

Decentralized Stabilization Assistance

<https://home.uchicago.edu/~rmyerson/research/decentstabil.pdf>

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SIGAR 2021: Refusal to prepare for future stabilization missions after Vietnam did not prevent wars in Afghanistan & Iraq, but ensured quagmires.

State-building missions fail when local politics is ignored.

An optimistic *centralized theory of democratic state-building* has assumed that, after establishing basic security, the main tasks would be

- (1) hold elections to ratify constitution and select national leader,
- (2) help build effective gov't agencies & security forces under this elected leadership.

What could go wrong? In a failed state, there might not be anyone whom people throughout the country would trust to wield national power responsibly.

Failed/fragile states lack trusted proven mechanisms for holding national leaders accountable for the quality of public services.

But a failed state is not a blank slate...

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Where people cannot rely on the national government, they must get basic protection and other essential public services from local groups with local leadership.¹

Many people may trust familiar local leaders more than new national leaders.

Interveners who would respect the people's political wishes should expect to face vital questions about distribution of power between national & local authorities.

Such concerns were vital in America's own nation-building (1776-1787)!

Successful democracies depend on a balance of local & national politics.²

Locally accountable officials will be more attentive to local concerns,
centrally appointed officials may care more about national political interests.³

Local leaders with stake in system can mobilize residents to defend the state.

Good local leaders can show their qualifications to compete for higher offices,
making national politics more competitive.⁴

But national leaders may prefer to centralize power and avoid such competition.

Decentralized theory of democratic state-building:

- (1) national political reconstruction must recognize & reassure many local groups,
- (2) empowering locally accountable leaders makes state stronger & more accountable.

¹ J. Murtazashvili, "A tired cliché: why we should stop worrying about ungoverned spaces and embrace self-governance," *Journal of International Affairs* (2018), <https://www.jstor.org/stable/10.2307/2655232>

² *OECD Regions and Cities at a Glance 2018*, p114-115, https://doi.org/10.1787/reg_cit_glance-2018-en.

³ "Local agency costs of political centralization," *Theoretical Economics* (2021).

⁴ "Federalism and incentives for success of democracy" *Quarterly Journal of Political Science* (2006).

Local-national power-sharing negotiations are essential for democratic state-building.

State-builders must be talking regularly with local leaders, not just national leaders.

Need for *local stabilization officers* who monitor & respond to local political concerns.

When the goal is state-building, foreign assistance should encourage local leaders to support the development of a new national political compact.

So local stabilization officers need authority to direct local aid to reward local groups who act cooperatively in the new political system.

But such local political conditionality is difficult for outsiders to observe.

The goal is to build a state that is accountable to its people, not to America.

State-builders may need exemptions from normal controls of US federal government.

These are reasons for a specialized agency of stabilization professionals.

Local stabilization officers also need professional norms to mitigate risks of their intervention adversely transforming local politics.

Foreign aid can exacerbate problems of corruption in local institutions if the aid is out of proportion with the customary resources of local leaders.

Foreign support can reduce leaders' need for local political support if stabilization officers are not committed to encouraging local accountability.

An example of a well-organized stabilization assistance team

The *Office of Rural Affairs* was formed by Rufus Phillips and Bert Fraleigh in 1962, to help the government of South Vietnam reach people in rural communities.⁵ Direction of assistance funds was decentralized to a local stabilization officer in each province [*provincial representative*], who worked with local Vietnamese officials. Local stabilization officer's mission was supporting formation of elected village councils and encouraging cooperation among provincial officials and village leaders, to build an inclusive coalition for local governance (local foundations of the state). When goal is to promote political development, assistance should be locally directed by a field officer who can use it to encourage support for the new political system. But normal principles of the US government generated an imperative to direct assistance through agencies better designed for justifying their work in Washington DC. In 1964, a reorganization of rural assistance curtailed its responsiveness to local issues. When local officers needed rotation after 1-2 years in field (successor as monitor), regional coordinators (assigned longer, commute) would provide continuity.⁶ These officers & coordinators form a team for monitoring & responding to local political issues, with flat 3-level hierarchy facilitating communication to top policymakers. But Washington ignored Phillips; the agency head needed status to command attention!

⁵ Rufus Phillips, *Why Vietnam matters: an eyewitness account of lessons not learned* (Naval Institute Press, 2008), chapters 8-10.

⁶ The principles of *decentralization*, *cooperation*, and *continuity* are discussed further in my "Stabilization lessons from the British Empire" (2021) <http://home.uchicago.edu/~rmyerson/research/sblessons.pdf>

Decentralized political engagement as the first principle of state-building.

In a mission to promote political development, the first priority should be to send in local stabilization officers who can encourage cooperation of local leaders, and then all major decisions about mission goals & strategies should rely on guidance from the team's coordinators.

