documents issued as part of the peace process and ensure that they contained gender-sensitive language and provisions. The final agreement had a chapter on gender and mainstreamed it across the entire agreement.

Less known is the work of women beyond the negotiating table. In Nepal, women were active in shaping the postconflict constitution of 2015.

One of the results: article 43, addressing the rights of women, including equal rights in family matters and property, rights to lineage, rights to safe maternity and reproduction, and rights against all forms of exploitation.

In Syria, women's civil society groups have been producing drafts of what a gendered constitution could look like. Not only do women push to change the laws, but their efforts also contribute to the slow shift of gender norms and roles, opening space for women in the political, economic, and social spheres. Women's groups and leaders across Syria have been negotiating local ceasefires, preventing child recruitment, documenting violence perpetrated by different parties, and trying to resolve violent conflict. In Libya, the 2011 revolutionaries broke with existing gender and generational structures, and in the space that suddenly opened, women founded new civil society organizations. Their efforts included providing vocational training for 3,000 ex-fighters.

1. Paffenholz 2019.

Source: World Bank staff.

approach can create the conditions on the ground for greater social cohesion—even without yet having a clear social contract in place between the government and all citizens of a country—especially if a local participatory approach to rebuilding is adopted (see box 2.3).

To begin to tackle informal and illicit activities, policymakers and practitioners will need to be pragmatic and commit to the long term. Addressing informality and war economies requires special care, as stressed in a report on Iraq, Libya, Syria, and Yemen.²³ It will have to be based on understanding the consequences and potential risks associated with operating in such environments. Undoing illicit economic practices without offering greater rule of law and viable alternative livelihood opportunities,

for example, may lead to worse outcomes for the communities affected or encourage armed actors to engage in alternative forms of profiteering that could undermine the transition toward sustainable peace.²⁴

Policymakers should also distinguish between different types of illicit activities. Illicit activities with shorter supply chains, where financial gains are not redistributed within or across groups, and where local coping economies are less likely to be affected, should be addressed first. Illicit activities that involve longer supply chains and wider networks of direct and indirect beneficiaries will require a more coordinated approach focused on bottlenecks where rent-seeking is most concentrated.

The imperative to create economic opportunities for all highlights the need to establish inclusive and accountable institutions. Successful peacebuilding should include strategic and deliberate interventions (in both the short term and the long term) that support the emergence of inclusive and accountable state institutions and governance arrangements on the national and local level that can deliver services and create economic opportunities for all.²⁵ These efforts must be led and owned by the local populations, and specifically include and engage the groups previously excluded from the public sphere—to rebuild a new inclusive and sustainable social contract that can survive the attacks from those interested in maintaining the predatory and conflict-ridden status quo.²⁶

Applying the integrated approach to develop a long-term strategy

Peacebuilding does not take place in an institutional vacuum. It needs to take into account the prewar institutional legacy at the local, national, and regional level, the distribution of power, and the nature of formal and informal institutions.²⁷ A broader understanding of the overall distribution of economic and political power is essential for launching effective interventions for sustainable peace. To complete the picture, policymakers and practitioners need to understand how the protracted conflicts may have affected the distribution of power, actors' incentives, and the shape of formal and informal institutions.²⁸

The context-specific preconflict and uneven present distribution of power excludes groups of individuals and communities, reduces trust in the national government, and rationalizes violence and conflict. Consider the specificities of the prewar contexts of the four MENA countries currently in conflict (table 2.1). The distribution of economic and political powers highlights the diversity of relationships and political and economic arrangements, as demonstrated by the example of Libya during Summer 2019 (map 2.1 and spotlight 3). Understanding the local causes and dynamics of these social fractures is critical since transitioning toward sustainable peace requires reconnecting local communities with each other and with the state, as well as addressing their grievances and traumas.²⁹

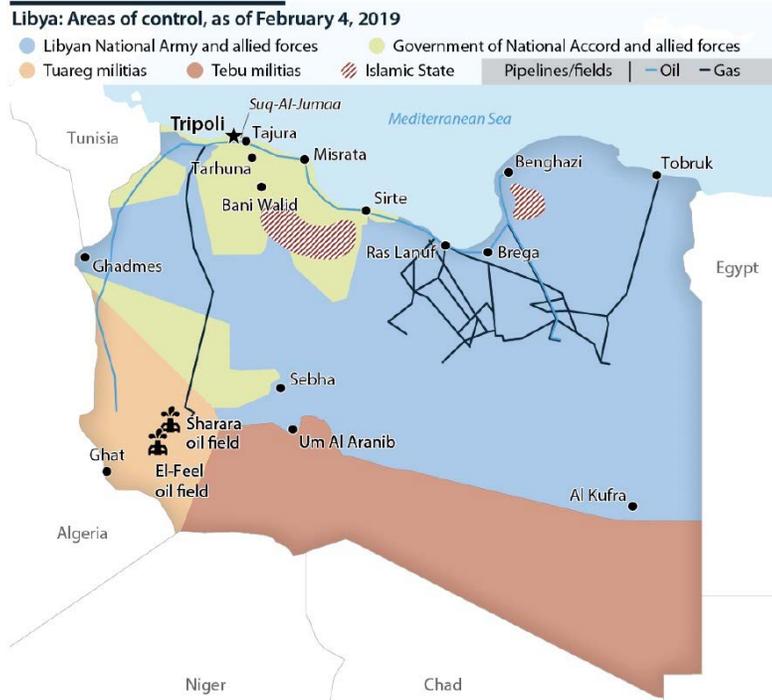
The analysis of local dynamics and local power structures and networks shapes the interventions and programs supporting the transition toward sustainable peace. Consider Yemen and the evolution of local dynamics over the past 20 years. Yemen's current governance and centralization challenge can be approached as an asset, as it also shows the historical strength of local communities. A deep understanding of past and present local realities in Yemen helps in realizing that any transition from conflict to sustainable peace should recognize and strengthen the resilience and capacities of local institutions—and seek to link them to central functions such as security, fiscal and monetary policy, and interregional infrastructure.³⁰ Some areas of the country—particularly in the South—have built fairly effective local institutions:

TABLE 2.1 Preconflict social, political, and economic contexts

		Iraq	Libya	Syria	Yemen
Social cohesion	Religious/sectarian tensions	High	Low	Low	Low
	Tribal identities	Low	High	Low	High
	Social capital	Fragmented	Low	Fragmented	Fragmented
Political (governance)	Unitary or federal political structure	Federal	Unitary	Unitary	Unitary
	Single party or multiparty	Single	Single	Single	Multi
	Governance institutions	Weak	Weak	Strong	Weak
Economic	Income	Upper middle	Upper middle	Middle	Low
	Natural resource endowment	High	High	Medium	Low
	Rentier economy	Yes	Yes	No	No

Source: Fardoust, Harrison, and Salem 2018; Institute for State Effectiveness 2018.

MAP 2.1 Local dynamics in Libya



Source: SouthFront.org.

The local governments in Hadramaut and Marib have leveraged resources from oil and gas to establish budgets and fund local recovery projects. Residents of al-Jawf and Yemen's second largest city, Taiz, have also been able to increasingly manage and improve their own local affairs. This pattern is less prominent in the north, where the central authority has historically been slightly more pronounced, and where the Houthis today have suppressed any attempts at local autonomy. Whether postwar Yemen emerges as a federal, confederal, or unitary state, the role of local communities and local authorities and governments will be and should be central, requiring therefore a profound understanding of the local dynamics and realities on the ground.

The analysis of local dynamics can also help in understanding the evolution of both formal and informal institutions in MENA's conflict-affected countries. Informal institutions can be especially pertinent in the Middle East, where religious beliefs and social solidarities determine the scope of cooperation and conflict and have often been used by state and nonstate actors to coopt segments of the

population. Similarly, tribal, ethnic, and sectarian affiliations rose as markers of group identity in many Arab societies, particularly as political systems continued to exclude many communities. These informal institutions, embedded in history, interact with formal institutional structures.³¹ And since informal institutions display great persistence, they can influence the effectiveness of formal policy interventions and efforts to break the cycle of violence. Policy interventions during and after conflict should be conscious of possible impacts on both formal and informal institutions. As the different experiences with faith-based reconstruction have shown, religious beliefs can reduce the cost of interventions and increase the political legitimacy of the organizations undertaking them through their reliance on voluntary participation and community input.³² The challenge is to co-opt or retain these institutions' participation on a nationally and communally inclusive transition to sustainable peace.³³

The focus on local and national institutions needs to be complemented by understanding the dynamics and incentives of elite actors. While the composition, bargaining power, and incentives of elite actors vary across countries, these actors commonly include members of security services and militia, religious leaders, influential members of merchant communities, tribal leaders, and even representatives of foreign powers. Identifying these elite actors and their preconflict and in-conflict strategies for dominance is essential for mapping the distribution of power.³⁴ In parallel, identifying other elites and groups who might be excluded from these power arrangements and who may have incentives to act as spoilers is important.³⁵

This analysis helps explain how fluid conflicts may have contributed to disrupt local political settlements and reorder power toward some groups and not others. This is the case of the conflicts in Iraq and Libya, which disrupted national and local political settlements that existed before the civil war and were unsustainable and exclusionary.³⁶ Grasping the shifting distribution of power in the wake of civil war is essential for identifying actors who might favor or oppose reconstruction. It should be stressed that in the Middle East, the actors involved in the conflict may be local, regional, and international, making it imperative to explicitly articulate the geo-economic interests involved in the conflict

and the emerging peace. The divergent goals and incentives of the different actors make bargaining and coordination central to any effort to foster sustainable peace.

In short, it is important to understand the patterns of continuity and change in institutional structures in the wake of conflict, and those that can emerge from the peace process. Violent conflicts are likely to accentuate or alter the power balances between the different actors and especially the formal and informal institutional arrangements in place before the onset. Three outcomes are possible. First, most prewar institutional structures often persist despite the outbreak of violence, and only accentuate the past societal fractures. This is what is emerging in Syria. Second, the prewar institutional equilibria and structures, especially at the national level, may be broken so that (rudimentary) institutions that begin to emerge during the conflict, usually at the local level, assume prominence and develop vested interest in the conflict-induced situation. This would be an instance of discontinuous institutional change. Wartime political and economic institutional structures not only affect reconstruction efforts during civil war, but may persist into the reconstruction period, increasing the risk of corruption and flawed governance.³⁷ This is what has emerged in Iraq.

A third outcome is a hybrid of the first two, where persistence and change coexist to the extent that some institutional elements of the prewar period persist while others change in both the formal and the informal sectors. Compared with the first two, the hybrid is probably more realistic, since most civil war contexts witness varying degrees of persistence of preconflict institutional features even as other elements change radically to give rise to alternative social orders with new contenders for power. There are powerful echoes of this in the Middle East, where in Yemen and to some extent in Libya the current institutional realities represent both a capture and a reinforcement of the past institutional arrangements.

In sum

The integrated approach offers a way to move beyond business as usual and to identify and evaluate the policy options that can help a transition toward sustainable peace. Countries experiencing

situations of conflict and violence find themselves at a crossroad and are often unable to break the cycle of violence. The integrated approach can help to break this cycle and has some clear advantages. It can help policymakers and practitioners develop a more nuanced long-term vision that allows for a deeper understanding of policy alternatives and consequences, by focusing on actors and their incentives and their evolution in time and space. The greater attention to the existing assets within communities and countries rather than only on destroyed assets and damage also helps build concrete economic opportunities for individuals. And focusing on a coordinated long-term transition toward sustainable peace can increase coordination among donors and reduce the risk of blind spots. The call for flexible interventions also allows learning and adaptation in such fluid situations and responding to changing incentives and power dynamics. Finally, the approach explicitly discusses and tries to integrate the competing interests of local, national, and regional actors (and their potential impact) in identifying and implementing interventions on the ground in an attempt to resolve the commitment problem.

The approach's implementation can, however, pose some challenges and risks. Focusing on local, national, and international actors—both formal and informal, their incentives, and power dynamics—can help practitioners and policymakers make more informed decisions. This requires time and resources that may not be available in fluid conflict situations, where quick and visible results are needed in a very short period. And the goal of sustainable peace, rather than mere reconstruction of past structures, needs a more equitable allocation of power and resources. The necessary reallocation of powers complicates the dialogue with existing governments and local authorities, which may be unwilling to change existing power dynamics.³⁸ All governments, even when they display authoritarian elements, would support rebuilding physical infrastructure. But only more open and inclusive governments would support local initiatives that create more opportunities for excluded citizens. So, the key is to identify specific entry points that could appeal to all governments, by creating additional benefits and rents, and to use those entry points to bargain for more opportunities for marginalized groups and communities.

The development of a long-term vision and an openness to risk offer a starting point. A long-term vision builds on careful analysis of alternative short-term and long-term interventions and their potential consequences and sequences them within a long-term plan, based on political considerations. This strategic planning exercise has to be based on regular and participatory dialogue and engagement with traditional and nontraditional actors during and after conflict. It requires an openness to risk and failure not always welcome in international organizations. The next chapter begins to operationalize this approach. It discusses how this integrated approach can help policymakers and practitioners identify alternative policy options and understand the risks and potential impacts of their policy choices.

Notes

- World Bank 2011, IEG 2016, ISE 2019, World Bank 2017b, UN and World Bank 2018.
- Oxfam 2019; ISE 2019; Matsunaga 2019.
- Malik 2018.
- World Bank 2018.
- Malik 2018.
- Malik 2018.
- Fardoust, Harrison, and Salem 2018; ISE 2019.
- ISE 2019.
- International partners may or may not have the opportunity to shape the peace agreements but will have to face the consequences of how they are structured and affect governance arrangements. As international partners often assist after a peace agreement is reached, it is important that they consider how the agreement has created winners and losers in politics, the economy, and society (ISE 2019).
- IEG 2016.
- Mlodoch (2017) documented the impact of this approach in the transition process after conflict and war in the Kurdistan region of Iraq and Iraq.
- FriEnt Peace Building Forum 2018.
- UN and World Bank 2018; Matsunaga 2019.
- World Bank 2017b.
- See example of work done by the NGO ANERA in Lebanon, the West Bank and Gaza and Jordan.
- Blattman and Ralston 2015.
- Fardoust, Harrison, and Salem 2018.
- In Syria, local committees have taken over local administration in the areas held by the opposition. Chapter 1 stresses how the disappearance of the state in many places forced local communities to administer and to protect themselves, as in the Lebanese civil war (1975–91) (Balanche 2018; Trautner 2018). A common objective and some level of local social cohesion were sufficient to ensure the functioning of local communities despite a weak social contract between citizens and the central state.
- Alsoswa 2018; Kabbani 2018.
- Eaton et al. 2019. Illicit networks include actors operating outside a formal rule of law environment. They include nonstate actors, armed and unarmed, but also certain state actors, since illicit power structures may exist within or be sanctioned by a state structure, including predatory police and military as well as criminal patronage networks embedded in state structures. In some cases, as in Yemen and Syria, both the state and its violent opposition may include or be illicit power structures, colluding to profit from conflict and reconstruction. An illicit structure thrives on insecurity and acts with state-corrupting, institution-eroding impunity. An illicit power structure may be informal, but not all informal structures are illicit, because they include tribal, religious, clan, local, and municipal structures that can impart security and contribute to building the rule of law and institutions accountable to the larger community.
- Eaton 2018; Eaton et al. 2019; Lacher and al-Idrissi 2018.
- ISE 2019.
- Eaton et al. 2019.
- Eaton et al. 2019.
- ISE 2019.
- Loewe, Trautner, and Zintl 2018.
- Berdal and Zaum 2013; Collier et al. 2003; Heydemann forthcoming; World Bank 2011, 2018.
- Fardoust, Harrison, and Salem 2018; Malik 2018.
- Balanche 2018.
- Al-Eryani 2018.
- Greif 2006.
- Malik 2018.
- Malik 2018.
- World Bank 2017b.
- Malik 2018.
- Fardoust, Harrison, and Salem 2018.
- Pugh 2013.
- World Bank 2018.

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SPOTLIGHT 3

Libya's polarizing dynamics reinforce a stalemate

Libya illustrates some of the challenges in assessing fluid, fractured, and informal contexts shaped by a complex political economy. Since the ousting of dictator Muammar Gaddafi in a NATO-backed armed rebellion in 2011, Libya has lived through years of violence and turmoil. The inability to resolve the festering conflict underlines the lack of a strategic vision for a transition toward peace in the North African country, with little understanding of the past—or of the shifting dynamics on the ground.

The country has been splintered by power struggles and undermined by chronic insecurity, with rival governments based in the east and west of the country, each with its own army and issuing its own debt. In addition, dozens of armed groups are vying for power and control of Libya's oil and gas.

Libya has a bipolar urban system centered around Tripoli and Benghazi. The civil war accentuated the country's fragmentation with a multiplicity of local powers and the institutional power centers of Tripoli and Tobruk. In the local communities, the previous notables are now in competition with the new elites from the uprising and the civil war, "the entrepreneurs of violence."¹

Competition among rival factions has gravely eroded the state's effectiveness and undermined its institutions. But the country's oil-based economy and its population are still growing, despite two bouts of civil war.

Key indicator	2011	Most recent
Population (millions)	6.2	6.7 (2018)
Urban population (%)	78.3	80.1 (2018)
Fragile State Index (FSI) rank ^a	111th	28th (2019)
State capacity rate ^b	—	—
Governance Index ^c	—	—
Human Development Index (HDI) rank ^d	—	—
Life expectancy at birth (years)	71.6	—
GDP per capita (current US\$)	5,554.2	7,235.0 (2018)
Working poor at PPP\$3.10 a day (% of total employment)	16.0	—
Total unemployment rate (%)	19.6	17.3 (2018)
Youth unemployment rate (%)	44.9	41.9 (2018)
UN Education Index	0.625	—
Gender Inequality Index	0.163 (2012)	—
Internally displaced populations	—	—

a. The ranking (of 178 countries) goes from the most fragile (FSI = 1) to the least (FSI = 178).

b. Values close to 1 indicate excellent performance; values close to 0 indicate substantive deficiencies.

c. Values close to 1 indicate low performance; values close to 10, high performance.

d. The ranking (of 189 countries) goes from the highest human development (HDI = 1) to the lowest (HDI = 189).

Vested interests in continuing unrest

As rival authorities continue to compete for power, the resulting divisions and dysfunctions have provided a fertile environment for a pervasive war economy dependent on militia control of the fragmented state.² Because of the vested interests of the different factions in continuing the turmoil, it is very difficult for outside countries or institutions to help rebuild the country or support the economy.

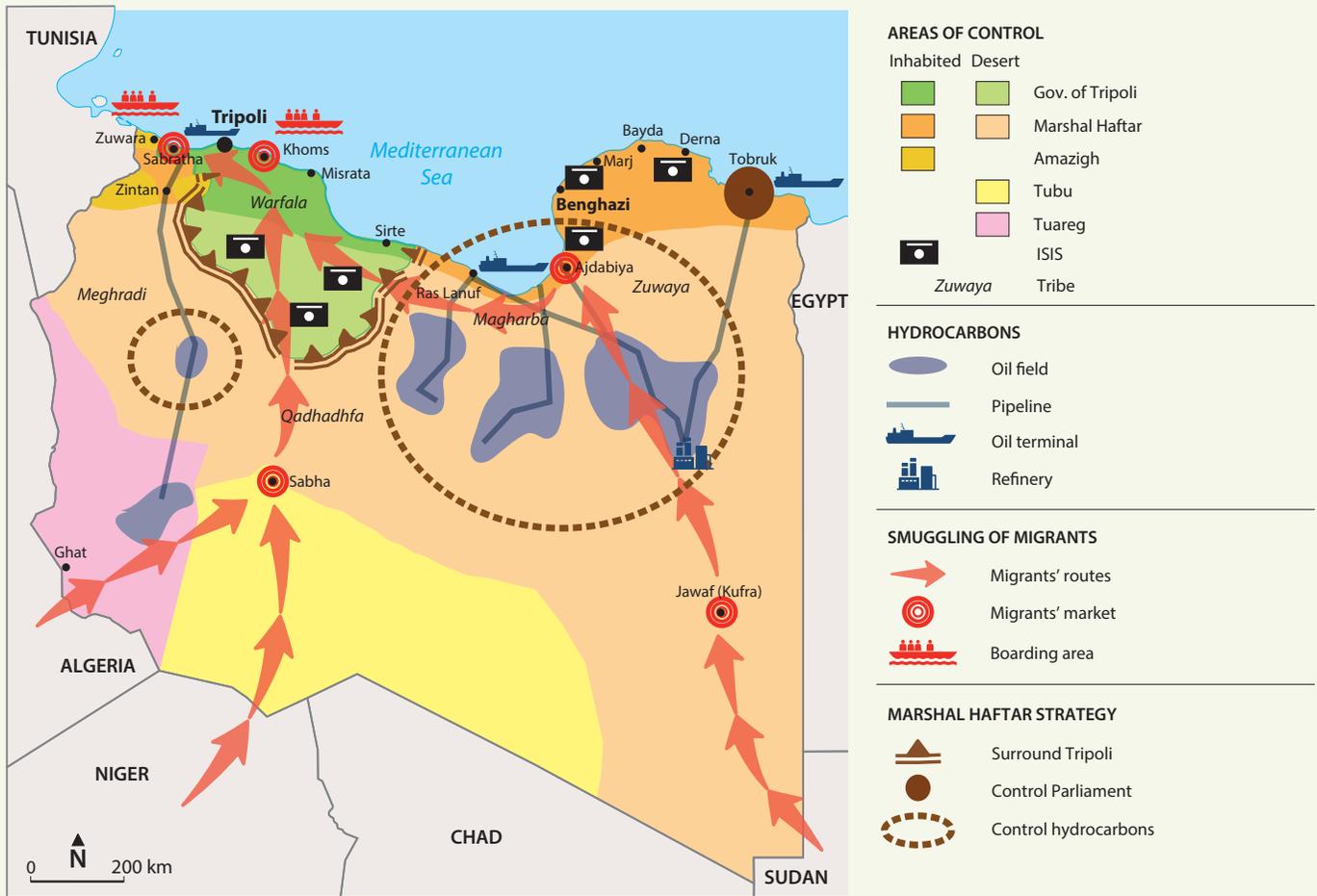
Despite the havoc the war economy is wreaking on the state and most of its citizens, it allows armed groups to sustain themselves and thrive. This creates

a set of perverse incentives to prioritize short-term gains for groups over national stability and security.

The militia-controlled economy has exacerbated graft, corruption, and extortion. A booming black market creates opportunities for those who can get foreign currency at the official rate and sell it on the black market. Banks and financial institutions are regular targets of kidnapping and extortion demands. Smuggling humans (particularly across the Mediterranean) is a major revenue stream.

A return to functioning central governance is inimical to the major beneficiaries of the militia-based economy,

MAP S3.1 Libya's disintegration—Summer 2018



Source: Balanche 2018.

making them powerful spoilers if their interests aren't addressed. The profitability of the war economy also makes a mutually painful stalemate—often theorized as a critical precursor to successful mediation—a distant prospect. In the end, only effective governance arrangements backed by a durable political settlement can undermine the foundations of Libya's war economy.³

The battle for control of Libya crosses tribal, regional, political, and even religious lines and has an impact beyond the country's borders, spurring

migration across the Mediterranean to Europe and creating a fertile environment for extremist groups. It has also highlighted international, regional, and Arab rivalries, with western and Gulf countries backing different sides in the prolonged struggle.

The region's actors are divided over Libya's future, as different regional and international players support opposing parties to the Libyan conflict based on their different agendas. The European countries are also divided over the country's future and priorities for

intervention. As long as these and other polarizing dynamics continue, it will be extremely difficult for Libya's economy and society to regain stability and the rule of law, without which increased investment and economic growth are unlikely.

As for postwar reconstruction, Libya has the energy resources to essentially finance the core of its own redevelopment, if Libyan and external players can negotiate a real end to the armed conflict, and put a nascent Libyan post-Gaddafi government on its legs.

TIMELINE

Libya

1969

September—Colonel Muammar Gaddafi seizes control with a group of army officers, overthrowing King Idris.

1969–2011

Gaddafi governs Libya first as Revolutionary Chairman of the Libyan Arab Republic from 1969 to 1977, and then as the “Brotherly Leader” of the Great Socialist People’s Libyan Arab Jamahiriya from 1977 to 2011.

