



# DEVELOPING A FUTURE OUT OF FRAGILITY

Brussels, 6th February 2009

## WORKSHOP: "DEVELOPMENT IN A CONTEXT OF FRAGILITY - FOCUS ON AFRICA"

On 6 February 2009, researchers and policy-makers – both from Europe and Africa – gathered in Brussels in the context of the European Report on Development (ERD) initiative to discuss how research could help overcome the challenges posed by fragility in developing countries, with a particular focus on Africa.

The specific purpose of this research workshop was to discuss the ERD 2009's outline, as well as the terms of reference of the research papers due to be commissioned this year in the framework of this ambitious and challenging process of research and policy dialogue.

## THE ERD INITIATIVE

The EU is the world's largest provider of development assistance and is deeply committed to achieving the UN's Millennium Development Goals (MDGs).

The European Report on Development (ERD) is a new initiative which seeks, in close co-operation with developing and donor country partners, to enhance a European perspective on development issues on the basis of knowledge excellence, innovation and the building of common ground between the European research community and policy-makers. In particular, the ERD will enrich policy-making processes, stimulate debate and research on development issues in Europe and contribute to enhance the EU's voice in the international arena.

The first edition of the ERD is to be published in October 2009 after intense networking activities with scholars, policy-makers and civil society. It will focus on the complex and multidimensional issue of fragility and the approaches to tackle it, with a specific focus on the African continent. The ERD 2009 is being led by the European University Institute (EUI).

## MAIN POINTS AND CONCLUSIONS OF THE WORKSHOP

### THE ROOTS OF FRAGILITY

The European Commission welcomed the participants by recalling the aims of the ERD initiative and bringing the participants up to speed on the milestones reached so far on the path towards the first ERD.

The Commission noted in particular that the decision to focus on fragility was based 'inter alia' on the findings and recommendations of the EU research paper entitled 'Millennium Development Goals at midpoint: where do we stand and where do we need to go?' (2008)', which calls for a special agenda for the so-called fragile states.

The lead author of the research paper, Professor François Bourguignon of the Paris School of Economics, summed up its main findings, focusing in particular on 'the new model of aid' which is based on the 'ownership principle' through which developing countries play a central role in defining their own development strategies and which leads also to a preference for the budget support modality. Despite its many advantages, the new model requires solid institutions and good governance – elements which are often missing in fragile states.



The scientific director of the ERD 2009, Professor Giorgia Giovannetti of the European University Institute (EUI), sketched out the story line of the report and explained how the serious development challenges posed by fragility will be approached

To emphasise the importance of addressing fragility, she noted in the first working session that, although fragile countries make up only 15% of the population of the developing world, they account for a third of the world's poor and half of children dying before the age of 5 - and most of them are located in Sub-Saharan Africa.

In addition, she underscored the importance of defining fragility in all its complex variations – stressing how individual states can move in and out of fragility – which means that there can be no 'one size fits all' policy approach. She also noted that Europe's own integration experience and enlargement to encompass countries with different institutions would be analysed to see whether any lesson can be drawn for Africa.

## BUILDING ON FRAGILE FOUNDATIONS

Given the importance of robust institutions and good governance to sustainable development, the workshop's second working session focused on the challenge of institution building in situations of fragility.

Professor Thierry Verdier of the Paris School of Economics explored institution building in the context of the three core aspects of the state: providing security, delivering basic public goods and services, and enjoying political legitimacy.

He also focused on some of the most challenging trade-offs in the context of institution building, namely short v long termism and the so-called globalisation trade-off. Finally, he touched on the theme of regional integration, and wondered whether the EU's initial focus on two sectors, coal and steel, could act as a model for the African Union, which could begin by concentrating on agriculture and security, rather than its current broad range of interests.

## TIMES OF CRISIS

Professor Franklin Allen of the University of Pennsylvania examined the actual and potential impact of the current economic and financial crisis on fragile countries.

He stated that the received wisdom that fragile African countries were not vulnerable to the financial crisis because of their low contribution to the global economy has been disproved, especially as the crisis spread its tentacles into the real economy.

Allen explained that many fragile countries were already vulnerable before the financial crisis erupted due to high food and energy prices. The current global crisis can exacerbate their situation through a number of transmission channels, including falls in export revenues in natural resource-dependent countries, worsening terms of trade, fluctuating exchange rates, declines in foreign direct investment and migrants' remittances, as well as possible drops in aid money. He concluded his presentation by analysing China's role both as a role model for Africa and as an increasingly important donor there.

## AN OPEN AND PARTICIPATORY PROCESS

The third working session focused on the wealth of research workshops and conferences planned for 2009 in the context of the elaboration process of the ERD 2009.

In particular, Marta Reynal-Querol of the University of Pompeu Fabra presented the conference which will take place in Barcelona in May to examine the causes and roots of fragility and what actions can be taken to move beyond such vulnerable states. Pascal Vennesson from EUI introduced the research workshop that will take place in Florence in April which will mainly consider the delicate and complex links between security and development. For more information on the consultation process, see the rolling work plan.

Finally, Wendy Harcourt, the editor of Development, explained why gender inequality and its development policy implications would be a recurring theme in the report and throughout its elaboration process.

<sup>1</sup> 'Millennium Development Goals at midpoint: where do we stand and where do we need to go?'  
[http://ec.europa.eu/development/icenter/repository/mdg\\_paper\\_final\\_20080916\\_en.pdf](http://ec.europa.eu/development/icenter/repository/mdg_paper_final_20080916_en.pdf)

For further information on the ERD 2009,  
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<http://erd.eui.eu>

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