Strength in fragility

Paul Collier and Giorgia Giovannetti

The shockwaves of the global recession are destabilising the world's poorest and most fragile states in Africa. It's imperative that the UK and the EU take action

We all know that these are tough times and that the global economy is facing its greatest crisis since the crash of 1929. Less well-known is the devastating effect this is having on the world's most vulnerable people, particularly in sub-Saharan Africa.

While the global recession is causing suffering everywhere, here in the UK, as well as in Europe and other wealthy industrialised countries, our governments have more or less managed to rescue our financial systems and we generally take it for granted that our social safety nets will catch us if we fall.

The citizens of the so-called fragile states can draw no such comfort. Fragile states are those impoverished and volatile countries at the bottom of the world economy whose governments cannot or will not provide them with even the most basic public goods and services which we take for granted, such as security, access to safe drinking water and primary healthcare.

The majority of the world's most fragile countries are in sub-Saharan Africa, and the miserable conditions in which people in fragile states survive constitute a major human tragedy. There are structural conditions which predispose some countries to fragility, such as abundant natural resource in the context of poverty, ethnic diversity in nations built by external powers, low population densities, and the sheer small scale of the economy which makes the delivery of public goods extremely difficult.

Although quite a few fragile states have made some progress in recent years, they began their journey from a much lower starting point than other developing countries. And even these hard-won gains are being threatened by the shockwaves of the current global recession, which are transmitted through a number of channels, such as falling revenues from natural resource exports, a drop in remittances from diaspora communities, and reductions in foreign aid flows.

Sadly, fragility has a paradoxically firm grip. Once a country falls into the fragility trap, it becomes very hard to climb out again. For example, 35 countries defined as 'fragile' by the World Bank in 1979 are still fragile in 2009, three decades later.

Fragility not only has serious repercussions for the citizens of fragile state, it can also be a menace to their neighbourhoods and beyond, as Somali piracy is currently demonstrating. In fact, much of the cost of fragility is borne by more stable neighbouring countries.

Given the unique challenges posed by fragility in sub-Saharan Africa, it is unsurprising that fragility has become a focus both of UK and European development policy. In fact, the Department for International Development (DFID) warns that: "We will not meet the Millennium Development Goals without progress in fragile states."[1]

In a bid to help forge a common European approach to this critical issue, the first-ever edition of the European Report on Development (ERD)[2] – which has been launched in Stockholm – is dedicated to fragility in sub-Saharan Africa.

---

[1] http://www.dfid.gov.uk/Global-Issues/How-we-fight-Poverty/Government/Fragile-States/

Commissioned by the European Commission and five EU member states, including the UK, this independent report concludes that the European Union is uniquely well-placed to help these fragile states. Unlike the World Bank and other international aid agencies, Europe has at its disposal, in addition to the combined economic and political clout of its member states, an armoury that naturally ranges across the entire policy spectrum, including governance, trade and security, all of which can be critical for fragile states.

Further, the EU has a long track record in helping European countries escape fragility, and manage the transition to democracy from dictatorship, in the 1970s, and from communism, in the 1990s.

But reproducing such successes in Africa, the ERD stresses, requires a rethink of how the EU deals with situations of fragility. Although fragile states share certain common features, each one of them is unique and so there is a no one-size-fits-all magic bullet that will solve their problems.

Each country needs to chart its own course out of fragility and so the EU can facilitate this process. In addition, dealing with fragility requires consistent and sustained engagement over the long-term, if the dependence of short-term fixes, such as food aid, is ever to be broken. In fact, true sustainability and accountability will only come about when underutilised domestic resources are harnessed and expanded.

One domestic resource of paramount economic and social importance that has been neglected in sub-Saharan Africa for years is farming. The ERD urges African states and donor governments to invest more in the agricultural sector.

The ERD is not supposed to be a precise prescription but creates a framework for the EU and its member states to think about and re-think their role. Europe can make a big difference in helping fragile African states steer their way out of fragility but, as the ERD observes, this is unlikely to happen until “the [EU] and Member States are able to speak and act with one voice and mind… and have an effective and implementable division of labour”.

****

Giorgia Giovannetti is the lead author of the European Report on Development. She is a project director at the European University Institute’s Robert Schuman Centre in Florence.

Paul Collier is a professor of economics at Oxford University and the director of the Centre for the Study of African Economies. He is the author of the award-winning book, ‘The bottom billion: why the poorest countries are failing and what can be done about it’.

[2] www.erd.eui.eu