2011

February—Arab Spring comes to Libya. Inspired by revolts in other Arab countries, especially neighboring Egypt and Tunisia, violent protests break out in Benghazi and spread to other cities, leading to escalating clashes between security forces and anti-Gaddafi rebels.

March—UN Security Council authorizes a no-fly zone over Libya and air strikes to protect civilians, over which NATO assumes command. Libyan rebels initially capture territory but are then forced back by better-armed pro-Gaddafi forces.

August—Col. Gaddafi goes into hiding after rebels swarm into his fortress compound in Tripoli. African Union joins 60 countries that have recognized the National Transitional Council (NTC) as the new Libyan authority.

20 October—Col. Gaddafi is captured and killed as rebel fighters take his hometown Sirte. Three days later, the NTC declares Libya to be officially “liberated” and announces plans to hold elections within eight months.

January–March—Clashes erupt between former rebel forces in Benghazi in sign of discontent with the NTC. Benghazi-based NTC officials campaign to re-establish autonomy for the region, further increasing tension with the NTC in Tripoli.

September—U.S. ambassador and three other Americans are killed when Islamist militants, including Ansar al-Sharia, storm the consulate in Benghazi.

2012

May—“Libyan National Army” renegade General Khalifa Haftar launches military assault including airstrikes against militant Islamist groups in Benghazi; tries to seize parliament buildings.

June—Fighting breaks out between forces loyal to outgoing General National Congress and new parliament.

July—UN staff pull out, embassies shut, foreigners evacuated as security situation deteriorates. Tripoli international airport is largely destroyed by fighting.

2014

January—Libyan army and Tripoli-based militia alliance declare partial ceasefire after UN-sponsored talks in Geneva.

February—Egyptian jets bomb Islamic State targets in Derna, a day after the group there released a video showing the beheading of 21 Egyptian Coptic Christians.

March—Libyan Army offensive to retake Derna in March fails to dislodge the Islamic State, which establishes control over port city of Sirte, halfway along coast between Tripoli and Benghazi.

2015

2016 January—UN announces new, Tunisia-based interim government, but neither Tobruk nor Tripoli parliaments agree to recognize its authority.

March—New “unity” government arrives in Tripoli by boat after opposing forces block airspace.

September—Libyan National Army of General Haftar seizes key oil export terminals in the east.

December—Pro-government forces oust Islamic State militants from coastal town of Sirte, which they had seized 18 months previously.

2016

July—Islamic State group ejected from Benghazi after three years of fighting.

2017

July—General Haftar claims that his forces are fully in control of Derna, the last Islamist stronghold in the east and the only city in the region previously outside his control.

September—Libya’s UN-backed government declares a state of emergency in Tripoli, after dozens of people are killed in clashes between rival militia groups in the city’s southern suburbs.

2018

April—The Haftar Libyan National Army advances on Tripoli, sparking clashes with the forces of the UN-recognized Government of National Accord.

2019

January—Foreign powers backing opposing camps fighting over Libya’s capital Tripoli agree at a summit in Berlin, hosted by Germany and the United Nations, to push the parties to a lasting ceasefire and respect an existing UN arms embargo.

2020

Measures to support a transition

The international community can do more to support a transition to sustainable peace. It can target the overseas assets of criminal groups, reduce the viability of illicit activities, and encourage more transparency in dispensing state funds.⁰

European countries can act more—and in a more coordinated way—to stem the flow of migrants, refugees, and asylum seekers given the proliferation of human trafficking. The international community can also coordinate efforts to prevent the smuggling of oil, which finances militias, illicit groups, and extremist organizations.

Libya does not need money—it needs inclusive and resilient institutions able to manage oil revenues for development and not aiming to accumulate absolute power.⁴ The risk is a return of

dictatorship as the price for ending the chaos—or the development of terrorist strongholds, as in Yemen.

Without a conclusive resolution to Libya's internal power divisions and the emergence of a credible regulatory apparatus, the prospects for regional cooperation over reconstruction will not only be limited—but also exposed to the risk that other nations will continue to exploit the weakness of Libya's institutions to advance their own geopolitical interests.

A coherent government structure in Libya to coordinate reconstruction efforts benefiting the Libyan people as a whole is the only lasting foundation for regional cooperation. An essential step is to establish a single state apparatus able to provide physical, economic, and social security to its citizens while supporting the strengthening of local institutions.

Notes

1. Balanche 2018.
2. Lacher and al-Idrissi 2018.
3. Eaton 2019 [2018?].
4. Balanche 2018.

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CHAPTER 3

Understanding policy tradeoffs: Paths taken and not taken

Chapter 2 introduced the Building for Peace approach to supporting transitions toward sustainable peace. The approach is based on a long-term strategy that takes into consideration people, their incentives, and the places they operate and live, as well as the present allocations of power and how they may change over time. It emphasizes the need for inclusive and legitimate institutions that do not merely rebuild the past but are accountable, capable, inclusive, and responsive to the needs of all segments of the population. Such systems can break vicious cycles of lapsing and relapsing into conflict by reversing patterns of inequality, exclusion, and injustice.

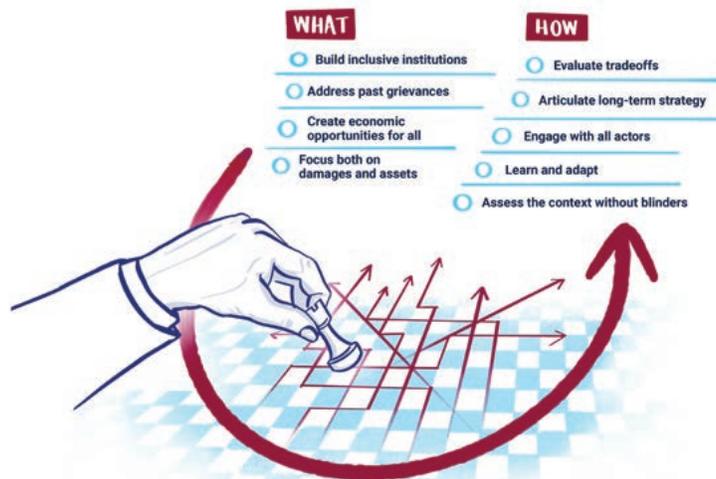
This chapter discusses the tradeoffs that can arise between policies aimed at short-term stability and those addressing the long-term resolution of underlying grievances. When working toward this long-term vision, policymakers and practitioners need to balance the immediate need to create stability by curtailing violence and relieving the population of its direct consequences with the long-term need to address the underlying structures that caused conflict and violence in the first place. Policymakers and practitioners should identify and evaluate these tradeoffs to take informed policy decisions that reduce the risk of unintended consequences and the emergence of institutional, political, and economic arrangements that may prevent long-term and inclusive growth.

Factoring tradeoffs into decisionmaking is all the more important because decisions taken today can create path dependencies that may undermine the achievement of sustainable peace. When facing the tradeoff between creating stability and tackling underlying structural challenges, policymakers need to be aware that any decision taken today may set the country on a path that could jeopardize sustainable peace in the long term. Even if today's choices are good for reaching one objective, the path dependencies they create may risk reducing or even reversing benefits in the long term (figure 3.1).

The reconstruction programs in Iraq after 2003 offers a clear illustration of how the underperformance of reconstruction and development efforts can—at least in part—be attributed to a failure by both national and international policymakers to forge and implement policies providing for their own long-term consequences. In an effort to produce quick and tangible results, the weaknesses of the Iraqi institutions, the role of social and political leaders, and the possible spoiler effects of militias were often overlooked. That led, among other things, to a quick deterioration of US-funded physical infrastructure due to the inability of Iraqi institutions to maintain and operate it. Almost two decades later, despite the \$220 billion spent by the international community on a range of projects and programs between 2003 and 2014, both the Iraqi people and the international community largely consider these reconstruction efforts a failure (see spotlight 3).¹

To make informed choices, practitioners in fragile environments need to map their options and the

FIGURE 3.1 An opportunity to plan for a different future



alternative paths that may lead toward sustainable peace, taking into account the potential tradeoffs between short-term needs and long-term developments. Only by confronting key risks associated with today's policy choices and estimating the long-term effects of those choices can they avoid locking a country into a path that may not help reach the goal of sustainable peace. This chapter offers illustrations of the policy alternatives that policymakers and practitioners may face when trying to put into practice the recommendations of the Building for Peace integrated approach. It shows how tradeoffs manifest themselves across selected sectors and along several dimensions, where they may create path dependencies that either steer a country toward or away from sustainable peace.

Decisionmaking at the crossroads: Tradeoffs and path dependencies

Decisionmakers in fragile environments face tradeoffs when balancing the quest for immediate stability with long-term efforts to generate structural changes conducive to sustainable peace. As local, national, and international policymakers and practitioners seek a path toward sustainable peace, they face a dual challenge. They need to ensure stability by mitigating violence and by addressing its immediate consequences for the population. They also need to tackle the underlying structural and institutional causes of conflict, promoting long-term prosperity, social cohesion, and inclusive institutions to ensure sustainable peace. What is more, the reality of complex environments as well as national and international pressure often require policymakers and practitioners to pragmatically seize opportunities as they present themselves, identifying quick wins and flexible entry points based on a quick assessment of damages and needs.

Any short-term recovery efforts must be complemented by long-term strategies, which may create tradeoffs. As previous peacebuilding experiences have shown, promoting equitable economic opportunities, supporting inclusive institutions, and fostering social cohesion may take 30–50 years. Recovery efforts, by contrast, are targeted at ceasing violence, tackling immediate needs, introducing some level of security and stability, and generating

quick wins. It is essential to understand how these two objectives are inextricably intertwined. The policies supporting one of them may at times undermine the other. From this tension arises a potential tradeoff: Pursuing the short-term objective of stability may at times come at the cost of the long-term objective of sustainable peace, as activities aimed at creating stability and meeting immediate needs often fail to address or even exacerbate the underlying structural issues causing grievances and conflict in first place.

This time-specific tradeoff is associated with significant risks, as policy choices today create path dependencies that either steer the country on course—or set it off course—to sustainable peace. Conceptualizing peacebuilding as a dynamic process, chapter 2 argues that pathways of societies in or emerging from conflict are shaped by the decisions of (groups of) actors responding to the incentives created by power dynamics. Peacebuilding is thus characterized by the risk of violence and the opportunities for stability and peace that emerge and change over time as a result of the incentives of the actors involved. Societies may diverge from their path toward peace and relapse into violence when systems emerging from conflict are built in a way that incentivizes violence as a means to gaining power.

When choosing between different policy options today, policymakers must be aware that each intervention introduced along a country's path redistributes resources among actors, thereby altering the balance of power between these actors. Any intervention is thus likely to affect the evolution of actors' interests and incentives and create path dependencies that may either create unintended consequences and lock a society into cycles of conflict and violence or set it on a path to sustainable peace. Even a seemingly impartial intervention such as humanitarian aid can skew the incentives among actors, for example, by partly relieving the government of its responsibility to serve citizens through its own formal service delivery systems and institutions, which may hamper the development of these institutions over the long term.²

For policymakers and practitioners, the potential tradeoff between achieving short-term stability and setting the ground for achieving long-term

sustainable peace manifests itself in the decisions they face today. As will be noted in chapter 4, to identify priorities and flexibly seize entry points, decisionmakers need to carefully identify and evaluate options—with and for whom to engage, where and how, and in which sectors. Such an evaluation needs to consider the opportunity costs and potential negative consequences of each choice, the long-term vision of sustainable peace, and the fact that today's policy choices could affect actors' incentives and the distribution of power that ultimately shape a country's future. Only when practitioners evaluate alternative paths can they manage the risks associated with their choices and—at a minimum—follow the “do no harm” principle.³

Examples of paths taken and not taken

This section presents a few selected examples of how decisions today may shape the prospect for sustainable peace in the future. Chapter 2 advocated a flexible and adaptive approach to reconstruction and peacebuilding. It emphasized ensuring the livelihood of individuals, supporting inclusive institutional arrangements, restoring spaces for social and economic activities at the local level, and creating equitable economic opportunities. Building on this framework, the remainder of this chapter uses examples from four policy areas related to these elements of the approach:

- Creating inclusive institutions.
- Restoring urban structures.
- Promoting economic opportunities.
- Providing services.

For each area, it shows how the tradeoff between addressing short-term needs and quick wins on the one hand and achieving long-term structural change on the other could manifest itself across actors (the who), level of engagement (the where), and process (the how). These examples support the case that possible futures are path dependent on decisions in the present because they enforce social and political equilibria that either preclude or promote future sustainable peace outcomes.

Creating inclusive institutions while ensuring stability and elite buy-in

In conflict settings, policymakers and practitioners may face the tradeoff between institutional arrangements that create stability in the short term and those that support lasting inclusive institutional development to address underlying tensions and accumulated grievances. Chapter 2 emphasized the need for the emergence of inclusive and legitimate institutions that do not merely rebuild the past but are accountable, capable, inclusive, and responsive to the needs of all segments of the population. Such systems break vicious cycles of lapses and relapses into conflict by reversing patterns of inequality, exclusion, and injustice. Establishing these systems takes time and thus a longer-term commitment to peace from all actors who have substantial influence over resources and the population—but in every context, the evolving interests of different constellations of actors will likely create commitment problems. Institutional power-sharing is often a tool to overcome these commitment problems and reach stability, as it regulates the distribution of power between different groups in society. But if designed as a quick fix, it can undermine the long-term development of accountable, inclusive, and capable institutions that deliver services for all. In contrast, addressing patterns of inequality, exclusion, and injustice may increase the risk of renewed violence and threaten security.

Power-sharing may secure the commitment of elites in the short term, but when it is exclusive or leaves underlying grievances unaddressed, it is unlikely to create the foundations for inclusive and sustainable peace. Power-sharing regulates the access to political power among competing elites. It helps to prevent relapses of violence⁴ and is correlated with an increase in overall stability and security.⁵ But its long-term impact on sustainable peace remains vague. When power-sharing agreements fail to tackle the root causes of conflict, they can transmit these causes into new governance arrangements, reinforcing rather than resolving the underlying grievances, and are thus unlikely to contribute to sustainable peace.⁶

Power-sharing may not create inclusive institutions or put a country on the path to sustainable peace if negotiating access to power among different

groups excludes opponents or the broader populations they represent.⁷ Where power is allocated based on criteria related to group identity such as ethnicity or religion, power-sharing may undermine social cohesion by reinforcing societal cleavages. It may also lead to political deadlocks, as in Lebanon, where the sectarian political system dividing power among 18 religious groups requires the often-lengthy formation of intersectarian coalitions dividing up appointments and resources to reach majority decisions,⁸ a system currently challenged by the recent waves of protests that shook Beirut and other cities in Lebanon.

The security sector is one example of where power-sharing arrangements can solve short-term commitment problems at the cost of accountable, legitimate, and capable security institutions. In fragile environments, and especially in areas where the state's authority is weak or contested, security is often provided by nonstate actors or regional security providers, ranging from local units to rebels, militias, or vigilante groups. Integrating those armed actors into the security forces may support the stabilization of fluid environments by securing their commitment to peace and by providing additional security, especially where state forces lack the capacity to do so in the short term.

These power-sharing arrangements can undermine long-term institutional development and fragment security services when not accompanied by lasting reform. For example, the Iraqi government regrouped some 60 Shia militias into the Popular Mobilization Forces (PMF) in 2016 with the goal of incorporating them into the Iraqi Security Forces.⁹ Since then, the integration of the PMF has proven difficult due to its splintering into various factions with various political agendas.¹⁰ In addition, the integration efforts have put a significant strain on the Iraqi budget, with the government allocating \$2.16 billion to the PMF in the 2019 budget—two and a half times the budget of the Ministry of Water Resources.¹¹

In Libya, the large majority of armed groups that participated in the armed struggle against Gaddafi were regrouped into two umbrella coalitions: the Libya Shield Force and the Supreme Security Committees. Placed under the authority of the Ministry of Defense and the Ministry of the Interior,

these entities were intended as transitional security forces to support the regular army and police. In reality, they pursued their own political, criminal, or local agendas, rather than align with the state forces.¹²

Examples from the justice sector also underline this dilemma: in conflict-affected environments, justice systems can provide accountability for people and communities. Justice systems provide the institutional framework for settling disputes in a peaceful manner, enhancing accountability, fighting corruption, and safeguarding checks and balances on power.¹³ In conflict-affected environments, it is thus crucial to strengthen equitable and inclusive justice systems that enjoy the trust of the population to disincentivize violence. At the same time, there is a need for holding perpetrators accountable to redress past wrongs and vindicate the dignity of victims.¹⁴ In these circumstances, policymakers and practitioners need to balance the need to bring perpetrators to justice with the need to ensure that accountability processes are equitable and do not undermine stability.

Transitional justice mechanisms range from truth and reconciliation commissions and community healing processes, to the prosecution of human rights offenders, or reparations. While some measures, such as truth commissions, may raise tensions and undermine stability in the short term, they may contribute to the long-term development of a shared historical narrative that is constructive for social cohesion, trust between communities, and sustainable peace (box 3.1). Other mechanisms, such as traditional justice measures, can provide justice faster and more effectively in the short term, as they are more responsive to people's daily justice needs, and more sensitive to the political and social context on the local level.¹⁵ But they may also reinforce local power dynamics that may have contributed to the grievances causing the conflict in first place, which could undermine long-term peace.¹⁶

For example, top-down discretionary approaches to transitional justice may not bring justice to affected populations and may even heighten local tensions. During the terror regime of the self-proclaimed Islamic State in Iraq, for example, more than 30,000 civilians died, while many more

BOX 3.1

Transitional justice mechanisms

In trying to heal fractures between and within communities, issues of transitional justice that seek “to redress past wrongs, ... vindicate the dignity of victims,” and build up a shared national memory need to be addressed. When pursuing transitional justice measures, national and international policymakers should consider the costs and benefits associated with both short- and long-term measures, and local and state interventions. Multiple channels for justice provision and reconciliation are available, each with potential tradeoffs.

Amnesties can effectively support a quick transition that allows for a clean break with the past by appeasing spoilers—but they may undermine sustainable peace as they prevent any form of community healing and reconciliation and circumvent formal justice and accountability mechanisms.

International tribunals and formal justice sector institutions can prevent a relapse into conflict by creating a sense of accountability, building respect for the rule of law, strengthening state-level justice mechanisms, and deterring further human rights abuses—but their top-down focus on bringing high-level individuals to

justice may contribute little to reconciling fractured communities.¹

Truth commissions can build trust and social cohesion by providing information and instilling a sense of closure. But by bringing perpetrators forward to publicly confess their crimes to their victims, such commissions are also sometimes associated with a decline in mental health.² And they risk stimulating local conflict and reinforcing cleavages, especially when participants feel that the commissions are yielding a particular version of the truth, which may undermine stability.³

Traditional community justice mechanisms can, in the short term, relieve formal court systems overloaded with cases. But in the long term, they may create parallel systems of justice that undermine formal justice institutions and may insufficiently address underlying grievances, since they require justice seekers to adhere to the very power structures (traditional elites) that may have led to conflict in the first place.⁴

Notes: 1. Sikkink 2011. 2. Cilliers, Dube, and Siddiqi 2016. 3. Kelsall 2005. 4. Mahony and Sooka 2015.

Sources: Bell 2015; Buckley-Zistel et al. 2013; Sikkink 2011; Mahony and Sooka 2015.

were displaced, kidnapped, and experienced violence such as rape.¹⁷ These atrocities have left deep fractures in affected towns and communities that continue to undermine trust and social peace three years after their liberation from the Islamic State and prevent displaced families from returning home. While many internally displaced persons returned to their area of origin in late 2017 and early 2018, 1.4 million individuals remained displaced as of February 2020—with little intention to return due to a perceived lack of shelter, livelihood opportunities, basic services, and safety and security in their areas of origin.¹⁸ In particular, displaced community members with perceived affiliation to the Islamic State have experienced difficulties returning to their homes. For example, some returned internally

displaced persons in the province of Anbar with perceived affiliation to the Islamic State have been displaced again after being rejected by their communities of origin.¹⁹

While holding the perpetrators of crimes accountable is a crucial step on the path to sustainable peace, it risks heightening existing grievances. The United Nations international investigations into war crimes specifically examine offenses by the Islamic State but neglect the prosecution of uncontrolled violent acts by other (pro-government) armed groups. In the light of salient ethno-sectarian identities, discriminatory justice and selective impunity may perpetuate sectarian narratives and further aggravate existing fractures within Iraqi

society.²⁰ Even though criminal accountability approaches to transitional justice can promote the rule of law, they are often insensitive to the more tangible and immediate needs of victims. Local Iraqi communities affected by the Islamic State have, for example, identified as priorities reparations for their displacement and the destruction of their homes.²¹

Restoring urban structures while promoting social cohesion and reconciliation

When restoring destroyed urban areas, responses should meet immediate needs and provide opportunities for securing livelihoods, while also acknowledging the identities of cities and the communities that inhabit them. Armed conflicts in the MENA region have caused widespread destruction that has forced people out of urban areas and hampered economic activity (chapter 1). Some places have also seen people's collective memories and symbols of their cultural identities damaged or destroyed during conflict, as in the city of Mosul. Under these circumstances, restoring the cultural heritage of these cities can contribute to reconciliation. At the same time, restoring access roads, providing clean water and electricity, rebuilding destroyed homes, and kickstarting local economies are indispensable to securing urban livelihoods and safety. In light of possibly competing claims of various communities on what to prioritize, different approaches to urban reconstruction need to be reconciled. In a case like Mosul, the question is how to rebuild in a way that brings the old city back to life while preventing additional grievances and potential future conflicts.

More costly and time-intensive restoration of important cultural landmarks and places with meaning for local communities can contribute to the healing of trauma and to reconciliation, making these communities more resilient in the long term. The Old Bridge in Mostar in Bosnia and Herzegovina shows that, in some cases, communities may indeed value restoring symbolic architecture over rebuilding infrastructure. The inhabitants preferred rebuilding the bridge—a symbol of Mostar's multicultural identity destroyed during the Yugoslav Wars—over housing, signaling the importance of cultural icons for peacebuilding.

While modernizing cities is often cheaper and faster than preserving their cultural heritage, restoring the historical parts of cities is crucial to community identity and the healing process. In Lebanon, reconstruction of the Beirut Central District (BCD) after the civil war (1975–90) favored urban design and profit over community involvement and social inclusion. International investors were invited to finance luxury apartments and offices within the setting of the city's historic core, with the help of the private sector. While this initiative brought about a well-designed urban space, it effectively pushed out prewar social networks and communities and turned the BCD into an exclusive, high-end enclave detached from its surroundings.²²

Securing economic livelihoods while investing in sustainable economic opportunities

Economic development is crucial in transitions toward sustainable peace. Competition over resources lies at the core of the arenas of contestation in many conflicts, especially in the MENA region, and sustainable peace is contingent on fair opportunities for sustainable livelihoods and people's security. Economic development increases overall income and can foster equitable provision of services, and create viable economic opportunities for individuals, which can provide them with an income, promote social capital, and make picking up arms less economically viable.

Putting a country on a trajectory toward sustainable and inclusive economic growth is a long-term effort, however, and reforms may not materialize quickly. At the same time, people's immediate economic needs must be met, and populations should not be deprived of their livelihood opportunities in the short term. And since promoting inclusive economic development may change the social and economic order, those dominating the economic sphere may seek to cling to their power, whether on the micro level where male heads of household hold onto resources, or on the macro level where elites control business opportunities. Policymakers and practitioners thus need to know that short-term and long-term policies both create winners and losers. Securing the peace and security dividend can guarantee people's immediate existence, while laying the

foundation for sustainable and equitable growth and prosperity.

Policymakers who wish to prevent (former) conflict actors from obtaining illicit funds might have a justifiable incentive to rein in illicit economic activity. But in doing so, they may also deprive ordinary people of their livelihood opportunities and risk losing those people's stake in stability and peace. For example, the Afghan government has tried to eradicate growing opium poppy for years, but in 2018, despite a decline from 2017, the area under poppy cultivation was the second highest ever recorded. The continuing cultivation reflects corruption, political instability, a lack of government control and security, and the lack of alternative economic opportunities. But with job scarcity, little quality education, and limited access to financial services, opium poppy cultivation and trade provide livelihoods to many.²³ In Libya, curbing some illicit activities may simply incite other illicit activities: A crackdown on people-trafficking networks allegedly made some traffickers switch to smuggling fuel. So, policymakers need to balance retaining economic opportunities that provide short-term gains with opportunities that are more sustainable and have a longer and more participatory value chain, thereby incentivizing long-term peaceful cooperation.²⁴

Livelihood opportunities that provide instant employment for significant parts of the population today may not be sustainable in the future. Low-skill public works provide quick livelihood opportunities for people in need to secure their buy-in. But they may come at the cost of not investing in the development of sustainable human capital today to lay the ground for equitable growth in the future. Conflict usually comes with a significant loss of human capital, as service infrastructure is destroyed and opportunities for education and skills development are scarce. Postponing human capital investments into the future runs the risk of leaving unskilled people, especially young people, without longer term employment (box 3.2). That can create new grievances or feed into existing grievances and make them susceptible to recruitment by armed groups, thus potentially fueling future relapses into conflict.

The immediate focus on job creation through labor-intensive works or cash-for-work programs can

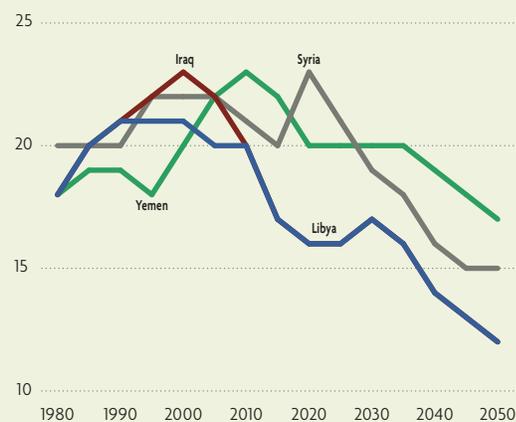
shift short-term incentives and secure livelihoods. But it needs to be balanced with interventions that create long-term inclusive employment that can sustain economic growth. Similarly, in the absence of viable and sustainable economic opportunities, MENA states often employ a large number of people, which contributes to stability in the short term but may not be sustainable in the long term. In Iraq, the number of government employees has tripled since 2003 from 900,000 to 3 million in 2015, and the share of the workforce employed by the state has doubled from 22 percent to 42 percent.²⁵ The high number of security personnel accounts for a third of government employees (900,000 of 3 million).²⁶ Ensuring regular payment of public sector personnel is critical to stability, yet it imposes considerable opportunity costs and lingering effects on a country's economy.

Countries rich in natural resources may have access to quick revenues for reconstruction, but competition for such resources can also undermine stability and long-term economic growth and institution building. Natural resources may make it easier, especially in the short to medium term, to finance infrastructure reconstruction projects and cater to various constituencies, possibly contributing to stability.²⁷ They can also inhibit inclusive and sustainable peace by fueling and sustaining violence and instability, further incentivizing elite capture, and impeding inclusive economic development. The path a government takes when facing this "resource curse" largely depends on how it manages the associated risks and tradeoffs.²⁸ Where institutions can deter capture and ensure that the profits advance the well-being of society, natural resource wealth will support a country's transition toward inclusive and sustainable peace.²⁹

MENA's wartorn countries often depend on resource rents. Iraq, which held 12 percent of the world's proven crude oil reserves, and Libya, which held 8 percent, are especially prone to the resource curse.³⁰ In Iraq, oil accounts for 60 percent of gross domestic product, while oil revenues are 90 percent of budget revenues and almost 99 percent of total exports. Libya is comparable, with oil constituting 96 percent of state revenues and 81 percent of all exports.³¹ While oil has the potential to spur the recovery of these middle-income countries through generating revenues for development, it

BOX 3.2**The choices of young people in conflict settings**

The relationship between young people, education, jobs, disenfranchisement and violence is complex. In 2011, after youth-led protests in several Middle East and North Africa countries, many causes combined to create a downward spiral toward violence, particularly the failure of governments to address young people's demands, frustration, and grievances.¹

Box figure 3.2.1**Share of youth in population by country**

Source: UNDP 2018. "Youth" refers to the population aged 15–24.

Once a protracted conflict is under way, the fluid, fractured, and informal environment prevents young people from taking the usual paths to adulthood. With limited options for their future as well as their frustration at the limits imposed on their participation in the social, economic, and political spheres, they must think creatively just to survive—especially those who are internally displaced or refugees, who survive war traumas, or who are physically or mentally compromised by war. Young people in these circumstances are hampered by lower education levels,² continuing political and economic exclusion, distrust of political systems and institutions, eroded economic opportunities and livelihoods, and the risk—chiefly for boys and young men—of being drafted into one of the many armed forces. Unemployment among young people is estimated at close to 24 percent in Yemen and 42 percent in Libya.³ In Yemen, more than 80 percent of the population lives on less than \$3.20 a day.⁴

(continued)

may also become a source of grievances and further tensions, if mismanaged.³²

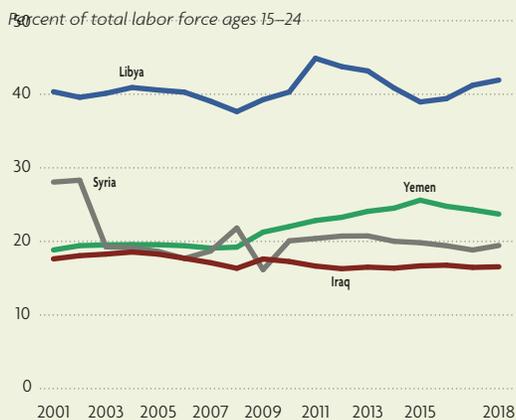
Overreliance on oil rents has resulted in rentier state dynamics, characterized by deep-rooted corruption, authoritarianism, and exclusion.³³ In addition, because the oil sector is highly capital-intensive, it generates few jobs, and its size may constrain diversification and the development of productive nonoil sectors—a phenomenon referred to as the "Dutch disease."³⁴ The few jobs created are also very technical and thus require skill sets that large parts of the local populations may not have. As a result, local communities are excluded from the benefits of resource extraction and the distribution of the generated income, while still having to cope with the negative environmental impacts.³⁵

Providing services for all while laying the groundwork for social cohesion and trust in government

In fragile environments, where governments may not be willing or able to adequately respond, people are often deprived of access to even the most basic services. Without functioning service delivery systems, community leaders may take service delivery on themselves or rely on informal or non-state actors as a reactionary coping mechanism to the protracted conflict, thus creating resilient and self-sufficient communities. During Lebanon's civil war, the country's robust communal institutions developed enduring coping mechanisms. In this context, a potential tradeoff arises between meeting vulnerable populations' immediate needs and laying the groundwork for social cohesion, the

BOX 3.2 (continued)

Box figure 3.2.2 Youth unemployment rates by country, 1998–2008



Note: Rates are modeled ILO estimates.

Source: World Bank, based on ILO Stats 2018.

With these constraints, a young person may have to choose among five unattractive options—migrate, leave school early, cope with a lack of income and employment, join the fight (willingly or forcibly), or take up other war-related or illicit employment—while girls are vulnerable to early marriage and sexual exploitation. When a whole generation is subjected to these choices, young people become less employable, and the country’s human capital and future development are limited.⁵ Moreover, many young male refugees in neighboring Jordan, Lebanon, and Turkey are unwilling to

return to their homes, fearing retribution by the regime.⁶

The choices that young people make in these circumstances determine whether they become enablers or spoilers of sustainable peace. A young person’s “enrollment” in an extremist or terrorist group can be explained by a lack of economic opportunity (measured by youth unemployment),⁷ by a strong concern for the welfare of future generations,⁸ or by frustrated aspirations for better social, economic, and political opportunities and mobility.

The collapse of the Arab social contract contributes further to youth insecurity and exclusion,⁹ as do the continuing marginalization of the young and rigid intergenerational social structures.¹⁰ Extremists recruit where political and economic exclusion are most acute.¹¹ Only by disrupting these dynamics can reconstruction set wartorn countries on a path toward sustainable peace.

Notes: 1. Ianchovichina 2017. 2. An estimated 97 percent of school-age children in Syria, 54 percent in Yemen, 29 percent in Iraq, and 20 percent in Libya need educational support (Kabbani 2018).

3. International Labour Organization 2019. 4. World Bank 2010, cited in Kabbani (2018). 5. Kabbani 2018. 6. World Bank 2017a. 7. Abdel Jelil et al. 2018. 8. Azam 2005. 9. UN and World Bank 2018. 10. Mahmood and Slimane 2018. 11. United States Institute of Peace 2019.

Source: Building for Peace team and UN and World Bank (2018), chapter 4: Why People Fight: Inequality, Exclusion, and a Sense of Injustice.

future reemergence of trust between citizens and the state, and the long-term prospects for capacity development on the local and national level.

Service provision through nonstate actors may be the only way to reach vulnerable populations, but it can undermine future government–community relations. In the fluid and fractured environments, the most vulnerable populations can be difficult to reach. To maintain service delivery in these hard-to-reach areas, humanitarian and development actors

may have to enter bargains or cooperative relationships with local actors, such as nongovernmental organizations or local elites. Delivering services in cooperation with trusted local actors and volunteers maintains service, even though service quality may be low.³⁶

When channeling services through local groups and elites, international donors and organizations give up some control over their aid, which may increase the risk of misuse. And they may empower groups

who are not supportive of inclusive and sustainable peace. Misusing aid—say, to enhance local legitimacy and sustain armed forces—not only diverts aid from the neediest but also hinders the peace process, both locally and nationally. The ability to redirect aid shifts the balance of power among warring parties—and this shift in turn affects the various actors' willingness to join a political dialogue.

Participants in the illicit or informal war economy may capture the material value of aid, financing further violence while adding incentives to keep the conflict alive.³⁷ Even if the nonstate actors delivering services are not directly involved in combat, risks remain. Through these bargains, selected local actors may be provided with capacity and legitimacy in the eyes of the population, which later on may make it challenging for the state to reengage in these communities and win their trust. A pragmatic, context-specific approach to engaging in fluid environments should weigh the benefits of engaging a nonstate actor to deliver services in places that are otherwise hard to access against potential risks to the long-term trajectory toward sustainable peace.

An accumulation of power locally can increase competition among local groups and bolster regional and ethnic identities, which may heighten interethnic and intergroup tensions and contribute to future conflict. It may also buttress secessionist tendencies, especially where resource-rich provinces seek to protect their local claims to these resources.³⁸ The Marib governorate in Yemen, for example, has experienced relative wealth and security in the ongoing civil war. A combination of enduring tribal structures, oil and gas resources, and strong leadership from the provincial governor, Sultan Al Aradah, has fostered stability. In a decentralization debate during the 2015 National Dialogue Conference, the governorate secured itself 20 percent of the proceeds from the extraction of its natural resources. These revenues now enable continuous payments of salaries of public servants and sustain existing infrastructure.³⁹ This self-sufficiency has strengthened tribal structures, which may complicate the future linking of the province with other communities and with the central state.

Allocating resources and services to specific communities can create patterns of inclusion and exclusion that directly threaten stability and make social cohesion much harder to achieve. When addressing

immediate needs of particular segments of the population, policymakers and practitioners must take into account that the process of service delivery seems to matter at least as much as the quality of services and who delivers them.⁴⁰ When service delivery is perceived as unequal or discriminatory and some groups feel excluded, it can fuel grievances against the state, or against those groups seemingly receiving disproportionate access to services.⁴¹ These dynamics are particularly important in the MENA region, where millions of displaced people live in or in close proximity to local communities, often in urban areas.

The rapid influx of people puts added pressure on basic service delivery and infrastructure and limits access to often already scarce livelihood and employment opportunities. This may create tensions between local authorities and urban residents, as well as between the displaced and their host communities, especially where support is primarily given to particularly vulnerable groups, while similar benefits are not provided to the overstressed hosts living in close proximity. The conflict in Yemen has internally displaced about 4 million people, many choosing to stay in host communities that are becoming increasingly overstretched. The prolonged burden on these communities has given rise to local tensions, as poor households feel overstretched and abandoned, lacking help from the international organizations that often exclusively support internally displaced persons.⁴² Urban areas in Jordan and Lebanon have also increasingly come under stress due to the large influx of Syrian refugees. These dynamics may be manifested further when paired with political and social marginalization and spillovers from regional, ethnic, sectarian, and political tensions.⁴³

Where international actors take over service delivery institutions in response to the needs of the population, they must balance meeting immediate public service needs with the risk of creating a parallel state. Where state capacity is low, the risk is creating donor-financed parallel project structures to meet needs that the regular public service cannot currently meet.⁴⁴ As documented in a recent study by the Institute for State Effectiveness (2019), by relying on units staffed with highly paid technical assistants to efficiently execute government functions, these structures effectively bypass the regular public service rather than support it—putting long-term sustainability at risk. This was seen in

Afghanistan, and to less extent in Iraq, where donor-funded project structures created parallel systems for mobilizing and allocating resources, which can prove costly if the donors lack a longer term exit strategy.⁴⁵ Influencing the quality of service delivery from the top down may require comprehensive public sector reforms that are often not feasible in the short term yet postponing them may create path dependencies that complicate future reform even further. Donor-financed project structures may support short-term service delivery but may lead to the emergence of parallel systems that later on cannot easily be integrated into a governance system.

In sum

Building for Peace advocates developing a long-term strategy that links past, present, and future to understand and evaluate tradeoffs. This chapter offers examples of that process, underlining the risk of creating path dependencies with long-term negative consequences in prioritizing and sequencing policies and making use of flexible entry points. When investing in an uncertain future, mapping alternative paths allows decisionmakers to evaluate tradeoffs and manage risks and minimize unintended consequences. Developing a long-term strategy also requires assessing the country's existing assets, including institutions and human and social capital. And it requires assessing how these factors may evolve and how policy interventions today could affect the incentives of actors, the distribution of power, and the stability of institutions tomorrow. Only a careful analysis of the risks and alternatives associated with interventions in conflict countries allows a proper understanding of the consequences of these interventions for the path taken by wartorn societies and thus the attainability of sustainable peace. Next, Chapter 4 discusses the information and knowledge needed to develop such long-term strategies and assess the policy tradeoffs.

Notes

1. Matsunaga 2019.
2. ISE 2019.
3. ISE 2019.
4. World Bank 2011.
5. Gleditsch and Ruggeri 2010; Linder and Bächtiger 2005.

6. Bell and Pospisil 2017.
7. Call 2012.
8. Raffoul 2019.
9. Popular Mobilization Committee Law of 2016.
10. al-Khafaji 2018.
11. Government of Iraq 2019.
12. Wehrey and Cole 2013.
13. World Bank 2017b.
14. Buckley-Zistel et al. 2013, 1.
15. Isser 2011.
16. Mahony and Sooka 2015.
17. Parry 2018.
18. REACH Iraq 2020.
19. IOM 2020.
20. Gharizi 2018.
21. Nassar 2018.
22. UNESCO and World Bank 2018.
23. UNODC 2018.
24. Eaton et al. 2019.
25. Matsunaga 2019.
26. IMF 2017.
27. Fahmy et al. 2018.
28. Drew 2017.
29. Drew 2017.
30. Heubaum 2018.
31. AUC 2019.
32. Le Billon 2014.
33. Sargsyan 2017.
34. Matsunaga 2019.
35. Marc, Verjee, and Mogaka 2015.
36. World Bank 2017a.
37. Wood 2018.
38. Wolff, Ross, and Wee 2017.
39. Baron 2018.
40. Sturge et al. 2017.
41. Mcloughlin 2015; Sturge et al. 2017.
42. Motahar and Al-Sabahi 2017.
43. Marc, Verjee, and Mogaka 2015.
44. ISE 2019.
45. Blum et al. 2019.

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SPOTLIGHT 4

Iraq at a crossroads

Blighted by several cycles of conflict and destruction, Iraq illustrates how well-intended but partially-informed interventions can create path dependencies that lock a country coming out of conflict in trajectories that are incredibly difficult to undo. Despite international efforts and the nearly US\$220 billion spent on Iraq's reconstruction, the country still seems to be trapped in a cycle of protracted and relapsed violence and conflicts, with its different reconstruction programs largely seen in negative light. With the ongoing wave of protests and uncertainties, it is clear that putting the country on a trajectory toward sustainable peace requires a coordinated long-term strategy that takes into consideration the priorities of Iraqis. Rather than putting out fires and pursuing populist measures, the transition toward sustainable peace requires addressing the country's human and structural challenges, considering the role and incentives of regional and international actors in the country, and carefully weighing policy alternatives and their potential consequences.

The multiple peacebuilding and reconstruction experiences in Iraq since the US-led invasion in 2003 show the complexity of transitioning from conflict to sustainable peace. In retrospect, assessing the reconstruction efforts in Iraq since 2003 shows that some interventions unintentionally moved Iraq farther from sustainable peace and weakened its institutions. Consider the focus to rebuild the oil sector and the uneven restoration and provision of basic service delivery. Also consider the dissolving army and "de-Baathifying" the country's formal institutions without

Key indicator	2011	Most recent
Population (millions)	30.7	38.4 (2018)
Urban population (%)	69.3	70.5 (2018)
Fragile State Index (FSI) rank ^a	9th	13th (2019)
State capacity rate ^b	0.4	0.3 (2015)
Governance Index ^c	4.1 (2012)	4.4 (2018)
Human Development Index (HDI) rank ^d	—	120th (2017)
Life expectancy at birth (years)	68.7	70.0 (2017)
GDP per capita (current US\$)	6,045.5	5,878.0 (2018)
Working poor at PPP\$3.10 a day (% of total employment)	37.5	31.6 (2018)
Total unemployment rate (%)	8.2	7.9 (2018)
Youth unemployment rate (%)	16.7	16.6 (2018)
UN Education Index	0.511	0.534 (2017)
Gender Inequality Index	0.519	0.506 (2017)
Internally displaced populations (end 2018)	1,332,382	1,802,832

- The ranking (of 178 countries) goes from the most fragile (FSI = 1) to the least (FSI = 178).
- Values close to 1 indicate excellent performance; values close to 0 indicate substantive deficiencies.
- Values close to 1 indicate low performance; values close to 10, high performance.
- The ranking (of 189 countries) goes from the highest human development (HDI = 1) to the lowest (HDI = 189).

building new capacity in the public sector. Such decisions pushed some segments of the Iraqi society toward more violent resistance and accentuated their grievances, instead of creating support for rebuilding their own country. This situation could also have been avoided if the security and the peacebuilding actors, as well as the different international, regional, and local players, had coordinated their efforts more effectively.

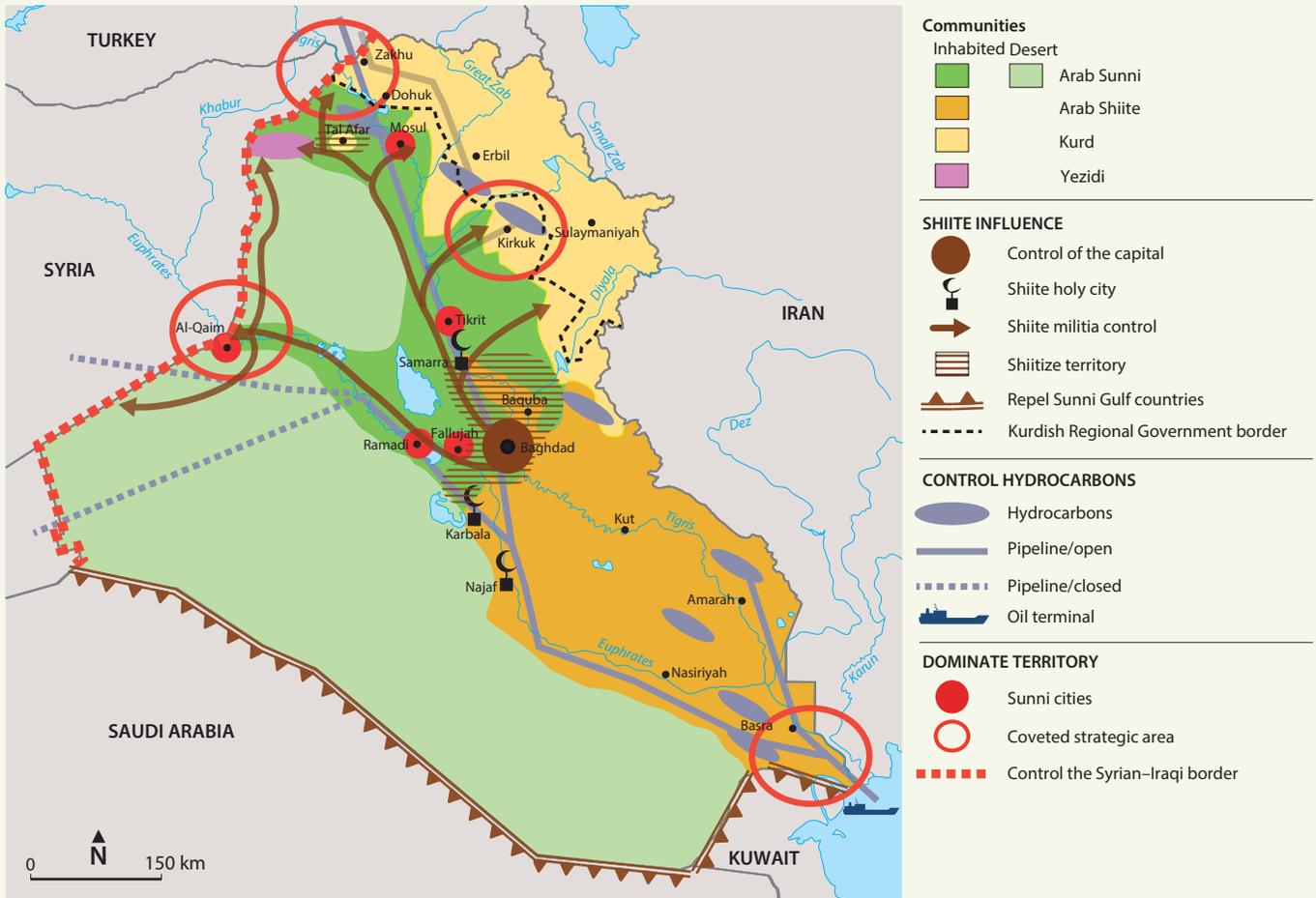
These experiences clearly illustrate how reconstruction and peacebuilding do not happen in a security vacuum, nor can security be assured in the absence of inclusive reconstruction and peacebuilding interventions. The failure of the security and peacebuilding domains

to coordinate effectively left conditions that allowed repeated cycles of violence.¹ The negative impact of failing to consider the geo-economic environment surrounding Iraq's reconstruction has also been made clearer today, since the country became an arena for tensions among global actors in early 2020.

Identifying priorities for peace

The recent protests that shook Baghdad and other cities in Iraq help illustrate the priorities of Iraqis who are calling for economic and political reforms. Protestors demanding better jobs and living conditions and more government accountability also

MAP S4.1 Iraq: Ethno-religious dynamics



Source: Balanche 2018.

expressed their opposition to the growing foreign interference in their country's affairs. The slogans clearly demonstrated the Iraqis' rejection of sectarian-based politics, which brought about the consolidation of a new Iraqi nationalism that goes beyond identity politics and religious patronage and ultimately forced the Iraqi government to resign. And while the grassroots stressed that the protests started as equally anti-Iranian and anti-American, the unrest quickly accelerated into a contest between the two powers, thus raising the fears of turning Iraq into

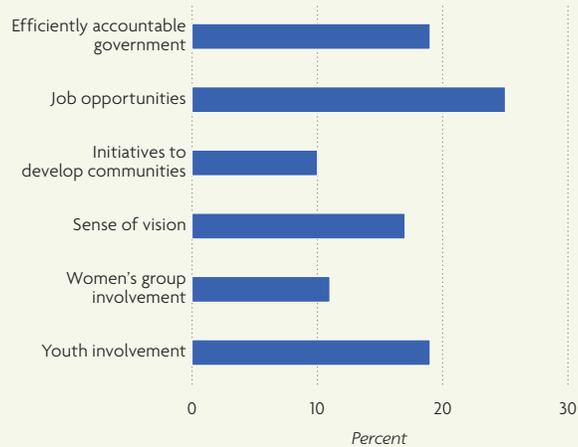
an arena of a direct confrontation between them.

An online survey of 4,455 Iraqis covering all of Iraq, conducted by the World Bank and RIWI Corporation in March 2019, shows that Iraqis are roughly divided in half between optimism and loss of hope, with feelings of frustration aimed at both the Iraqi government and the international actors. Respondents also have a firm eye on the opportunities of the next generation, with voices calling for job creation, better education, and youth involvement (figure S4.1), while mourning

lost hope for their children's future, months before the protests erupted.

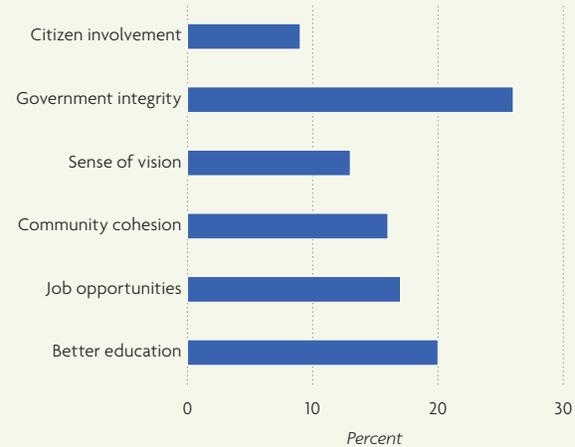
Iraqis believe that previous peacebuilding efforts lacked many elements that could have ensured a better outcome. A quarter of those surveyed point to the lack of job opportunities, and a fifth say previous efforts also failed to demonstrate an efficient and accountable government or include youth involvement. Looking forward, Iraqi respondents again focus on fixing their own government and improving the future of the next generation (figure S4.2). On

FIGURE S4.1 What do you believe has been lacking in previous peacebuilding work in Iraq?



Source: RIWI online survey, March 2019.

FIGURE S4.2 What do you believe is the most important element needed to achieve lasting, sustainable peace?



Source: RIWI online survey, March 2019.

the most important element needed to achieve a lasting sustainable peace, one quarter of surveyed Iraqis believe it is improved government integrity, while a fifth named better education.

Given the identified need for greater government integrity, it is unsurprising that 38 percent of surveyed Iraqis identified “corrupt rulers” as the greatest roadblock to lasting peace. “Corrupt rulers” was the most recognized hindrance to peacebuilding across all the provinces, accounting for a third to a half of the respondents in each.

Tradeoffs require realism

Helping Iraq transition toward sustainable peace requires persistence and a deep understanding of the tradeoffs and consequences of policy decisions. It also requires a realistic assessment of what previous attempts at peacebuilding and reconstruction missed, and how the geo-economic dynamics might affect the transition toward sustainable peace. Reconstruction efforts now have to go beyond hard infrastructure to include building human capacity, securing local

buy-in of projects, and improving perceptions of state legitimacy.

In trying to shape the post-ISIS future, Iraq faces challenges on all fronts: governance, economics, demographics, communal divisions, ecological threats, legitimacy issues, foreign interference, and more. There are no quick fixes as Iraq faces a complex mix of short-term and deeper structural issues.

Longer term issues amplify the scale of Iraq’s challenges. Thousands of homes need rebuilding, along with schools, factories, and basic infrastructure. Jobs and business opportunities for many Iraqis are elusive, especially for the young. And the social fabric of many communities, damaged by the many years of violence and conflict, is torn even further by the limited progress of the government in Baghdad in supporting healing and fostering social cohesion. The geo-economic dynamics currently hovering over Iraq also destabilize the country’s internal politics, leading to more uncertainty and pressures. Interventions must be planned effectively, taking into account the security situation, the ethno-sectarian diversity, the

geo-economic environment and the capacity of national institutions.

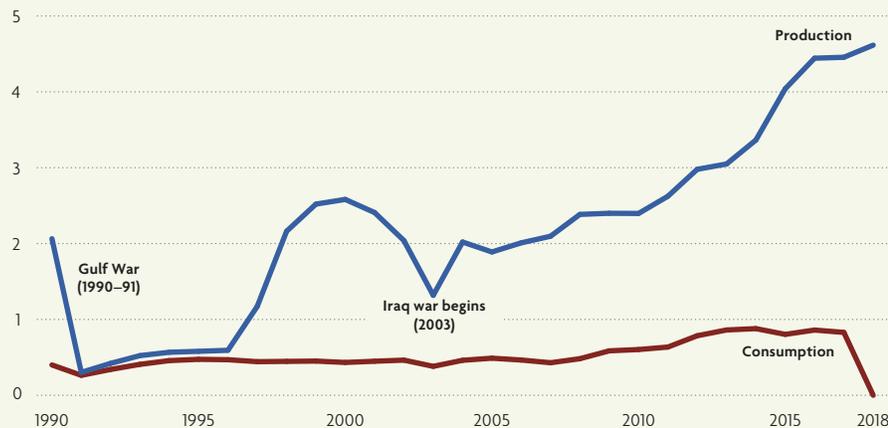
Navigating Iraq’s major challenges

Iraq is a resource-rich middle-income country, with the world’s fifth largest known oil reserves and substantial gas reserves. Long before 2003, oil dominated Iraq’s economy, historically generating more than 95 percent of export revenues and 80 percent of foreign exchange earnings. Iraq doubled its oil production over the past decade to 4.7 million barrels a day in mid-2019 (figure S4.3).²

Historically, oil resources increased investment in manufacturing, agriculture, and education—and allowed for expanding the government workforce. But that attempt to diversify the economy was halted after 1979 as the oil revenues were used to cover the expenses associated with Saddam’s Hussein’s multiple wars (Iran War 1980–1988; Kuwait invasion 1990). Even so, the public sector continued to expand to absorb the growing labor force, making up for the

FIGURE S4.3 Iraq's total production and consumption of petroleum and other liquids, 1990–2017

Million barrels per day



Source: US Energy Information Administration.

shortfalls of the capital-intensive oil sector. Thus, by 2008, the public sector employed nearly 40 percent of the labor force, while almost 30 percent of government spending went to pay the salaries of public employees.³

Efforts to diversify the Iraqi economy are neither new nor effective. With the fall of Saddam Hussein in 2003, national and international efforts were mobilized to decentralize Iraq's economy and deepen its market economy. But little was done to foster a private sector, which remains small today and contributes only marginally to employment and income generation. Agricultural productivity has also been in decline. The Iraqi economy is thus highly vulnerable to external economic shocks and to oil price fluctuations, destabilizing the government's income, job creation, and service delivery.

Another major challenge is linked to the quality of institutions and the capacity that exists within the country. In the past decade, national and international efforts in Iraq have made some progress in building government institutions—Iraqis approved a constitution in 2005 to

replace that of the Saddam Hussein era, and held successive elections for parliament and provincial governments. The most recent parliamentary elections in May 2018 brought into government the Shiite coalition led by cleric Muqtada Al-Sadr. Still, governing institutions remain relatively weak, civil servants' capacity remains low, and corruption and poverty endemic, a deterioration that started in the 1980s and 1990s.

After 2003, early reconstruction efforts bypassed public institutions and Iraqi officials, who ended up playing a small role in rebuilding their country. The de-Baathification policy excluded a large segment of the existing capacity in the public sector and even fueled the ethnic and sectarian tensions that were curbed under the previous regime. Donor efforts to build institutions and strengthen capacity were therefore hindered by the weak implementation capacity, leading to little internalizing of reconstruction by the people of Iraq.⁴

The consequences of this governance challenge feed into another major challenge that Iraq faces today: addressing

the sectarian divide. Under Saddam Hussein's regime, tensions between different segments of the Iraqi society were contained through authoritarian and repressive means, mainly by excluding the Shia majority from most positions of economic or political power. After the fall of Saddam's regime this situation changed due to the US-led establishment of the Mohasasa (redistributing power based on the size and power of different sects), which determines that the Prime Minister be a Shia.

With the most recent developments in Iraq and the resignation of the elected government after the massive protests in December 2019, Iraqis could have an opportunity to escape the vicious cycle of identity politics and create a vision of a united Iraqi nation.

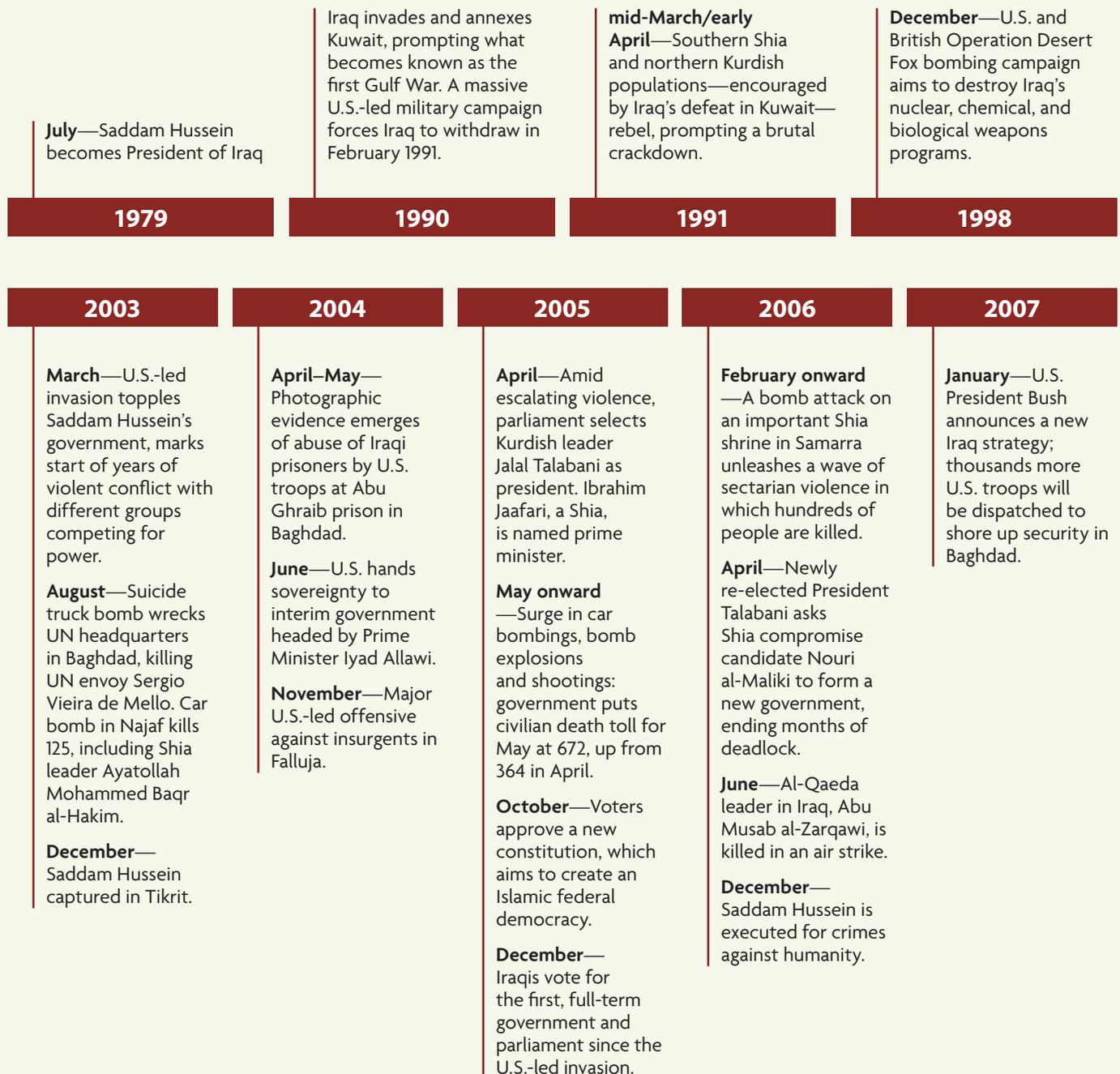
Realism in promoting change is required. Wholesale reforms may be too ambitious and ultimately impractical. Instead, creative fixes aimed at addressing local context-specific matters may be a better short-term way to create pockets of change with an eye toward long-term systemwide adaptation.

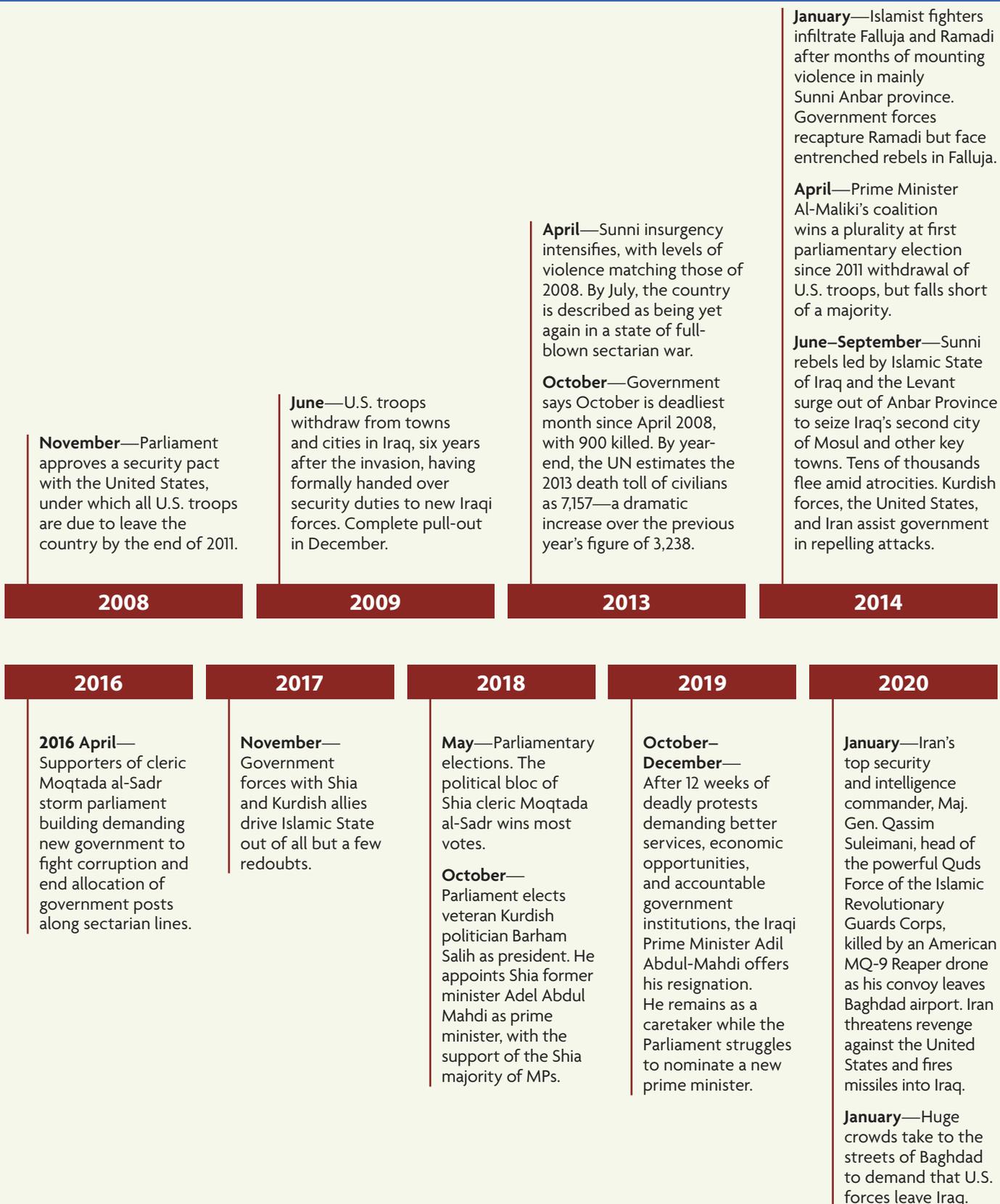
In conclusion, the repeated cycle of attempts to reconstruct Iraq, interrupted by relapses into conflict and violence, could teach development practitioners lessons for sustainable peacebuilding. The reconstruction program started after 2003 was not anchored in a clear long-term vision for the country, instead consisting mainly of siloed sectoral interventions that unintentionally exacerbated existing grievances and fueled the emergence of new ones. After the defeat of ISIS in 2017, new priorities were put forward by the Iraqi government and its partners in order to reconstruct the country and avoid another wave of violence.

But the latest round of protests and escalations between regional powers show

TIMELINE

Iraq





once again that the needs and priorities of the Iraqi people remain unaddressed, while regional proxy dynamics continue. Breaking this path dependence requires learning from the past to set the country on an alternative path that leads to sustainable and inclusive peace.

Notes

1. Matsunaga 2019.
2. Matsunaga 2019.
3. World Bank 2017a.
4. Matsunaga 2019.

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CHAPTER 4

How to choose the road forward: Increasing how much we know

Chapters 2 and 3 argued that designing and implementing a strategy for sustainable peace requires a comprehensive, continuing, and integrated understanding of the context—the actors and their incentives, institutions, and structural factors. Continuing engagement requires a clear grasp of local, subnational, and regional differences in those factors and how they interact with political and economic dynamics. This chapter examines how to achieve in practice a more complete, nuanced assessment, identifying not only the opportunities for entry but also for avoiding the conflict trap, recognizing the obstacles and risks that can be spoilers to even the best-laid plans.

Seeing the fluidity of today's conflicts, an informed assessment should go beyond a snapshot of conditions at one point in time. It should be an ongoing, multidimensional process of analysis, a living narrative.¹ It should focus not only on the preconflict conditions and the roots of conflict, but also on the dynamics of changes brought by conflict and how, in response, people and institutions adapt to the distribution of economic and political power. A viable strategy and effective implementation plan require a continuing understanding of the priorities of actors and communities, their incentives, their coping mechanisms, and their aspirations—and how these may change going forward. The assessment should seek to understand the contingent risks and tradeoffs at different levels for successful humanitarian, development, and peacebuilding interventions.

Based on this context, the assessment should then identify policy options and entry points for the transition to sustainable peace. A strategy for identifying these policies and entry points can be likened to the strategy of playing a game of chess—a continuous and dynamic evaluation of the players, the board space, and the pieces on it. That includes their relative positions, capabilities, and power relationships, to guide each move in the short and medium term, maintaining flexibility,

while anticipating the consequences of each move for the longer term. Well-informed policy options and entry points are essential to implementing operations for a transition to stability and security in the short term and to strengthen and sustain peace in the medium and long term (figure 4.1).

Even with the most recent and substantial advances in assessment methodologies, applying them in the field to inform policy dialogue, strategies, programming, and operational design has been challenging.² For decades, the international community has relied on assessments to understand the context and take the first steps in providing joint support for planning, mobilizing resources, and engaging in interventions geared to reconstruction and development in conflict-affected countries. Over time, assessment methodologies, processes, tools, and available information have broadened significantly with greater methodological complexity and depth. A review of some of these key analytical instruments is in annex 4. But “blindness” on assessment practice—restrictions or limitations that can prevent the full picture of the situation on the ground from emerging—can lead to information gaps and misinformed interventions. (Blinders are discussed more fully below.)

Elements of an informed assessment

Understanding the past

While the starting point for most assessments is the present, fully making sense of the current situation and paving the way toward a different future require a thorough understanding of the past. In taking stock of the status quo and analyzing ongoing dynamics on the ground, assessment tools may pay too little attention to how past dynamics, particularly their social and economic aspects, led to conflict and remain relevant for conflict resolution. Since it is exactly the past conditions that may have led to conflict and violence in first place, failing to understand them can run the risk of designing

interventions that merely rebuild past dynamics, reinforcing the root causes of conflict (chapter 1).

Understanding the past means developing an account of the historical grievances and institutional factors that have determined a country's path to the present. While assessment methodologies place great emphasis on determining the causes of violence, often the actual practice fails to understand and factor into the assessment a full analysis of past allocations of power and resources among actors, institutional evolution, and unaddressed grievances. For example, in Lebanon, institutions evolved during and after the civil war to reflect the population's coping mechanisms rooted in the security afforded them by their communal and sectarian communities and their leaders. External actors also played critical roles in shaping and limiting the capacities of institutions.

Yet over the past 20 years, certain realities of Lebanon's political economy were not fully factored into assessments aimed at developing strategies for stabilization. Instead, the strategies were based largely on a donor-oriented best-case reform vision of an idealized, largely centralized state with a merit-based civil service and transparent processes. Since the end of the Lebanese civil war, the international community has been providing Lebanon support in the form of humanitarian assistance and development financing. But the post-civil war order and institutional arrangements persisted and now have become the cause of instability and unrest. Going forward, a full understanding of Lebanon's formal and informal institutional legacies, its exogenous factors, and the role of its communal and sectarian leaders is needed in planning for peace. As chapter 2 highlights, in addition to the domestic complexities, exogenous factors include the regional and global geo-economic and geo-political context, determined by proxy contestations, international investor incentives, global commodity markets, cross-border labor and capital markets, foreign immigration and refugee flows, interests of external funders and donors, resource values, and relevance to foreign states—and how they have evolved.

Making sense of the present at all levels

While traditional assessment typically focuses on the national level, much more attention to local

contexts and opportunities could provide better guidance to policymakers and practitioners, especially in FCV contexts. For most international development actors and particularly for the World Bank, central governments are the mandated counterparts. So, depending on circumstances, dialogue may be limited to officials, local communities, or elites tied to the formal institutions and the central government. This can open gaps between the accepted need for a comprehensive national assessment with the central government as the main counterpart, and the realities on the ground, particularly when it comes to understanding local contexts and dynamics. By adopting a national orientation, often limited to dialogue with those accepted by government, assessments are likely to miss crucial issues related to the dynamics and possible grievances of different segments of society, to the local economy, and to the coping mechanisms of different communities. This is particularly the case when the reach or legitimacy of the central government is restricted in territory or communities. The assessment may also overlook the emerging subnational and local war economies and informal governance structures crucial for establishing the legitimacy of national governance.

Understanding institutions and governance

While understanding the role de jure of different central and local institutions is necessary in assessing the role of central institutions, rebuilding the preconflict systems of institutional service delivery could undermine peacebuilding and institutional legitimacy. In many cases, populations' coping mechanisms and informal and nonstate networks provide basic services and some security. While central authorities may sometimes seek to avoid imparting recognition and implied legitimacy to those groups, an assessment should consider *how* informal and formal institutions deliver services at the local level: Does delivery enhance security, equity, inclusion, and justice, or aggravate grievances and violence between different communities or subregions? Assessing the *how* may reveal what to offer as incentives and improvements for security and building institutional legitimacy at the local level, as well as how to heal the internal fractures between communities.

For example, a project financed by the Afghan Reconstruction Trust Fund provided a local council with technical assistance from the local regional administration to improve irrigation by building hilltop dams and systems for water management for agricultural fields. A third-party monitor reported that the results were achieved, but reports from a local international agency employee claimed that the project was a source of conflict and distrust in the village. A visit to the village revealed that the system was constructed without considering the council's structure, dominated by one family that benefited almost solely from the new work.³

Understanding the role of communities and their coping mechanisms

Entry points for building consensus and legitimate institutions may be local or regional, especially where no central government is willing or capable of doing so, or where the central government's reach is limited. Entry points should include the central government, assuming that it exists and is capable and willing to build core state functions for peacebuilding and development. As chapters 1 and 2 describe, conflicts in MENA have had destructive effects on the relationships between different local communities and between the central government and the communities, especially with the emergence of informal institutions that provide basic security and services to the affected population as a coping mechanism during protracted violence. They have also spawned informal, illicit, and nonstate armed power networks, some intertwined with state structures, some backed by external regional and international patrons who in turn widen and multiply local fractures.⁴ In all cases, the presence and persistence of these various networks relate directly to insecurity and loss of trust in formal institutions, particularly at the local level. Understanding their incentives to support peacebuilding is crucial for the success of attempts to reconstruct the wartorn societies.

An assessment that takes into account communities' priorities requires a granular understanding of local networks (formal and informal, licit and illicit) and their patterns of trust, trade, finance, supply, dispute resolution, and security. This understanding is built through communications with local actors,

suppliers, and market intermediaries and through descriptions of their interactions. Unpacking people's coping mechanisms is also critical in identifying the possible entry points for intervention and the incentives to begin peacebuilding. These coping mechanisms can deflect the trajectory of peacebuilding for long periods of time, since people coming out of war could resist changing what provides security, even if that security has no certain path to sustainable peace.

An assessment would therefore identify the institutional structures, whether formal or informal, that have emerged as a coping mechanism in conflict. The assessment would consider whether and with what incentives nonstate actors, including armed ones, might be coopted into emerging formal institutions or at least be persuaded to not spoil peacebuilding and reconstruction efforts. A potential entry point would be identifying resilient formal and informal institutions that facilitate coexistence and operate in arenas of contestation to manage conflict or mediate differences at the local level. Interventions anchored in understanding the impact of conflicts on power networks and relations can thus build on these resilient institutions to start building an inclusive state and offering livelihood opportunities for local communities. In the example of Lebanon, the evolution of communal and sectarian institutions during and after the civil war illustrates the long-lasting effects of coping mechanisms.

An assessment would take into account the relationships among various actors at a subnational and local level and their evolving dynamics, such as state officials, local community leaders, internally displaced persons, key actors in the local economy, religious and sectarian leaders, and civil society organizations. It would consider the role of external actors. It would take into account the balance and distribution of power between different actors and networks in the arenas of contestation for power and for such resources as land, water, minerals, oil and gas, and service delivery. At the local level, these assessment tasks are sensitive, difficult, and often neglected. But if well targeted, focused and informed, they would afford opportunities for local entry, which could be joined to a more comprehensive and integrated national approach.

A long-term vision of the future

The prevalence of “conflict traps” calls for a forward-thinking approach with a long-term vision to break the cycle of violence—and not rebuild the previous power structures and networks that fueled the conflicts. As argued in the previous chapters, the protracted nature of today’s conflicts requires a more thorough understanding of the different trajectories the wartorn countries can take. This process requires identifying options and setting the foundations for a realistic long-term vision for the country’s future over three to five decades. No mean task, that timetable extends the typical five-to-ten year timeframe set by traditional reconstruction plans and engagement strategies. And this vision, though aspirational, can provide legitimacy, realistic goals, and monitorable milestones, allowing for transparency and accountability.

Assessing such a task would require getting a better understanding of the existing and potential assets on the ground as matched to the priorities of the local communities. The objective would be to identify and prioritize entry points, incentives, and operations for long-term sustainable peacebuilding. Once these are identified, the critical long-term vision introduced in chapter 2 can emerge, identifying what incentives might exist, for whom, at what entry points, how they evolve, and when and how can they be brought to bear for paving the way toward stability and sustainable peace. This visioning would also allow for the bridging from short-term imperatives for quick wins to the long-term goal of transitioning to sustainable peace. As a practical matter, such visioning can facilitate more comprehensive assessments of a country’s actors, institutions, and structural factors.

Asset maps are well suited to a number of circumstances, including area-based approaches, and can help identify and uncover value and inform strategic decisions.⁵ The maps would support a dynamic assessment aimed at improving security and helping to identify and prioritize entry points, incentives, and operations with flexibility and adaptation. They can also detail basic statistics, assets, constraints, challenges, risks, and liabilities. Satellite imagery and big data analytics can add geospatial information, in different and overlapping visual combinations.⁶ Since the strategy for long-term

interventions may require combined or sequenced actions, taking a comprehensive stock of assets, and identifying liabilities (spoilers and potential risks) provides a baseline of what exists and should allow for better targeted entry points for international assistance.⁷

Taking off blinders for a more informed assessment

An assessment is a starting point to establish the informational and analytical framework for how to start the transition toward sustainable peace. If that assessment overlooks key factors in practice, it puts blinders on the narrative and the approach for reconstruction and peacebuilding. The result may be that interventions are designed and undertaken based on an incomplete understanding—with unanticipated consequences. If each country can be considered a chess board, then the absence of any one or combination of critical pieces impairs understanding the entire picture and thereby also impairs understanding where, when, and how to intervene and what level of risk to accept. In a chess game, if a player cannot see the entire board or does not appreciate the position and power of a particular piece, a winning strategy is much less likely, due to unforeseen mistakes (figure 4.1).

Blinders

Blinders omit, play down, or avoid difficult but nonetheless critical actors and issues. They may result from a priori presumptions about the context’s past and future, such as the eventual existence of a postconflict situation. Or they may result from normative or theoretical presumptions about the nature of today’s conflicts. For example, dismantling an inefficient state-owned enterprise, while desirable from an efficiency and public financial management viewpoint, may overlook the socio-economic security that enterprise contributes to a population’s coping mechanisms.

Blinders may be set by those financing or undertaking the assessment or by government officials. Mandates for assessments—such as the Risk and Resilience Assessment or Recovery and Peacebuilding Assessment—often require that governments request the assessment and serve as the

counterpart, arranging and clearing assessment operations.⁸ As a result, the dialogue between the institution conducting the assessment and the “authorized” counterpart can be limited to a location or to officials or elites affiliated with the state. Key actors in the political economy may be excluded, often deliberately.

Since most assessments are endorsed and assisted by external actors, the assessment’s scope may be limited by their agenda or interests. Other actors omitted may include nonstate economic and social actors such as extractive industry firms, shipping and insurance firms, commodity traders, religious leaders, regional powers, and faith-based NGOs.

In all cases, blinders are likely to open gaps in the assessment and produce an incomplete or misleading narrative. In some cases, assessment mandates may fail to include authorization or resources for engagement with certain internal actors or institutions, or in certain areas or with external stakeholders closely intertwined with local networks, that are proxies in a larger regional or international contest for hegemony or legitimacy.

Assessments with blinders can reinforce the existing grievances of actors, further exacerbating exclusion, inequality, or injustice. Limiting or prohibiting access to political economy elites or key actors during the assessment or failure to appreciate economic and social realities on the ground are likely to create a biased view of the situation or yet more competition in arenas of contestation, fueling further resentment and grievances. This can disrupt the best laid plans for peace while opening the way to spoilers.⁹

An incomplete or biased assessment may facilitate decisionmakers’ interventions but not consider the associated tradeoffs. For example, development institutions’ assessments may not extend to certain tribes in southern Libya, even though these groups are known to be instrumental in illicit activities and trafficking that can undermine sustainable peace and efforts to build consensus for peacebuilding. In Yemen, planning for interventions to guarantee stability and alleviate humanitarian crises needs to take into account the complex web of foreign actors—their interests and interventions fueling proxy war (see spotlight 2).¹⁰

FIGURE 4.1 Looking at the entire chessboard of players, spaces, and times



Or only some players, spaces, and times?

PRESENT

Blinders may include:

- Collecting information only from accessible areas.
- Assuming that a peace agreement ends a conflict.
- Considering only people’s physical security.
- Omitting key actors.
- Ignoring structural factors.

Central questions for a bottom-up approach without blinders would include the following: What incentives can improve people’s security? At what level? Where, when, and with what consequences for affected actors? How would the incentives help to build consensus for constructing legitimate institutions that might ensure a broader sense of physical, economic, and social security, thus setting the

country on a path toward stability and sustainable peace?¹¹

Collecting information only from accessible areas

Restrictions on access—based on concerns for physical security, often imposed in FCV countries—may be overly broad in scope, place, time, or subject. In today's conflicts, parts of a country or

particular groups of stakeholders can be reached using local intermediaries, partners, and proxies. Where none of these are possible, ever-advancing technological tools can be employed, such as satellite imagery. Given a particular security context, the assessment processes can benefit from new technological tools that can help overcome issues of accessibility and changing circumstances. When operating in fluid environments, singular or static assessments may not capture the constantly evolving context and the dynamics of security, service delivery, and governance. Some areas may remain inaccessible to assessment and development practitioners, complicating the collection of relevant and up-to-date information.

Mitigating the various security risks may require using a number of tools, most identified in existing assessment methodologies. Apart from the challenges of security, accuracy, and comprehensiveness, assessment processes need to be open and inclusive, tailored to the context and employing local people and appropriate technology to overcome access limitations. The systematic use of dynamic and interactive citizen monitoring through online or telephone communications combined with geo-enabling information and communications technology tools can help identify improved security on the ground for access. Technology can also help learn about local priorities and capacities and gather spatial data for institutional service delivery for such functions as the condition of infrastructure and facilities and their use (box 4.1). The online survey conducted during the development phase of the Building for Peace report is a good illustration of how new technologies can help ground interventions in the perceived priorities of people on the ground (spotlight 1).

Assuming that a peace agreement ends a conflict

Assessments and engagement often implicitly presume that conflicts or violence has ended or will end with the signing of a truce or full peace agreement. This assumes a clearly demarcated postconflict phase in which engagement and reconstruction could take place. As chapter 1 argued, today's conflicts in MENA are often protracted, with countries emerging from and relapsing back into violence over time. Moreover, the violence

BOX 4.1

Enhancing assessments with new technologies

The applicability of geospatial data analysis is potentially manifold. A map that sets out contextual data—such as demographic indicators, poverty rates, or sites of natural resource exploitation—provides a useful overview on the general environment of the country and its neighborhood. And geospatial tools can be leveraged for the analysis, since many drivers of fragility and conflict have inherent spatial dimensions. Examples include competition over land and resources, trading and trafficking routes, lagging regions, marginalized ethnic and religious communities, concentrations of internally displaced persons and refugees, and territorial contests, presence of armed groups, violence hotspots, and spillovers.

Fragility maps that visualize and superimpose contextual and FCV-related information show how diverse stresses correlate with each other. They can be overlaid with data on existing or planned development interventions, which can reveal valuable information with concrete operational relevance. This type of information can also help teams monitor the implementation and disbursement of funds in fluid conflict situations. In addition, a geographic information system can be used for deeper geospatial analysis of quantitative FCV-related and contextual data over time. Citizen consultation has greatly improved through surveys that reach villages (as in Central African Republic). And third-party monitoring has improved supervision and monitoring but not yet been extended to evaluation.

To reach villages and households, an assessment could employ remote cell phone and digital communications, or closer contacts using trained university students. Third-party monitoring techniques and geospatial data can help identify movements of actors.

Source: World Bank 2018b.

tends to be sporadic, often intense, but not always nationwide, erupting in different regions at different times.

At the time of a peace agreement, treaty, or truce, there can be no way of knowing whether the formal end of conflict will permit a transition to sustainable peace. But many assessments do not anticipate the recurrence of conflict or violence. The Taif Agreement for Lebanon, the Oslo Accords for Palestinian territories, the establishment of Iraq's Governing Council, the international recognition of a successor government for Libya, and the Comprehensive Peace Agreement for Sudan all promised an end to conflict. In all cases, immediately after an agreement, violence diminished, assessments were conducted, followed by reconstruction interventions on a major scale. Yet, conflict in each country came again at different levels, times, and places. In each case, because of the mistaken evaluation of the temporary suspension of hostility, the assessments at the outset missed factors or key actors that would later resurrect conflict and instability.

South Sudan is another example. Donors mobilized substantial assistance in the wake of the 2005 Comprehensive Peace Agreement and again on South Sudan's independence in 2011. But a review of their assessments and programs in 2013–14 found that the South Sudanese Liberation Army, their families and constituents, and the leaders in many communities up the Nile were rarely, if ever, consulted in assessments. And their needs had scarcely been considered, much less met.¹² Major constituencies for peacebuilding had been overlooked, and some found return to conflict preferable. The programs made little or no allowance for protracted conflict or regional conflict that would hamper transport and supply chains.¹³ Assessments without such blinders might have contributed to more effective and more transformative interventions. Development actors in South Sudan and every MENA conflict-affected country face the new normal of ongoing conflict and crisis.

Considering only people's physical security

The assessment process may fail to adopt a sufficiently broad security lens, considering just the short-term dimension of people's security, but missing critical security factors (physical, economic

and social) that drive diverse affected stakeholders' incentives and coping mechanisms

Assessments in situations of protracted violence need to use a broader and sharper definition of security. A bottom-up and people-centered definition of security might yield greater potential for interventions contributing to stability and monitorable results. Over the course of conflict, a fluid evolution of security-related incentives drives diverse stakeholder groups and affected populations. Understanding and addressing these incentives provides an entry opportunity for stabilization and peacebuilding. The central questions for the affected population are the following: What interventions can improve people's security—physical first, then economic, and social? At what level? Where, when, and with what consequences for the various affected stakeholders? Drilling down into the context to identify possible entry points based on associated incentives would identify more viable opportunities to begin a process of stabilization and a transition toward sustainable peace.

Assessments could remove security blinders and related gaps with a sharper focus on conflict-affected individuals at the local level, taking a holistic view of what constitutes security for individuals and communities in their day-to-day lives. The recent World Bank Report on the Mobility of Displaced Syrians illustrates the importance of using the lens of people's security—defined broadly as physical, economic, and social security, to determine the entry points for initial recovery and peacebuilding.¹⁴ The relationship between host-community living conditions and the return of refugees was found to be complex. Not surprisingly, security in Syria was a primary concern, and restoring services in Syria to attract refugees to return needs to be preceded and accompanied by improving security. The security conditions extend beyond physical safety to include security from arrest, security for confessional beliefs, and security of identity for those married or born outside Syria. Using limited resources to foster the return of Syrian refugees, or just building infrastructure without addressing broad security needs, will be insufficient and ineffective for increasing Syrians' welfare.¹⁵

Taking into account all aspects of the security environment should thus be one of the main starting

points for assessing the situation on the ground. As defined in the previous chapters, a broad definition of security that comprises physical, social, and economic aspects would provide a more holistic framework to map possible entry points for during-conflict interventions and opportunities for early recovery and stabilization.

Omitting key actors

Existing assessments are typically supported by—and conducted in cooperation with—governments and international partners. In many cases, the process omits important partners or key stakeholders and their perspectives. A comprehensive and inclusive assessment process would build selective partnerships with key agencies (security, humanitarian, development, and private sector, including international firms). This entails a systematic mapping of the relevant agencies, such as the UN, bilateral agencies, and multilateral organizations, and their resources and assets on the ground, highlighting each organization’s comparative advantage. For example, the Recovery and Peacebuilding Assessment model for partnership leverages the comparative advantages of the World Bank and other international actors to achieve better results. It distributes responsibilities and identifies goals, outputs, and timelines once partnerships are established. These partnerships make it easier to obtain information on relevant actors difficult to access or engage. Ultimately, meaningful coordination depends on organizational leadership and on the commitment of the agencies to cooperate.

Faced with complex challenges at the humanitarian–development–peace nexus, development practitioners should seek the cooperation of security actors. Many assessments—and the resulting peacebuilding and reconstruction plans and resource mobilization—have had little or no dialogue with security and intelligence actors in the country or in donor capitals. Dialogue with these actors is obviously critical for understanding the parameters of people’s security.

An accurate assessment of the challenges and opportunities posed by substate security actors requires understanding informal, illicit, and nonstate actors’ power networks. Some nonstate networks are intertwined with state structures, and some

are backed by external regional and global patrons. Some carry out functions of governance, particularly basic service delivery and policing functions that benefit the population and impart a degree of legitimacy. Their presence may also create insecurity and uncertainty resulting from a rule by law rather than rule of law. Understanding them is critical to factor their role into strategies, tactics, and possible incentives for their inclusion.

While the most recent assessment frameworks call for humanitarian, security, and development cooperation, more effective planning and operational coordination can remain elusive, given entrenched cultures in each community of practice. The humanitarian actors, the security community, and the development community come at the issues of conflict and violence from very different perspectives, with temporal, operational, and planning gaps between them. More recent assessment frameworks have noted the security and power distribution issues but have struggled to apply the analysis to programs and operations. What is “successful” stabilization for one may not satisfy the other. Moreover, without linking responses to humanitarian needs, security force reform, and accountability to development, successful stabilization can leave in place, strengthen, or even introduce new security actors who may undermine conflict resolution and peacebuilding efforts. The result may be increased insecurity for the affected population as well as a degradation of their livelihoods, accumulating more grievances that may fuel a future resurgence of violence.

Ignoring structural factors

Assessments sometimes omit consideration of structural factors, such as the country’s overall geography and resources, demography, impacts of climate change, structural economic issues, macroeconomic prospects, investment climate, corruption, governance indexes, and political and cultural heritage. In some cases, an assessment may be required to omit a key function and related institutions, such as land tenure and transfer—or a key sector, such as security or energy or systems of justice, due to the mandate of the actor conducting the assessment. Yet these factors are critical for understanding the entire chessboard of the conflict, and they are critical for establishing pathways

to sustainable peace.¹⁶ It is obvious that assessment blinders imposed on major elements of a society can blindside an entire peacebuilding effort. How to approach sensitive issues in practice is highly context specific.

Structural factors also include the status of and dependence on external assistance and the state of infrastructure and damage. Possibilities could also include the importance of unique assets such as rare earths and high profile religious, cultural, and archaeological sites. Obviously, each country has its own set of relevant specifics. Other structural factors are less easily assessed but directly relevant, including the extent of social cohesion, presence and activity of illicit actors, extent of rule of law, fairness and effectiveness of national and subnational security forces, and overall political economy dynamics. The Human Freedom Index and Doing Business rankings set out criteria for both institutional and structural factors.

Key structural factors also include exogenous factors such as geo-political strategic calculations by international and regional actors, contention by proxies, international investor sentiment, global commodity markets and transport prices, cross-border labor markets, foreign origin migration and refugee flows, volatility, source, and motivation of external funders and donors, resource value and relevance to foreign states (oil and gas in Iraq, Libya, and possibly Syria; ports in Yemen), and considerations of climate change and geo-economics (box 4.2).

In sum

Planning for engagement in today's protracted conflict situations calls for a dynamic process of assessment. Based on the assessment, a strategy for active engagement identifies incentives and ways to advance people's security and long-term sustainable peace, whether from the bottom up or the top down, and to build institutions that sustain it. This approach implies a need to be continually informed of the dynamics of actors, institutions, and structural factors to calibrate options, plan operations, manage risk, seize opportunities, accept losses, and adapt the pathway as actors' incentives and security conditions evolve.

Removing blinders and filling the information gaps identified in this chapter will not always be easy because many are politically sensitive. But not removing them should at least be acknowledged in assessment reports. Removing blinders permits a more holistic appreciation of the political economy issues identified in chapters 1 and 2 as well as the tradeoffs in chapter 3. As table 4.1 shows, an assessment without blinders would include analysis of a conflict's historical background, physical reconstruction needs, and closed set of interlocutors and institutions but go well beyond it. To identify entry

BOX 4.2

Energy politics in the Middle East and North Africa: A regional geo-economic issue?

Energy politics is a central force affecting local, national, and regional dynamics in the Middle East and North Africa. The conflicts over the control of natural resources have aggravated protracted conflict by drawing in multiple regional and international actors.

Historically, many MENA countries, including Iran, have struggled to diversify their economies, with many of them adopting a rentier model, with high dependence on the production and export of natural resources such as crude oil, natural gas, and other less valuable minerals such as phosphate and iron ore in North Africa. This natural endowment has affected the geo-economic and geo-political power dynamics within the region and with major international players.

Regionally, the region has been marked since the first oil shock in 1973 by high levels of geo-economic interdependence. Oil was central in defining the position of the Middle East and North Africa in the global and regional division of labor through the Cold War and beyond. Its rent was recycled nationally and regionally through intraregional flows of capital and labor and much less so, if at all, of trade in goods and services. Rent recycling mechanisms were established between large net oil exporters in the Gulf (including Iraq) and in Libya and labor-surplus countries such as Egypt, Jordan, Syria, the West Bank and Gaza, and Yemen. This intraregional division, with its deep strategic and social implications, fueled conflicts, as manifest in the internationalized civil wars in Libya, Syria, and Yemen after the 2011 uprisings. These conflicts were perceived as threatening international security and regional order.

Sources: Building for Peace team; Heubbaum 2018; Fahmy et al. 2018.

points and forge consensus, it would also discuss access to and analysis of the contextual dynamics, including the arenas of contestation between key actors (local, national, and international), as well as institutional and structural factors. An assessment without blinders would break with traditional assessments that focus on central state building and thus limit engagement with other key stakeholders and potential spoilers, and avoid inconvenient facts about vested interests in war economies and the associated coping mechanisms of the affected populations. It would therefore allow the different practitioners to avoid the unintended consequences of previous peacebuilding engagements in MENA and elsewhere.

Removing the blinders could open assessments to wider humanitarian and security perspectives, recognizing that a bottom-up people's security orientation (physical, economic, and social) might yield greater stability and results. And identifying possible entry points for a peaceful process at different levels and the associated incentives to draw

stakeholders in may provide opportunities to begin establishing enduring public service delivery institutions and foster trust between local communities and the central and local governments.

References

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- Heubaum, H., et al. 2018. "The Protracted Geo-Economics of Energy." SOAS University of London. Background paper for the *Building for Peace* report, Washington, DC: World Bank.
- IEG (Independent Evaluation Group). 2019. *World Bank Group Support in Situations Involving Conflict Induced Displacement*. Washington, DC: World Bank.

TABLE 4.1 Blinders, their effects, and ways to remove them

Blinder	Effect	Way to remove the blinder
Collecting information only from accessible areas	Inaccessibility of certain areas may compromise the collection of relevant and up-to-date information	Use intermediaries, partners, and proxies with access Use advanced technological tools
Assuming that a peace agreement ends a conflict	An assumption that conflict/violence ends with peace agreement followed by a postconflict phase may cause the assessment to miss factors/key actors that could perpetuate instability or cause resurgence of conflict/violence	Adopt during-conflict tactics to map out possible entry points for interventions and opportunities for early recovery, taking into account the actors and incentives for continued conflict/violence
Considering only people's physical security	The assessment process may fail to adopt a sufficiently broad security lens, considering just the short-term dimension of people's security, but missing critical security factors (physical, economic and social) that drive diverse affected stakeholders' incentives and coping mechanisms	Adopt a comprehensive security lens that encapsulates the physical, social, and economic aspects Use a bottom-up people's security orientation that accounts for all aspects of their security environment
Omitting key actors	The scope of the assessment may be limited by the agenda of the stakeholders undertaking the assessment Assessment mandates may fail to include authorization or resources for engaging with certain internal/external actors or institutions The assessment process may omit informal/illicit/nonstate security, economic or social stakeholders. Avoiding these actors will compromise the understanding of the parameters of people's security (physical, social, and economic), and undermine stabilization and sustainable peacebuilding	Build selective partnerships with key agencies and intermediaries to leverage comparative advantage and include consideration of actors for constructive progress Focus on conflict-affected individuals, institutions and the economy at the local level, taking a holistic view of how individuals and communities assess their present and future security in their day-to-day lives
Ignoring structural factors	By design or inadvertently, assessments can sometimes omit consideration of structural factors (climate, geography, resources, demography, political and cultural heritage) that influence the overall context Sometimes assessments can omit key sectors or functions and related institutions	Assessment design should be based on a thorough analysis of structural factors prepared as an assessment threshold that would begin an asset mapping exercise

Lockhart, C., and M. Miklaucic. 2018. "Leviathan Redux: Toward a Community of Effective States." In *The Politics of Post-Conflict Reconstruction*. Beirut: Carnegie Middle East Center.

Malik, A. 2018. "The Political Economy of Reconstruction." Background paper for the *Building for Peace* report, Washington, DC: World Bank.

World Bank. 2011. *World Development Report: Conflict, Security, and Development*. Washington, DC: World Bank.

Notes

1. Malik 2018.
 2. IEG 2019.
 3. Building for Peace team.
 4. Balanche 2018.
 5. Asset maps draw on the recommendations proposed by the Risk and Resilience Assessment Guidelines, the Recovery and Peacebuilding Assessment, and Pathways for Peace, for context on the specific focus of the area-based approaches, and on the 2016 World Bank regional strategy Promoting Peace and Stability in the Middle East and North Africa.
 6. World Bank 2018c.
 7. Lockhart and Miklaucic 2018.
 8. World Bank 2018b.
 9. World Bank 2018b.
 10. Balanche 2018.
 11. An effective state providing people's security remains the goal. The view is well expressed in Lockhart and Miklaucic (2018), "The tremendous human progress experienced in recent centuries is grounded in the rules-based system of sovereign equality among states. The best hope to retain and build on this progress is to preserve the system of effective sovereign states, ensure that states can perform required functions, and adapt this system to the needs and realities of the 21st century—confronting globalization as well as the empowered citizen with higher expectations. Certainly, a new kind of state will be required—innovative and adaptive to meet the challenges of the emerging threat environment, rather than just a recreation of the 19th-century state."
 12. Building for Peace team.
 13. World Bank 2011.
 14. World Bank 2019.
 15. World Bank 2019.
 16. World Bank 2018a.
- . 2016. *Regional Strategy for Promoting Peace and Stability in the Middle East and North Africa*. Washington, DC: World Bank.
- . 2018a. *Pathways for Peace*. Washington, DC: World Bank.
- . 2018b. "Risk and Resilience Assessments, A Guidance Note." Washington, DC: World Bank.
- . 2018c. "Yemen Dynamic Needs Assessment (DNA): Phase 3." Washington, DC: World Bank.
- . 2018d. "Libya Risk and Resilience Assessment." Washington, DC: World Bank.
- . 2019. *The Mobility of Displaced Syrians: An Economic and Social Analysis*. Washington, DC: World Bank. Available at <https://openknowledge.worldbank.org/handle/10986/31205>.



Conclusion

The main motivation for this report has been to ask how to break the conflict cycle, improve the outcomes of development and peacebuilding interventions and support countries in moving toward sustainable and inclusive peace. What can we learn from the past, for use in the present, that will improve outcomes in the future and reduce unintended consequences? This question is of particular relevance to development actors such as the World Bank, which have been engaging with increasing frequency in conflict settings in roles complementary to the main humanitarian and security actors. This question also cuts to the core of the objectives of the development actors in their mandates to improve people's lives as each new conflict further erodes past development gains. Sustainable development is not possible unless built on a foundation of broad security and sustainable peace.

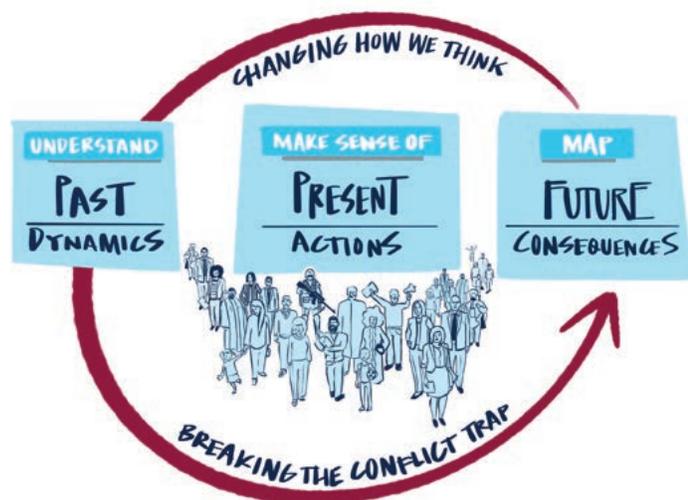
Breaking the cycle of conflicts in MENA countries and building for sustainable peace requires understanding why past support has not produced sustainable peace, why countries in conflict now have also been in conflict during the preceding decades, and why these conflicts continue. The report points to the need to systematically:

- *Understand the past.* The past allocations of power and resources among actors, past dynamics, and economic interests that may have contributed to conflict, institutional distortions, and unaddressed grievances.
- *Make sense of the present.* The power and incentives of existing actors, the existing allocation of resources, and the political and economic interests revolving around war. This requires assessing existing assets, including not only physical assets but also institutional, human, and social capital, in order to build on them—and to see them as starting points, not gaps.

- *Map the future.* Developing a shared long-term vision that maps out alternative policy options and specifies how these policy options today could affect actors' incentives, power, resource distribution, and institutions in the future. This requires identifying the spoilers and enablers of sustainable peace, their political and economic incentives, and their values, norms, and commitments.

The report thus provides a framework for an integrated approach focused on individuals and their incentives, based on better assessments of the current situation, and built on a careful consideration of the tradeoffs between short-term gains and long-term goals. A good understanding of the history behind the specific context of each current situation should recognize the dynamics of past grievances, past and present political economic realities at the international, national and local scale, and the different formal and informal actors and institutions. This will allow all policymakers

Breaking out of the conflict trap requires changing how we think



and practitioners to identify entry points, avoid rebuilding the past structures that fueled exclusion and violence, and identify priorities and take short-term actions grounded in a long-term vision and openness to risk. Thinking locally, supporting bottom-up and participatory processes, and identifying local assets and opportunities are key elements of this integrated approach, as is a strong focus on local livelihoods and people's sense of security defined broadly. A more balanced and integrated approach will also support rebuilding social cohesion and trust within and among communities so that society as a whole can move beyond its past traumas.

The report also points to some of the key elements for changing development programming and influencing countries' outcomes when engaging in FCV situations. It puts forward a framework for developing a long-term vision and short-term actions consistent with that vision. It argues for prioritizing what is done, where it is done, and how it is done—and suggests how to capture and reflect the different kinds of information needed. The starting point is focusing on individuals and their incentives and using the existing assessment tools—while avoiding blinders—recognizing that every conflict-affected country has its own past, a present that is fluid, and often an array of engaged external humanitarian, security and development actors with existing projects, programs, and support. It also suggests focusing on people's livelihoods and creating incentives for peace—creating inclusive economic opportunities could not only revive local economies, but would also help in mending the broken social contract and restoring trust between communities.

The results have implications for policymakers and practitioners at the international, national, subnational, and local levels. And at each level, there is a similar set of questions to answer beginning with the simplest. Should practitioners and development actors engage at all? The answer to this first question will be unique to each context and will also reflect the different mandates and experiences of the different actors and a risk assessment calibrated to the context.

If the decision is to engage, a series of questions follows. Where to engage—across the country or in selected regions, cities, and towns? Whom to engage with—external actors? state actors? non-state actors? local communities? What partners to engage with and for what purpose? What are the short and long-term objectives? And importantly, how should development actors work with each other and with counterparts in conflict contexts to develop and implement integrated strategies? Those strategies should be based on a good understanding of past grievances and situated within a shared long-term vision to address and overcome these grievances. And they should engage earlier since conflicts increasingly have no clear end.

For practitioners and policymakers, a few key messages emerge from the chapters of this report, including:

- Engage earlier and stay engaged—using the broad set of tools available since today's conflicts commonly lack a clear end.
- Understand the context and the actors involved—without a reasonable understanding of history, past grievances, and the evolution of institutions and economic interests during the conflict, it is all too easy just to rebuild the past, including those past grievances.
- Put people at the center—populations in conflict-affected contexts need to be engaged in determining all aspects, from a long-term vision to local priorities.
- Use a broad concept of security—it is not just physical security that matters but also economic and social security.
- Remember the displaced—displaced populations are of special importance as a group that has been profoundly and directly affected, and as a group that includes people who do not wish to go back to where they came from for a variety of understandable reasons.
- Identify assets not just damages—the most feasible and immediate opportunities may be in

places that have been affected but where there are still people, where there is security, and where there are some services and some economic activities.

- Think local—balancing top-down support and reconstruction of major infrastructure with bottom-up and locally based support that generates local jobs, supports local infrastructure, and rebuilds communities and social fabric.
- Be mindful of the tradeoffs—policy decisions and interventions today have an impact on the institutions of tomorrow. A careful evaluation of the existing tradeoffs can steer the country toward sustainable peace.

Bringing the findings of this report in a practical way into the activities of policymakers, practitioners, and development actors such as the World Bank will vary as each development actor has its own mandate, governance, priorities, and policies. Strategic partnerships, especially those that seek to bring together the humanitarian, developmental, peacebuilding, and security actors, would therefore be important for achieving results. For the World Bank, this report is a regional complement to the Strategy for Fragility, Conflict, and Violence, which will guide the World Bank in providing better and more effective support in conflict contexts and putting forward recommendations related to policies, programming, personnel, and partnerships.

The World Bank currently is supporting programs, projects, and activities in three of the four MENA countries profiled in this report: Iraq, Libya, and Yemen. Each of these programs is being supported in close cooperation with other development and humanitarian actors, each responds to the very different situation on the ground, and each is evolving as contexts change.

An honest assessment of these programs, as well as some of the global experience in other conflict and violence-affected contexts, provides an opportunity to learn from operational experience and to refine the ongoing interventions to better reach the goal of transitioning toward sustainable

peace. Indeed, the cycle from program and project identification to implementation and to monitoring and evaluation to improve the next round of programs and projects is at the core of all World Bank support, and of the support of other major development actors. When this cycle is done well, learning and change should lead to improvement. This iterative learning process—assessing and learning from what is being done, dropping or changing what is not working, and identifying or filling gaps by adding new activities in consultation with other international and national stakeholders and counterparts—is at the heart of the Building for Peace Integrated Approach. The approach in this report therefore proposes, as a first level of learning, to apply this continuing and candid learning exercise to develop stronger engagement strategies in conflict and violence affected situations, thus moving away from a reactionary approach to the evolving situation on the ground.

In Yemen, for example, in preparing for the new International Development Association (IDA) cycle, the World Bank carried out an in-depth evaluation of the existing portfolio (five projects, about \$1.5 billion) including content, lessons, gaps, results, and implementation arrangements. Supplementing this evaluation were extensive consultations with development and humanitarian partners, with technical inputs from the World Bank, with different priorities and objectives held by national stakeholders (government but also other nongovernment stakeholders). The window of opportunity currently opening is to use findings from Building for Peace, Pathways for Peace, and the recently adopted FCV strategy to inform upcoming engagements under IDA19, in Yemen and elsewhere. Moreover, the example of working in Yemen has shown the importance of partnerships across the humanitarian–development–peace nexus, as different actors can leverage their comparative advantages for a greater impact on the ground.

A second level of learning comes from the experiences of preparing operations in fragile and conflict-affected environments and implementing operations in partnership with other entities. Drawing some of these concrete lessons will be

a next step after this report in order to provide clearer guidance to World Bank operational staff in conflict and violent environments as well as to the staff of other development partners. The most useful operational guidance begins with identifying on the ground experiences that work and those that do not work. Successes and failures both have relevance to what is done in the future and to linking future work to the analytical work that has emerged over the past decades.

For the World Bank, this report is a regional complement to the newly adopted Strategy for Fragility, Conflict, and Violence, which will enhance the

organization's effectiveness in conflict contexts by guiding decisions on policies, programming, personnel, and partnerships. How other policymakers, practitioners, and development actors will translate the findings of this report into their activities ultimately depends on their mandates, priorities, policies, and the governance structures. However, what is clear is that strategic partnerships that bring together humanitarian, developmental, and security actors are indispensable for achieving results. Only when siloed project-driven approaches are left behind and peacebuilding efforts are united behind one holistic vision, can people's dignity and security take center stage.

ANNEX 1

Methodology of the report

Building for Peace uses a multidisciplinary and collaborative approach that combines insights from different disciplines and builds on a dynamic model proposed by Malik that incorporates the different continuities and disruptions that affect wartorn societies.¹

This multidisciplinary approach brings together insights and advances from the fields of economics, political science, geography, psychology, gender studies, cultural analysis, engineering, urban planning, geopolitics, and geo-economics. The approach enriches the findings of the report by addressing blind spots that arise when special attention is given to one field over others. The approach's development benefits from the inputs and collective thinking of academic researchers and practitioners on the ground—both from the World Bank and other donor organizations—and from policymakers, government officials and representatives from the civil society (table A1.1).

This multidisciplinary approach was developed using a continuous, collaborative, and integrated process. The diverse and cross-sectoral group of experts involved in the report worked collaboratively over a period of more than two years, shaping the framework described here through multiple exchanges and workshops held around the world. The Building for Peace team conducted a series of in-depth consultations, both within and outside the MENA region, to build on the work of this multidisciplinary community of experts on conflict, peacebuilding, and development, and to anchor the thematic knowledge in the specific context of the MENA region. These exchanges guided the conceptualization and development of the report as well as its case studies. Moreover, the experts' knowledge was complemented by integrating the voices of citizens from the MENA region. Three online surveys were conducted in Iraq, Libya, and Yemen in Spring–Summer 2019 to capture people's views on the challenges they face and the potential gaps in the reconstruction approaches in these countries. With nearly 15,000 responses,

the results of the surveys enriched the report with the voice of the people on the ground, and helped strengthen many of its underlying messages—mainly how perceptions play a role in shaping people's priorities for peace, how protracted conflicts affect different communities, and how coping mechanisms can prolong a conflict's status quo.

Finally, this multidisciplinary and integrated approach builds on the dynamic framework introduced by Malik that acknowledges that war and peacebuilding happen in a constantly changing environment.² This temporal approach clarifies and articulates the role and importance of past and present dynamics, allowing an understanding of how they might influence the trajectory toward sustainable peace. This understanding of the continuum in which peacebuilding efforts take place is articulated in figure A1.2, where timeframes t represent the present, $t - 1$ the past, and $t + 1$ the future.³

TABLE A1.1 Contributors to the methodology

The American University in Cairo
The Arab Gulf States Institute in Washington
Brookings Institution
Brookings Doha Center
The Centre for Syrian Studies
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH
Deutsches Institut für Entwicklungspolitik
Federal Ministry for Economic Cooperation and Development, Germany
Institute for State Effectiveness
Islamic Development Bank
Middle East Institute
SOAS University of London
Università Iuav di Venezia
Université Lumière Lyon 2
University of Oxford
UN Women

This methodology explains the organization and substance of the four chapters of this report. It guided the Building for Peace team in how to think differently about conflicts and peacebuilding efforts (chapter 1), how there is a need to think dynamically in terms of actors and their changing incentives both in time and space (chapter 2), and how understanding tradeoffs and path dependency is critical in any thinking on peacebuilding (chapter 3). This new approach should thus start with a more comprehensive assessment that removes potential blinders, integrating the point of view of a broader set of actors that then serve as entry points for reconstruction and peacebuilding (chapter 4).

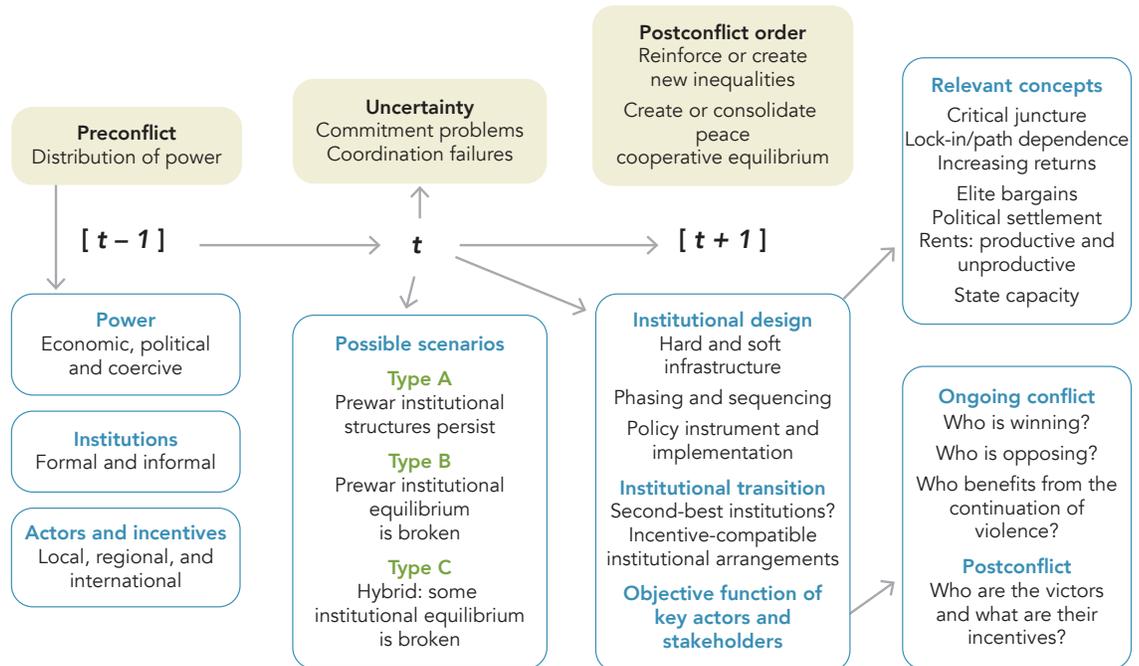
Notes

1. Malik 2018.
2. Malik 2018.
3. Malik 2018.

Reference

Malik, A. 2018. "The Political Economy of Reconstruction." Background paper for the *Building for Peace* report, Washington, DC: World Bank.

FIGURE A1.2 The time continuum for sustainable peacebuilding



ANNEX 2

Background papers produced for the *Building for Peace* report

Organization or author	Paper, author, and description
University of Oxford	<p><i>The Political Economy of Reconstruction in the Arab World: Putting Together Elements for a Possible Framework</i></p> <p>Adeel Malik</p> <p>Conceptual inputs for a political economy framework for reconstruction.</p>
Institute for State Effectiveness (ISE)	<p><i>MENA Lessons from Peacebuilding and Reconstruction Experience</i></p> <p>Claire Lockhart</p> <p>The paper examines the global experience and knowledge needed to provide insights for peacebuilding and reconstruction processes in the four countries. The review provides an overview of relevant experience since World War II to provide insights relevant for policymakers attempting recovery processes.</p>
Middle East Institute (MEI)	<p><i>Postwar Reconstruction: Regional and Historical Perspectives</i></p> <p>Ishac Diwan</p> <p>The paper analyzes the economic, institutional, and governance performance of the countries of the MENA region, and the evolution of their political settlements.</p> <hr/> <p><i>The Political Economy of Iraq: From Regional Powerhouse to External and Internal Conflict. Patterns and Lessons Learned for Planning Reconstruction</i></p> <p>Fanar Haddad</p> <p>The paper surveys modern Iraqi history in search of insights that can inform reconstruction policy today.</p> <hr/> <p><i>Yemen's Political Economy and Recurring Cycles of Violence and Failed Development—and How to Break Them</i></p> <p>Abdulrahman Al-Eryani</p> <p>The paper looks at the history of the political economy up to the outbreak of the present conflict, analyzes the current structure and dynamics of the political economy during conflict, and provides suggestions on how historical and contemporary insights might inform reconstruction planning and implementation in the near future.</p> <hr/> <p><i>The Modern Political Economy of Libya: Patterns, Pathologies, and Reflections on Reconstruction</i></p> <p>Hana El Gallal</p> <p>The paper looks at the history of the political economy of Libya and provides suggestions on how historical and contemporary insights might help foster economic growth through reconstruction.</p> <hr/> <p><i>The Syrian Political Economy from 1946 to 2018: Patterns, Correlations, and Insights for Designing Postwar Reconstruction</i></p> <p>Sami Moubayed and Fadi Esber</p> <p>The paper looks at the history of the political economy up to the outbreak of the present conflict, the current structure and dynamics of the political economy during conflict, and provides suggestions on how historical and contemporary insights might inform reconstruction planning and implementation in the near future.</p> <hr/> <p><i>The International and Regional Contexts and How They Impact the Four Conflict Cases</i></p> <p>Shahrokh Fardoust, Ross Harrison, and Paul Salem</p> <p>The paper examines how international and regional dynamics, both geopolitical and economic, affect the four countries. It also analyzes how regional and international dynamics affected the political economies of these countries, and the role of donor partners and IFIs in proposing reforms and programs.</p>

Organization or author	Paper, author, and description
The American University in Cairo (AUC)	<p><i>The Geo-economics of Postconflict Reconstruction in the Middle East and North Africa</i></p> <p>Nabil Fahmy, Amr Adly, Ibrahim Awad, and Muhammad Alaraby</p> <p>The paper provides a regional analysis addressing the geo-economics of conflict resolution and reconstruction in the MENA region. It includes recommendations for ensuring that geo-economic opportunities are properly harnessed and risks mitigated from the Arab region's perspective.</p> <hr/> <p><i>Prospects of Post-conflict Reconstruction in MENA</i></p> <p>AUC</p> <p>The paper explores the prospects of postconflict reconstruction in all the four MENA conflict countries from the analytical lens of geo-economics. The main question this paper poses is whether and how wartorn countries in MENA will go through reconstruction in the light of the current power dynamics nationally, regionally, and internationally.</p>
The Arab Gulf States Institute in Washington (AGSIW)	<p><i>Geo-economics of Reconstruction—Yemen</i></p> <p>AGSIW</p> <p>The paper provides an overview of the war in Yemen and discusses the intervention of foreign actors, as well as broader forces and parties with influence on the conflict's resolution. It details the activities and interests of relevant actors, including domestic, regional, international, supranational, transnational, and subnational. The paper also analyzes the influence of the competing and cooperating forces on outcomes to the conflict and reconstruction in Yemen. Finally, the paper provides policy recommendations.</p>
Centre for Syrian Studies—University of St Andrews, UK (CSS)	<p><i>The Battle over Syria's Reconstruction</i></p> <p>Raymond Hinnebusch</p> <p>The paper analyzes the global and regional context in which the Syrian reconstruction will take place, mapping the geo-economic interests and motivations behind various regional and global powers, and provides recommendations for ensuring that geo-economic opportunities are properly harnessed and risks mitigated.</p>
SOAS University of London	<p><i>The Protracted Geo-economics of Energy</i></p> <p>SOAS University of London</p> <p>The paper provides an overview of the key dynamics of energy geopolitics across Iraq, Libya, Syria, and Yemen, spanning an arch from the state of energy politics and infrastructure before the outbreak of the Arab revolutions and the tragedy of civil war to the projected impacts of climate change in the MENA region and the implications of worsening climatic conditions for effective reconstruction.</p>
Brookings Institution	<p><i>Geo-economics of Reconstruction—Libya</i></p> <p>Brookings Foreign Policy</p> <p>Background notes on geo-economics of Libya.</p>
World Bank	<p><i>Geo-economics of Reconstruction—Iraq</i></p> <p>Hideki Matsunaga</p> <p>The paper reviews how factors of geo-economics affected the reconstruction of Iraq that took place after the US-led invasion in 2003. It reflects on the implications of these factors for reconstruction challenges that the country is facing after the end of major fighting against ISIS.</p>
Fabrice Balanche	<p><i>Geo-economy and Local Community: The Challenges of Horizontal and Vertical Integration</i></p> <p>Fabrice Balanche</p> <p>Focusing on Iraq, Lebanon, and Syria, the paper provides a brief introduction to the complexity of the relations between local communities and geo-economy in the project of Levant reconstruction for peace.</p> <hr/> <p><i>Local Community and Reconstruction: Iraq, Syria, Yemen, and Libya</i></p> <p>Fabrice Balanche</p> <p>The paper analyzes the relations between local communities and the state, and between the various local communities, and what this means for the reconstruction of Syria, Iraq, Yemen, and Libya.</p>
Università Iuav di Venezia, Italy	<p><i>Reconstruct. Reconcile Conflict through Strategic Resilience in Urban Context and Territories</i></p> <p>Benno Albrecht</p> <p>The paper presents an urban and rural spatial revitalization approach in the context of MENA.</p>

Organization or author	Paper, author, and description
Brookings Doha	<p><i>The Role of Youth in Postconflict Stability and Reconstruction in the MENA Region</i></p> <p>Nader Kabbani</p> <p>The paper analyzes the role of youth in postconflict stability and reconstruction in conflict-affected countries of the MENA region. It focuses on four MENA countries of current conflict: Iraq, Libya, Syria, and Yemen, but also draws on examples and illustrations from past areas of conflict in the region including Algeria, Gaza, Lebanon, Somalia, and Sudan.</p>
Amat Alsoswa	<p><i>Women's Empowerment in Yemen</i></p> <p>Amat Alsoswa</p> <p>The paper discusses opportunities and hurdles facing Yemeni women in terms of their legal rights, political and economic participation, security and protection from violence, food security, livelihoods, health, education, employment opportunities, and heritage industries as these relate to their current and potential contributions to peacebuilding and reconstruction.</p> <hr/> <p><i>A background paper on Gender and Informality in Iraq, Syria, Libya, and Yemen</i></p> <p>Amat Alsoswa</p> <p>The paper analyzes the issues of women's participation and representation and the rise of economic informality in Iraq, Libya, Syria, and Yemen, where conflict has led to the collapse and stagnation of these states and all facets of their economies require new strategies for sustainable reconstruction and peacebuilding.</p>
German Development Institute (BMZ/GDI)	<p><i>A New Social Contract for MENA? Research and Policy Tool for All Countries in the Middle East and North Africa</i></p> <p>Markus Loewe, Berhard Trautner, and Tina Zintl</p> <p>The paper describes the status of conceptual research and early empirical validation of the Social Contract, its key dimensions, and its perspectives on international cooperation with MENA countries.</p>
World Bank– Kingdom of Saudi Arabia	<p><i>Background Notes from KSA</i></p> <p>Ibrahim Abdullah A Alfaqih</p> <p>The note provides information on the engagement of the Kingdom of Saudi Arabia in fragile and violent settings. The document includes an overview of and describes the form of Saudi Arabia's contribution, examples from past years, and challenges facing development operations, especially in African countries.</p>

ANNEX 3

Methodology for online surveys in partnership with RIWI Corporation

About RIWI

RIWI Corporation is a global survey technology and sentiment analysis firm with significant expertise documenting public attitudes, behaviors, and observations through polling in every country in the world using a patented research method. RIWI's survey technology enables the continuous capture of broad, randomized opinion data on an uninterrupted basis anywhere in the world, with nonconditioned survey response data rapidly gathered from any random respondent encounter on the web. No personally identifiable information is collected, stored, or transferred. RIWI technology offers a "truly random sample of the Internet population," according to International Research Institutes, the largest scientific association of independent research agencies in the world. With RIWI data and interactive dashboards, clients can obtain high-quality data in a cost-effective manner; create better, more accountable initiatives and programs; and inform and understand public opinion from diverse voices.

Since 2009, RIWI has gathered more than 100 million survey responses in more than 70 languages on a variety of subject areas such as migrants and refugees, corruption, motivations and reactions to violence, women's rights, public support for state bodies or initiatives, safety and security, government-administered torture, food security, gender-based violence, gun violence, Lesbian, Gay, Bisexual, Trans, and Intersex rights, and misinformation.

RIWI survey methodology

RIWI technology allows for the rapid capture and assessment of large samples of broad, truly randomized opinion and perceptions data on an ongoing basis, often completing data collection as fast as less than two weeks. RIWI can deliver anonymous opt-in surveys to the entire global internet population. When users land on one of the hundreds of thousands of domains that RIWI owns

or controls at any given moment, these random, nonincented users are filtered through a series of proprietary algorithms to ensure that there are no nonhuman respondents and then invited to participate in a language-appropriate survey. Survey data are delivered to the client on an interactive dashboard, through which variables or cohorts of interest can be analyzed, together with auto-updated results in SPSS and Excel formats.

RIWI's engagement and retention policy is built on years of experience, testing, and development of the optimal online survey experience, highly respectful of the time and other activities of the intercepted potential respondent. RIWI prioritizes speed, accuracy, intuitiveness, and respect for the random respondent. RIWI optimizes the survey to every device platform, ensuring a quality survey-taking experience on mobile devices, tablets, and desktops.

Features include:

- Digital content can be fielded at scale, reaching at least 1,200 survey respondents in key geographies within two weeks and tens of thousands with more time in the field; content marketing can be scaled to 1 million or more users per targeted geographic region.
- Survey language is determined automatically using IP geolocation. In multilingual countries respondents can choose their preferred language.
- The age, gender, and location of every survey respondent are collected and reported; no personally identifiable information is ever collected or reported.
- Survey respondents can be reached in every country in the world, on all web-enabled devices.
- Surveys cannot be blocked by state surveillance or internet control and are not susceptible to the increasing prevalence of ad block technologies.

- Detailed information on survey performance is available, including the click-open rate on surveys, the number of total and partial respondents, and the number of completed surveys.
- Surveys are iterative and can be adjusted while in the field based on early results.

Quality control

RIWI ensures data quality by using tested questionnaire design methods to create the most intuitive survey for the random, nonincented respondent. All RIWI surveys are soft-launched with a limited number of users to test the questionnaire and fix any errors or inconsistencies in the data. These early results are shared with the client to collaboratively and iteratively correct any errors and optimize the survey instrument. Survey design emphasizes clear and accessible language and other features such as:

- Question order randomization.
- Question order and thematic modularization.
- Skip logic, to create specialized question orders customized to the respondent.
- Low latency.
- Responsive design formatting.
- Ease of exit from the survey.
- No enticements such as rewards or requests for personally identifiable information.
- Filtering for bots, ensuring that all respondents are human web users.
- Only permitting a single survey response per IP address.
- Active survey management by RIWI project managers to ensure quality and stability.

Sensitive questions in restrictive states

RIWI has significant experience launching surveys in repressive, digitally sensitive environments, where users face heavy censorship. RIWI surveys cannot be monitored, filtered, or blocked by state surveillance or internet control and are not susceptible to the increasing prevalence of ad block technologies. Further, RIWI is the only survey technology company that collects no personally identifiable information from respondents. This is critical for data collection on sensitive issues and

in regions where social pressures exert outsized influence on public opinion. When respondents are compromised by personal identification, significant social desirability biases and virtue signaling are introduced into the data, especially in cases where an opinion runs counter to that of the local governing regime.

Sample work plan

1. *Baseline study questionnaire design.* RIWI co-creates all of its questionnaires collaboratively with the client, with a focus on the end data goals. RIWI works with the questions and themes provided, offers feedback, and optimizes the questions to fit the survey platform across all browsers, devices, and screens.
2. *Programming.* RIWI programs the survey and prepares it for deployment.
3. *Soft-launch.* RIWI soft-launches the survey, analyzing the data during the first 48 hours to check for inconsistencies. RIWI shares the data with the client to confirm data collection success or to discuss changes.
4. *Survey deployment and data collection.* Surveys are launched in their final iteration. The average time in field is usually around 2 to 4 weeks, depending on project specifications. The client will be able to see live updates of the data throughout fielding within the dashboard.
5. *Data delivery.* Through the dashboard, RIWI provides unweighted data, as well as weighted data representative of the national population based on age and gender, as per the most recent national census data available. Raw data are downloadable in Excel, SPSS, or other preferred format.

Technical specifications for the online surveys in Iraq, Libya, and Yemen

All three surveys were developed and fielded in Spring and Summer 2019. Developed first, the survey for Iraq was composed and fielded in March 2019. Libya and Yemen were fielded concurrently in June–August 2019. Analysis of the data and composition of this report occurred September–October 2019.

All data are provided in raw unweighted format as well as weighted to the national population. Weights are applied to age and gender as per the most recent national census data available, drawn from the US Census Bureau. Weighted data estimate what the nationally representative population perceives. Raw data are representative of the internet population of a country, while weighted data compensate for the natural demographic skew of the internet—which is usually younger and somewhat more male. Generally, this means young men are given a weight of slightly less than 1, and older women are given a weight higher than one.

Drafting the questionnaires

When drafting the survey, RIWI and the World Bank remained faithful to the principles of questionnaire design and optimization for the RIWI system—which emphasize clear and concise language, closed-ended questions, and simple phrasing. (See “Strategies for Engagement and Retaining Online Participants” below.) Key theories and emerging messages from the Building for Peace work were discussed, and questions were proposed accordingly. A number of questions and themes were drawn from RIWI’s prior work in the region, or from other projects with similar research topics. These included past work with the World Bank on combatting violent sentiment in Yemen, the Peace Perceptions Poll (with International Alert and the British Council), as well as the Migration Pulse performing social cohesion work on migrants in Libya (with the World Food Programme).

To mitigate question order bias, certain questions were anchored at the beginning or the end of the survey, and the center block of questions appeared in a random order to each respondent.

Specific questions were added to test various social hypotheses on how protracted conflicts affect social cohesion. For example, is there a difference between perceptions of community openness when it relates to local business interactions versus when considering whom someone’s children interact with? Do local communities feel that the central government is biased against them?

TABLE A3.1 Completed surveys by country

Country	Data collection dates	Completed surveys	Language
Iraq	March 6–10, 2019	4,455	Arabic
Libya	June 27–August 12, 2019	4,515	Arabic
Yemen	June 19–July 17, 2019	5,195	Arabic

The survey questions also tried to capture perceptions of economic and financial situations of people living under protracted conflicts. Rather than asking respondents to state their annual household income, which does not reveal financial resilience or health, they were asked to identify if they felt their financial situation ranged from “able to afford luxuries” to “critical trouble—difficulty affording even food.” RIWI and the World Bank felt this question spoke more directly to someone’s financial health and resiliency, and gave a better sense of their other perceptions and motivations.

For greater comparative power, the questionnaire was kept almost identical across all three countries. It was first used in Iraq, and minor adaptations were made before it was used in Libya and Yemen. During both phases of survey development (first Iraq and then Yemen and Libya), the World Bank shared the questionnaires with their country teams to ensure they accurately fit the local country context, and to ensure the Arabic translations accurately matched the local dialect.

As a result of team recommendations, a select number of questions have unique answer options that were shown only to a specific country. When applicable, these questions have been identified throughout the report. Additionally, it was decided to translate the word “local community,” which does not have a direct Arabic translation, into something roughly describing “the community within your neighborhood/village/city,” to allow the respondent to determine what a local community is. Last, the country teams recommended the use of a more local lens, recognizing the unique local leadership situations—versus national government—occurring in Libya and Yemen. As a result, data reveal possible entry points for rebuilding the social contract in the specific contexts of each of the three countries.

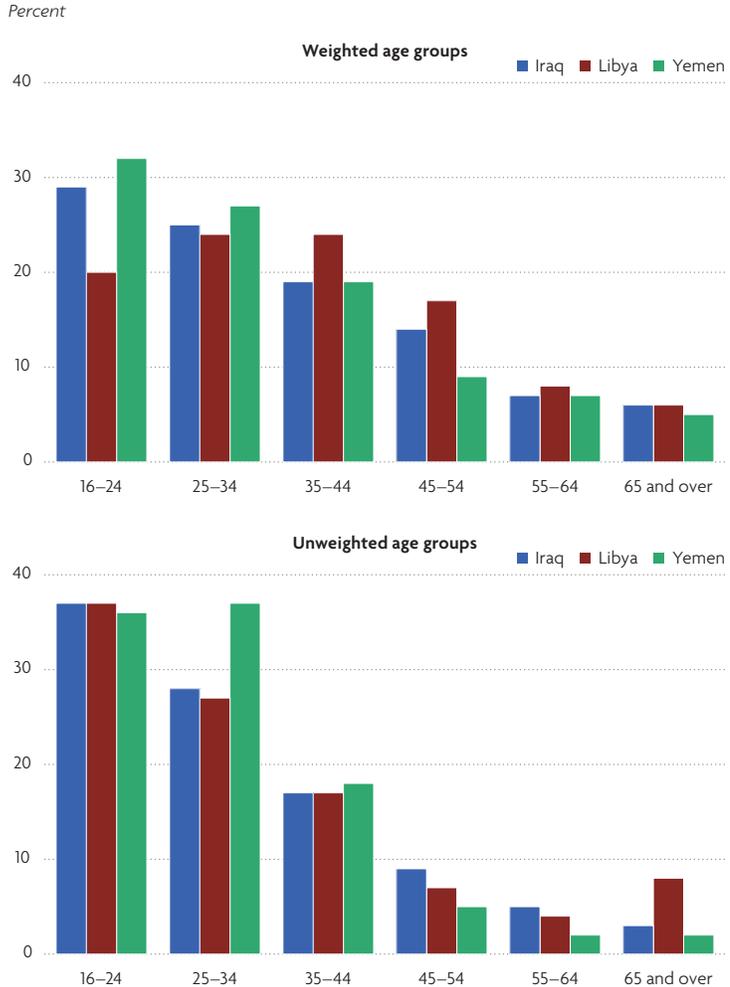
Response rates

For a variety of reasons RIWI does not incentivize its respondents to remain in the survey. This would necessitate the capture of personally identifiable information, both introducing a bias in the results and placing the respondent at a security risk. Respondents are free to exit a RIWI survey at any point in time. As a result, a slight drop-off at every question is normal and expected. This also means that with 4,000 completed responses for the final question, earlier questions in the survey will have a higher number of respondents. The result is a much higher granularity of data for any questions within the first half of the survey. Sample sizes are noted on each graph in this report, which frequently show sample sizes well above 4,500, the rough number of completed surveys. To manage drop-off throughout the survey, RIWI advises that the average respondent receive up to 12–15 questions, with a maximum of 20.

Response rates are unique to every country, as well as to every survey instrument. RIWI response rates are calculated by the number of completed surveys divided by the number of people who participated in the very first click. While all three countries in this project used roughly the same questionnaire, the response rates were 13 percent in Iraq, 16 percent in Libya, and 17 percent in Yemen.

The response rate to each question is relatively similar across all three countries, with some questions proving more difficult in some countries. Social cohesion of children (willingness to let children make friends with those from other communities) was always an easy question for respondents to answer, while household situation was relatively the most difficult of the demographic questions, but not to a problematic level. Of all the demographic questions, household situation required the highest cognitive effort for respondents to come to a subjective decision (“living comfortably” versus “difficult to get by”), while the surrounding questions requested easy facts (“how many people live in your home?”).

FIGURE A3.1 Weighted and unweighted age groups by country



Overview of the demographic and socioeconomic landscape of respondents

All three countries have populations that skew toward the younger generations. In both Iraq and Libya, the largest population group is aged 16–24. Libya is the exception, with more young adults (25–44) than youth (16–24).

Analysis of the unweighted age distribution of respondents (figure A3.1) shows the true demographic make-up of the internet population across all three countries, which slightly exaggerates the skew toward younger respondents. Yemen and Iraq have an equal gender divide, but Libya is 52 percent male. The

FIGURE A3.2 Financial situations by country

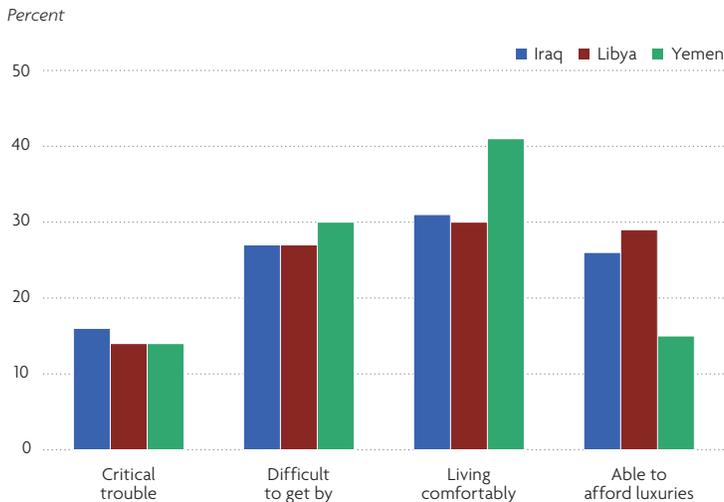
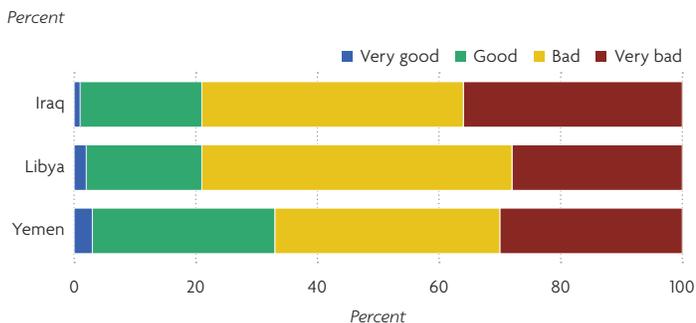


FIGURE A3.3 Arab Barometer Wave V: How would you evaluate the current economic situation in your country?



unweighted data show the gender divide of the active internet-using population, which is two-thirds male in Libya and Iraq, and three-quarters male in Yemen. A higher male population using the internet is a common finding in most countries around the world.

There is little significant difference in household size across the three countries. Respondents generally report they live in a household of 6 or more (33 percent), or a household of 1 (20 percent). Respondents in Iraq are somewhat less likely to report such a high dwelling occupancy than Libya and Yemen. Respondents in Libya report the highest levels of education, with 38 percent of respondents saying they have a university degree (bachelor or masters or higher), compared with only 22 percent in Iraq, and 24 percent in Yemen. Iraq has the

highest number of respondents with little to no education at 38 percent (primary or less than primary or no schooling), compared with 22 percent in Libya, and 21 percent in Yemen.

Of all three countries, Yemen has the highest number of respondents looking for work at 32 percent, compared with 24 percent in Iraq and 18 percent in Libya. Yemen is the only country with more respondents looking for work than employed full time. Libya has the highest number of full-time workers with 31 percent, compared with 27 percent in Iraq, and 21 percent in Yemen. Yemen is the only country with an equal gender division across employment levels. Both Libya and Iraq have more men employed than women, and more women students than men.

Respondents in all three countries are roughly equally likely to believe that they are living comfortably as they are to say it is difficult to get by—roughly 30 percent in all cases (figure A3.2). The exception is in Yemen, where respondents are significantly less likely to afford luxuries than in Iraq or Libya (only 15 percent compared with 28 percent). This shows the comparatively low levels of optimism in Yemen, where the highest level of financial health most respondents are able to perceive is “comfortable.” Libyans and Iraqis are better able to perceive and treasure certain elements of luxury. In all three countries, only 15 percent of respondents perceive they experience critical trouble even paying for food. This question reveals the resiliency and optimism of respondents in each country in the face of their situations. “Difficulty,” “comfort,” and “luxury” are all subjective terms. They do not necessarily reflect a defined monetary household income, but rather the ability to maintain relative financial health. Depending upon spending habits, attitude, perspective, and desired “luxuries,” two families with the same monetary income may have different perceptions of financial health. In all three countries, the capital or urban centers have the lowest percentage of respondents perceiving they are in critical trouble paying for food.

When comparing these results with those reported by the Arab Barometer Wave V on respondents’ evaluation of the current economic situation in their countries, the same sense of overall dissatisfaction can be deduced: 79 percent of respondents in Iraq, 78 percent in Libya, and 67 percent in Yemen report a negative perception (figure A3.3).

ANNEX 4

Assessment tools

This annex reviews some of the key analytical instruments used by the World Bank and other international organizations and governments: the Recovery and Peacebuilding Assessment (RPBA), the Risk and Resilience Assessment (RRA), the Post Disaster Needs Assessment (PDNA), the Damage/Dynamic Needs Assessment (DNA), and the Area-Based Approach (ABA).

These assessment tools have different objectives and methodologies, drawing on different sources of information and bringing in different partners. They also have limitations that may be process-specific or context-specific, which can prevent the assessment from providing the correct picture of the situation on the ground. As a result, interventions could be designed and undertaken based on an incomplete understanding, thus leading to unanticipated consequences.

TABLE A4.1 Recovery and Peacebuilding Assessment¹

What it is	<p>The RPBA is an analytical process led by the client government and jointly carried out by the European Union, the United Nations, and the World Bank, as part of the 2008 Joint Declaration on Post-Crisis Assessments and Recovery Planning. Previously known as Post-Conflict Needs Assessments (PCNAs), RPBAs provide the government with a process for identifying the underlining causes of conflicts and crisis, identifying and addressing immediate (12–24 months' time horizon), and medium-term recovery and peacebuilding requirements (24–60 months) across different sectors while laying the foundations for the elaboration of a longer-term recovery and peacebuilding strategy (5–10 years perspective).</p> <p>RPBAs respond to a clear national demand and require the host government or national authority to issue a formal request for a scoping mission in order to be initiated.</p>
When it is carried out	<p>Used in countries experiencing conflict or in transition from a conflict-related crisis.</p> <p>An RPBA should be carried out during or after a national or subnational crisis, when a joint approach to assessing and addressing recovery and peacebuilding requirements adds value, where there is a clear demand, and where no other process does what an RPBA can do in terms of providing a unified framework for the prioritization of recovery assessment and planning processes.²</p>
Scope/objectives	<p>While the scope of an RPBA varies depending on the context (see methodology/main elements section), at a minimum an RPBA will focus on:</p> <ul style="list-style-type: none"> • The conflict and security situation. • Host government position and capacities. • Institutional interests. • Available resources. <p>The RPBA provides a clear picture of key recovery and peacebuilding needs and priorities across different sectors, as well as the strategies and resources required to address them.</p>

**Methodology/
main elements****1. Preassessment phase***i. Preassessment mapping*

A quick desk-based preassessment mapping should be completed before a scoping mission is conducted to inform its preparation. It should:

- Consider existing conflict and other relevant analyses of the context and risks, and synthesize relevant information.
- Include a preliminary mapping of stakeholders and of other existing/ongoing assessment and planning processes (for example, humanitarian assessments, fragility assessments, and Post-Disaster Needs Assessments).
- Suggest key issues that require attention during the scoping mission.

The output of the preassessment mapping process is a background paper that includes a synthesis of available information, and suggestions on priority recovery and peacebuilding issues, including crosscutting issues, and gaps to be further explored during the scoping mission.

A Terms of Reference for the scoping mission should be elaborated based on the background paper and previous discussions.

ii. Scoping mission

This is to agree on the scope and objectives and the approach and methodology for the assessment. The approach selected will be informed by a:

- Conflict Assessment characterized by the following elements:
 - Situation analysis: Provides a picture of current and emerging political, economic, sociocultural, and environmental dynamics. This is complemented with a historical perspective, and a chronology of key facts and events.
 - Factor or causal analysis: Identifies “conflict factors” and “peace factors” by considering root factors, immediate factors, and triggers of the conflict. Where applicable, the analysis should also address issues such as forced displacement, radicalization, and violent extremism.
 - Stakeholder analysis: Identifies local, national, regional, and international actors who influence or are influenced by the conflict. It maps out their interests, goals, positions, and how these affect the conflict and opportunities for peace.
 - Conflict dynamics: Highlights the interactions among context, causes, and actors, the distribution of violence, and its nature and triggers.
- Mapping of institutional capacities and processes.
- Assessment of security and access issues.
- Preliminary identification of strategic peacebuilding priorities.

2. Assessment, prioritization, and planning

The assessment process involves assessing needs in priority areas in line with the scope and specific objectives established for the RPBA, and in response to agreed-on strategic recovery and peacebuilding goals. These are prioritized based on established criteria and through a process of broad consultation and consensus building. The assessment produces a strategic recovery and peacebuilding plan highlighting the high-level expected priorities and a results matrix that identifies and presents priority actions, timing, and costing of the process—all in a clear, sequenced, and implementable manner. Specifically it involves:

i. Sectoral needs assessment

This field assessment focuses on complementing the information already available through secondary sources, with primary data collected through field research and extensive consultations. The assessment framework is determined by the priority areas identified earlier in the process, and by the approach chosen for the RPBA. It will differ depending on the scope and objectives of the exercise. In general, it includes:

- Assessment of the current situation in terms of population location and welfare.
- Institutional capacity (of both state institutions and potential nonstate partners and implementing agencies), and needs for capacity building or reform.
- Priorities that were identified through the conflict analysis.

If there is high insecurity with limited access and it is not possible to deploy teams to the field, then options include remote data collection, such as satellite imagery (particularly to assess infrastructure damage and, to a certain extent, population movements); work through local teams; and the use of information and data available in country or in the region within national or regional research institutes.

(continued)

**Methodology/
main elements
(continued)**

ii. Prioritization

The process of prioritization is based on agreed criteria and done after consultations (usually through thematic workshops) with all relevant national and international stakeholders. This also defines sequencing and timeframe in which the actions are to be implemented in order to achieve the expected recovery and peacebuilding outcomes.

iii. Planning

A recovery and peacebuilding plan is developed, containing strategic level priorities and a results matrix that will capture the agreed priority actions in a sequenced, implementable, and costed format. This will be used for implementation, and monitoring and evaluation.

The plan is preceded by a costing exercise to estimate the necessary financial resources to implement priority activities and undertake critical early capacity building.

3. Validation and finalization phase

The final phase of the RPBA includes finalization of the documentation, validation of work produced, and agreement on the way forward to implement the recovery and peacebuilding plan. This involves reaching a formal agreement between the government and partners on the recovery and peacebuilding plan and results matrix, implementation modalities (including coordination and monitoring), and financing arrangements.

Outcomes

Mitigate the underlying development-side crisis-inducing factors including:

- Social inequities and lack of distributive impact from past developmental interventions.
- Endemic poverty.
- Weak governance.

Address longer-term strategic objectives of:

- Promoting sustainable peacebuilding and lasting security.
- Economic development and growth.
- Improved social service delivery.
- Protection of human rights.

Timeline

No clearly defined timeline (several months).

**Potential
limitations**

Omission of partners and actors—The scope of the assessment may be limited by the agenda of stakeholders undertaking the assessment. Also, the assessment responds to a clear national demand and requires the host government or national authority to issue a formal request for a scoping mission. The government, being the counterparty, may limit the dialogue by subject, location, or to officials or elites affiliated to the state. Also, the scope can be limited by the particular agenda of the government and/or the external actors endorsing or assisting the assessment.

Narrow security lens—The RPBA may adopt a narrow security lens, considering just the physical dimension of people's security.

Restrictions on access for physical security—Issues of access are evaluated in the preassessment phase (assessment of security and access issues).

Omission of consideration of structural factors—Since the scope and objectives and the approach and methodology for the assessment may vary depending on the specific scoping mission, the assessment may omit consideration of structural factors.

Blinders linked to the development of a thorough understanding of the past—While the RPBA methodologies place great emphasis on determining the causes of violence through the conflict assessment component, blinders may remain that hinder understanding past allocations of power and resources among actors, institutional distortions, and unaddressed grievances.

Notes

Key processes to consider in the RPBA:

- Nationally-led assessments, such as socioeconomic assessments, fragility assessments, and so on.
 - Humanitarian assessments (such as Humanitarian Needs Overview) and plans (Humanitarian Response Plan).
 - Human rights assessments.
 - PDNAs and RRAs.
 - UN strategic assessments and planning in UN integrated missions.
 - UN election assessments.
 - Relevant conflict, political economy, and risk analyses carried out by various actors.
 - Traditional development assessment and planning processes (poverty and livelihood, UNDAF Common Country Assessments, and country strategies), including sector and individual assessments undertaken by agencies to design their own country strategies, programs, projects, and financing portfolios.
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TABLE A4.2 Risk and Resilience Assessment³

What it is	<p>The RRA is an analytical tool that diagnoses the drivers of fragility, conflict, and violence (FCV) in a country and identifies factors of resilience to counteract those drivers. It provides concrete recommendations for addressing these challenges.</p> <p>The assessment can contribute to the analytical basis for RPBA's.</p>
When it is carried out	<p>The RRA is used in countries affected by fragility, conflict, and violence and in countries with significant FCV risks. The assessment does not respond to a clear national demand. It is used by the World Bank to inform all country strategies (including the Systematic Country Diagnostic, Country Engagement Note, and Country Partnership Framework) in IDA fragile and conflict-affected situations and countries with significant risks of FCV.</p>
Scope/objectives	<p>Overarching objectives of the RRA are:</p> <ul style="list-style-type: none"> • To diagnose the root causes/drivers or risk factors of FCV, including the major grievances of different social groups and institutional weakness, but also factors of resilience that help societies deal with fragility, conflict, and violence. • To build greater understanding and consensus within the country team on the drivers of FCV to ensure that these inform country diagnostics, strategy, programming, and project design and implementation. • To provide operationally relevant recommendations on how a country strategy can address FCV risks through World Bank-financed interventions.
Methodology/main elements	<p>The RRA methodology is based on a consultative approach that connects academic knowledge, practical experience, and stakeholder views on the country context. The primary client of an RRA is the Country Management Unit and the broader country team, and it includes their views on shaping an RRA's focus. Time frame and resources are critical. RRA research ranges from desk-bound analyses to fieldwork in local conflict settings. Most RRAs follow the process described below:</p> <ol style="list-style-type: none"> 1. Desk review The review synthesizes the most recent academic and development literature to obtain a broad understanding of the root causes or FCV risk factors embedded in the country's historical realities and in regional and global contexts. The review assesses external or regional threats to stability, institutional strengths that can mitigate risks, weaknesses that can hamper processes for building peace and sustainable development, and sources of resilience that empower societies and governments to negotiate and resolve conflict in a peaceful manner and promote spaces for development processes to take root. Desk analyses are often based on qualitative research, but increasingly RRAs are integrating quantitative approaches and data where possible. 2. Collection of primary data Where existing research and data are scarce, the Bank team may take steps to validate or test questions on conflict and fragility. These can include harnessing public opinion data or perception surveys, integrating key questions on household surveys, or holding structured focus group interviews with representative groups in targeted communities. 3. Country expert involvement Experts and staff members are typically paired together to ensure the assessment is substantive, follows the RRA methodology, and leads to a final product useful for a World Bank Group audience. 4. In-country seminars and interviews with local stakeholders Participants might include government, private sector, and civil society representatives, academics, religious leaders, think tanks, and research organization members, depending on the issues covered. The main objectives of the in-country seminars and interviews are to check the relevance and accuracy of desk research, as well as to glean stakeholder groups' views and perceptions. In some particularly sensitive contexts, identifying and speaking to local stakeholders may be difficult due to a variety of issues, including political party affiliation and insecure geographic location, among others. 5. World Bank country team feedback The finalized RRA draft is shared with the FCV Group RRA Secretariat for review, and then with the corresponding CMU and sector staff to apply recommendations to Bank strategies and programs. 6. Dissemination to government and other stakeholders Once the assessment has been approved for broader dissemination by the country management unit (CMU), discussions with the national government and other stakeholders can take place. <p>Outcomes Informs a collective vision and strategy on peace building and recovery, and provides operationally relevant recommendations (a framework) for coordinated and coherent support to assist conflict-affected people.</p> <p>Timeline No specific timeline.</p> <p>Potential limitations Due to political sensitivity, RRA may remain confidential and not shared with the government or external partners.</p>

TABLE A4.3 Post Disaster Needs Assessment⁴

What it is	<p>PDNA is a tool to assist the government to assess the full extent of a disaster’s effects, impact, and recovery needs and produce an actionable and sustainable recovery strategy for mobilizing financial and technical resources. It is a joint approach of the United Nations, World Bank, and European Union and includes the main elements of the Damage and Loss Assessment (DaLA) method and the Human Recovery Needs Assessment (HRNA) approach and process.</p> <p>The PDNA responds to a clear national demand. It is a government-led and government-owned process.</p>
When it is carried out	<p>PDNA is used in countries that experienced a disaster, both short-term onset (earthquake or storms) and long-term onset crises (prolonged droughts).</p>
Scope/objectives	<p>Evaluate the effect of a disaster on:</p> <ul style="list-style-type: none"> • Infrastructure and physical assets. • Production of and access to good and services. • Governance and social processes. • Risks and vulnerabilities. <p>Estimate the damage and loss to physical infrastructure, and productive, social, and other sectors of the economy (effects), including an assessment of its macroeconomic and human consequences (impact).</p> <p>Identify all recovery and reconstruction needs.</p> <p>Develop a recovery strategy, outline priority needs, recovery interventions, timelines, expected outputs, and the cost of recovery and reconstruction.</p>
Methodology/main elements	<p>1. Context analysis</p> <p>Gather baseline data to define the predisaster conditions in the productive, social, and infrastructure sectors (crosscutting sectors: gender, governance, environment, disaster risk reduction, employment, and livelihoods).</p> <p>2. Assess disaster effect</p> <p>Disaster effect refers to the immediate results of the event. It is expressed in quantitative and qualitative terms, by sector, geographic divisions, gender, age, and ethnicity. Effects are evaluated at the personal/household level and at the sector level. Aggregation of total effects follows a bottom-up approach.</p> <p><i>i. Evaluate the effect of a disaster</i></p> <p>The PDNA assesses the effects of a disaster through four main dimensions in each of the sectors considered in the assessment:</p> <ol style="list-style-type: none"> a. Total or partial destruction of infrastructure and physical assets, equipment, and stocks (damage in physical units). This comprises: <ul style="list-style-type: none"> ◦ Social infrastructure—homes, education, and health facilities, government buildings, community infrastructure, and cultural and religious centers and sites. ◦ Basic infrastructure—transport and communications (roads, bridges, ports and airports, train lines), water and sanitation systems, irrigation systems, energy generation and distribution, and supply lines. ◦ Productive sector—agriculture infrastructure, industrial and commercial installations, and businesses. <p>In addition, it quantifies the physical assets damaged or destroyed in those buildings.</p> <ol style="list-style-type: none"> b. Disruption of production of goods and services and access to goods and services (loss). <p>PDNA evaluates the decline on output of the productive sectors—agriculture, industry, commerce, tourism—associated with the partial or total destruction of infrastructure and physical assets. It also evaluates the decline in service delivery across all relevant social sectors and population groups, in particular the availability and quality of basic services. A diversity of methods and techniques can be used by sector teams to assess the postdisaster conditions (that is, assess the disaster-related changes in food consumption and expenditure with household surveys).</p>

(continued)

**Methodology/
main elements**
(continued)

- c. Disruption of governance and decisionmaking processes of each sector of the analysis.
- This includes the effects on sectoral administrative, policy, and planning functions, and the capacity to lead recovery processes. That is, the effect of the disaster on government functions and on the capacity of the civil servants to provide sector-based administrative processes, and the disruption of basic community functions and social services provided by community-based organizations.

Capacity assessment—this estimation is very critical for restoring government functions and processes, and for developing a plan to enhance the capacity of a sector to recover.

- d. Increased risks and vulnerabilities.

The PDNA examines the risks and vulnerabilities underlying the effects of the disaster, pre-existing risks that become apparent during the disaster, and new vulnerabilities and risks enhanced by the disaster. These will be taken into account to ensure a resilient recovery.

ii. *Estimate the effects in monetary value*

- Estimate the damage: refers to the cost to repair or replace infrastructure and physical assets in each sector of the analysis, valued at the cost of repairing or replacing the asset, according to market price just before the disaster.
- Estimate the loss: refers to changes in economic flows arising from the disaster (decline in output in the productive sectors, higher production and operational costs, lower revenues, increase demand for social services by affected population) valued at current market price.
- Additional costs required to maintain the administrative, policy, planning, and decisionmaking processes of government. Costs are estimated as increased costs for coordination, provision of temporary facilities and staff, resources to restore government capacity, and service delivery over time.
- Increased expenses to manage new risks arising from the disaster.

3. Assess disaster impact

The disaster impact analysis assesses the short-term, medium-term, and long-term consequences of the disaster effects in the economic and living conditions of the affected population. Disaster impact is determined through the analysis of two main elements:

i. *Economic impact (macro and micro):*

- Gross domestic product (GDP).
- Balance of payment (BoP).
- Fiscal sector.

ii. *Human impact*

This is done through interviews, household surveys, and focus groups, and has five core indicators:

- Disruption of normal livelihood and income (employment opportunities).
- Impact on living conditions (access to health and education, levels of nutrition).
- Food security and access to basic services.
- Gender equality (women's participation in the decisionmaking processes).
- Social inclusion.

Human impact assessment allows for appropriate recovery strategies to be developed through direct input from people on their priorities, and by focusing on areas where human impact is the highest.

(continued)

**Methodology/
main elements
(continued)**

4. Sectorwise recovery needs

i. Identify and quantify the recovery needs

Recovery needs (cost) = effects (loss + damage) in each sector + impact + Building Back Better (BBB)

Needs comprise four components:

- a. Reconstruction of damaged infrastructure and physical assets in all sectors of the analysis. The costs are calculated as: value of the damage + cost of quality improvement + technological modernization + relocation when needed, disaster risk-reduction features + multi-annual inflation.
- b. Resumption of production, delivery, and access to goods and services. The costs are calculated as: losses that would be compensated to resume the production in the productive sector + the additional costs to service providers to restore basic services + the additional costs to provide services to the affected communities. The concept of BBB also applies here.
- c. Restoration of government and decisionmaking processes. The costs are calculated as: additional human resources to undertake the recovery + replacing lost records and upgrading documents of various public services + addressing governance and social cohesion issues, if disrupted.
- d. Reducing risks and increasing preparedness (BBB). The costs are calculated as: cost for addressing immediate risks, costs for upgrading preparedness measures in each sector + costs for further studies and/or assessments to facilitate implementation of BBB + costs for additional specific measures to strengthen disaster risk reduction and build community resilience.

ii. Prioritize and sequence the needs in each sector of the analysis

Priority needs and their interventions must be addressed in phases.

iii. Formulate the in-sector recovery strategy

Once the sector needs have been identified, the intended recovery outcome needs must be formulated for each sector as this allows for implementing projects, programs, and policies, and for achieving the specific outcomes.

5. Overall recovery strategy

The sector-by-sector assessment of damage, loss, and needs, and sector recovery strategy are summarized in a comprehensive Disaster Recovery Strategy. This defines the vision and principles for recovery and includes a description of the implementation arrangements.

Outcomes	<ul style="list-style-type: none"> • Total value of destruction in physical assets (damage) and changes in flows of the economy (losses). • Distribution of damages and losses by ownership. • Identification of most affected sectors. • Geographic distribution of disaster effects. • Impact of disaster at macroeconomic and at personal and household levels. • Estimates of postdisaster needs for recovery, reconstruction, and disaster risk reduction.
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Timeline	<p>Six to 12 weeks.</p> <ul style="list-style-type: none"> • Activation (one week). • Planning mission (two weeks). • Data collection, verification, and validation (three weeks). • Analysis (two weeks). • Formulating a Disaster Recovery Strategy (two weeks). • Resource mobilization and implementation (two weeks).
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Potential limitations	<p>Process specific</p> <ul style="list-style-type: none"> • Does not replace in-depth sectoral analysis. • Does not provide detailed recovery projects. • Requires an elaboration into a disaster recovery framework. <p>Other types of constraints</p> <ul style="list-style-type: none"> • Time constraint—has tight timeline that places limitations on data collection. • Data constraints—PDNA uses the best available data at the time of the assessment. • Omission of partners and actors—the scope of the assessment may be limited by the agenda of stakeholders undertaking the assessment.
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Notes**Main Differences PDNA/DNA versus RPBA**

- Conflict sensitivity—The entire RPBA process, from the initial discussion to implementation, is marked by an attention to the dynamics of the conflict. It accounts for and responds to conflict factors, drivers, peace capacities, and resilience factors. This distinguishes it from other assessment methodologies such as the Post-Disaster Needs Assessment (PDNA) or Human Development Recovery Needs Assessment (HRNA). (Resilience factors are the resources a country has—for example, mineral resources and cultural resources with the potential for tourism—which could contribute to recovery and peacebuilding.)

Main Similarities PDNA/DNA and RPBA

- Similar planning process, coordination, and implementation mechanisms.
 - Whole society approach:
 - Interagency planning committee.
 - Strategic planning through cluster/sector approach.
 - Consult affected communities and sector groups on initially identified interventions by government agencies.
 - Other stakeholders (private sector and civil society) participate in planning and implementation of the reconstruction program.
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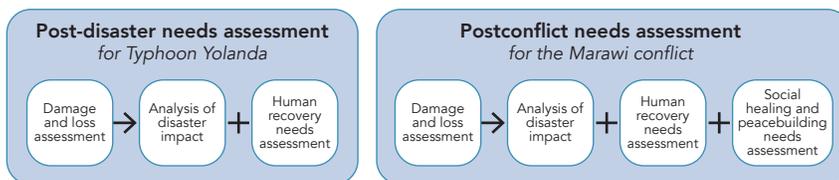
FIGURE A4.1 Comparing PDNA and PCNA—two examples

TABLE A4.4 Disaster/Dynamic Needs Assessment⁵

What it is	<p>The DNA derives from the formal PDNA but has some variation in the methodology. Sometimes the acronym RDNA for Rapid Disaster Needs Assessment is used.</p> <p>The DNA usually, but not necessary, responds to a clear national demand. It is a government-led and government-owned process.</p>
When it is carried out	Estimates the effect of a crisis on the population and their livelihoods, and on physical assets, infrastructure, service delivery, and crosscutting areas.
Scope/objectives	Same as the formal PDNA.
Methodology/main elements	<p>The methodology derives from that of the PDNA (it is a shorter version). The specific methodology adopted in each assessment varies from event to event and it is defined in accord with the government, if the DNA responds to a national demand.</p> <p>The data collection may be a hybrid approach, relying on both ground-based and remote-based techniques such as satellite imagery and social media analytics. It is often used in conflict scenarios in these contexts:</p> <ul style="list-style-type: none"> • Data collection—Since primary source gathering is often impossible in an ongoing conflict given the challenging security condition, the in-conflict DNAs draw mostly on secondary sources of information such as 50 centimeter resolution satellite imagery, social media analytics, and existing public information. Whenever possible, the analysis relies on more direct damage data based on ground partner surveys as well as reports from the UN and other donors, the government, and local agencies. To conduct part of the data collection and analysis, the World Bank usually contracts a market vendor specializing in satellite imagery, big data, and media analytics. • Data validation—Whenever possible, the data gathered through remote data sources are cross-validated through partners with ground access (such as other donors, government entities, and local partners). Every effort is made to rely on at least two independent data sources to verify information and increase the accuracy of the data.
Outcomes	Same as the PDNA.
Timeline	No clearly defined timeline. Usually it is much shorter than that of the PDNA.
Potential Limitations	<p>In addition to the limitations highlighted in the PDNA table, the DNA have additional limitations:</p> <ul style="list-style-type: none"> • Data limitations—due to the complexity of the political and security situation and due to significant delays in data collection. • Scope—the scope of the remote assessment may be limited to areas where data are available. • Data verification—often data rely on satellite imagery, supported by social media analytics and ground spot checks. However, the imagery is broad-brush in nature and limited to what appears in the imagery frame.

TABLE A4.5 Area-based approach⁶

What it is	<p>Area-based targeting is a participatory approach to providing multisectoral support in specific geographic areas, such as a neighborhood, settlement, or district. Its strength is realized through building a deeper understanding of the affected populations' holistic needs and complex contexts, and by building on existing community cohesion and capacity, governance structures, markets, and service delivery mechanisms.</p> <p>Multisectoral support can include interventions in sectors such as health, education, housing, and livelihoods.</p> <p>Multistakeholder refers to active engagement of numerous diverse stakeholder groups present in the target area, including local government, civil society, international humanitarian and development actors, the private sector, and the affected community.</p> <p>Whole population area-based approaches consider the whole population of an area, and include all affected people regardless of their legal status, risk category, or associated groups.</p> <p>Specific geographically targeted areas with high levels of need can be delineated by physical, social, or administrative boundaries (or a combination of factors) and vary in scale from neighborhoods, wards, and districts, to the whole town or city.</p>
When it is carried out	Used in humanitarian and development contexts in countries experiencing crisis for humanitarian response, recovery, and development.
Scope/objectives	<ul style="list-style-type: none"> • Create a platform that brings together diverse actors with different capacities to discuss the collective response. • Complements existing governance systems and accommodates the multisector and multistakeholder approach that cities and towns require. • Reduces the creation or reinforcement of tensions and inequalities and contributes to improving social cohesion. • Focuses resources and enhances clarity and understanding of how best to provide multisectoral assistance.
Methodology/main elements	<p>Area-based/settlement-based approaches define an area, rather than a sector or target group, as a primary entry point. The approach is particularly appropriate if the residents in an area of a city have high levels of complex, interrelated, and multisectoral needs.</p>

In these approaches, individuals or households are identified according to a set of specific criteria of need or vulnerability. Examples are people facing unique protection risks, and groups at risk of discrimination and social exclusion due to their ethnicity, nationality, caste, indigenous group, or religious or political affiliation, their tenure situation, displacement status, or informal settler or renter status. The location of dwellings that are difficult to access, in hazardous areas, insecure areas, urban settlements or informal settlements, and their vulnerability and status within society can also be used as criteria.

Different scales and stages of the area-based approach:

1. City.
2. District or borough.
3. Ward or neighborhood.

These programs typically follow a five-step process:

1. Initiation.
2. Assessment and data collection.
3. Analysis and planning.
4. Official (or unofficial) approval of the plan.
5. Implementation and monitoring.

This process is similar to a typical urban planning process undertaken by cities and has a greater emphasis on the built environment (housing and infrastructure).

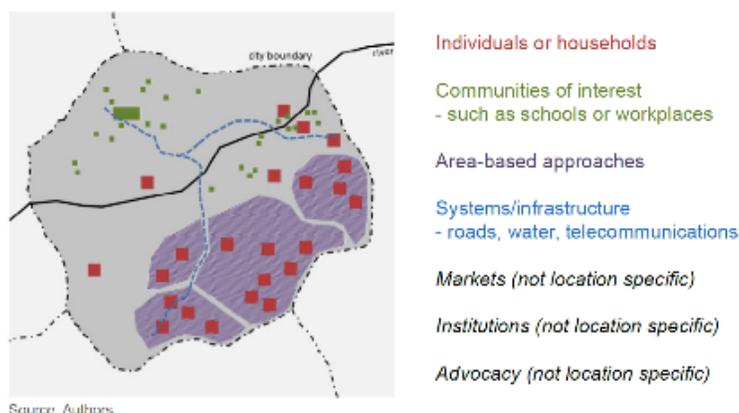
Approach 3 follows a four-stage process:

1. Initiation.
2. Assessment and data collection.
3. Establish community center(s).
4. Implementation and monitoring (for example, running community centers).

(continued)

Methodology/ main elements <i>(continued)</i>	<p>In parallel to the two final stages, an outreach program is implemented that identifies smaller target areas for intervention, engaging the community through committees, and carrying out training.</p> <p>Alternative approaches (figure A4.3) to delivering assistance in urban areas include:</p> <ul style="list-style-type: none"> • Systems-based approaches support the rehabilitation of critical infrastructure and improve access for vulnerable groups. • Market-based approaches work through or support the recovery of local markets. • Institution-based approaches provide urban planning support to local government or create a network of community-based organizations. • Advocacy-based approaches, for example, may challenge policies that limit access to services for vulnerable groups. <p>Deciding which approach is most appropriate depends on the mandate and capacity of the assisting organization and “the proportion of the population that needs assistance, the type of program contemplated, tradeoffs between targeting cost and targeting accuracy, and the feasibility of targeting options.” Area-based approaches should not necessarily be prioritized over other ways of targeting or coordinating assistance. In fact, they are most likely to be successful when supported by, and linked to, interventions that restore or strengthen citywide markets, institutions, or systems (figure A4.2).</p>
Notes	<p>Enabling contexts</p> <p>According to reviewed case-studies, area-based approaches are more likely to be successful in contexts where:</p> <p>They have sufficient funding and donor support for the multisectoral working group, assessment, and response plan.</p> <p>There is an existing multisectoral coordination system or culture.</p> <p>Communities are less transient and more cohesive.</p> <p>Local government is supportive, and area-based programs are aligned with government policies and plans.</p>
Outcomes	<p>Multisector, multiagency assessment, planning, coordination, and implementation lead to prioritization and planning, better communication between partners, faster response to evolving needs, more efficient implementation, and better links between humanitarian and development interventions and actors.</p> <p>High levels of engagement with all relevant stakeholders help to develop consensus around a shared response plan, demonstrate impartiality and respect, ensure no key influencers are left behind, build the capacity of local actors, and create and strengthen relationships between communities and government.</p> <p>The use of participatory tools and approaches for community-based assessment, mapping, action planning, settlement planning, coordination, implementation, and monitoring help to build trust, generate ownership, strengthen community cohesion, efficiently identify needs, manage expectations, and work with communities to solve complex problems.</p>
Timeline	No clearly defined timeline (usually in months).
Potential limitations	If poorly designed and implemented, area-based approaches can increase inequalities between the target area and surrounding areas; create an unnecessary distraction from underlying social, economic, or institutional problems; shift responsibility to local stakeholders when national or international action is required; be costly to implement and an ineffective use of resources; take a long time to deliver; lead to a disconnect between local plans and wider city or regional plans, become highly politicized; and be difficult to monitor and evaluate.

FIGURE A4.2 How area-based approaches differ from other approaches



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***Building for Peace* combines latest development thinking with original research to propose a fresh approach to reconstruction, development, and the transition to sustainable peace for conflict countries in the MENA region and globally. It argues that because conflict has changed, the ways of planning and prioritizing interventions should also change, as must the way governments, development actors, and donors engage in those environments.**

***Building for Peace* advocates a more bottom-up approach to complement the existing approach centered on physical reconstruction and central government institutions. It would start with taking into account the conditions that led to conflict and that most impinge on individuals and their communities' security. It would then devise interventions to directly address those conditions—building on existing assets and not just on gaps and physical damages. From there, it would work with more traditional state-building platforms to weave a broader and longer-term national vision for sustainable peace anchored in the realities of the communities affected and the associated risks, constraints, and tradeoffs.**