To assess realistic goals requires such a team with decentralized political engagement. US interventions in Iraq & Afghanistan eventually engaged with local politics, but only after decisive misdirection from an initial insensitivity to local concerns.

When top policymakers are guided by a stabilization assistance team with decentralized political engagement, experts' lists of points-to-remember lists can be shorter.⁷ But top policymakers should still remember that the mission budget should be at a level that can be sustained for a long haul.

Exit strategy: gradually decrease the fraction of foreign aid that is directed by local stabilization officers from 100% down to 0.

⁷ For example, Keith Mines, *Why Nation-Building Matters* (2020).

Keith Mines's (2020) list of lessons for nation-building:

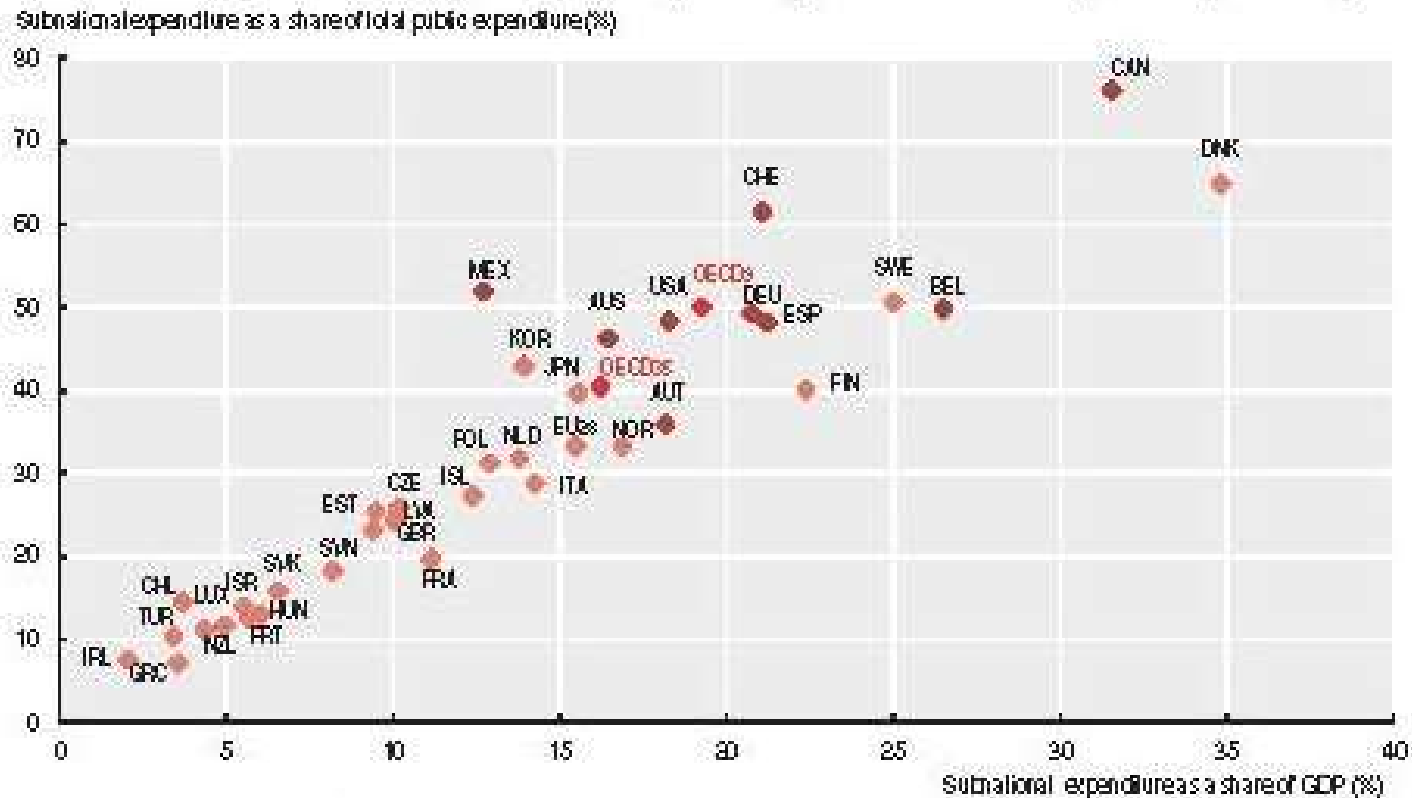
1. The top priority in nation-building is the formulation of a unifying political compact.
2. Capable security forces are essential for stabilization.
3. Economic reform should not be pressed until the political compact is secure.
4. Potential spoilers need an alternative path forward.
5. All peace is local.
6. Foreign support is counterproductive if it turns nationalism against the government.
7. Nation-building is a long game, and interveners must pace themselves.
8. Hard (military) power cannot prevail without soft (economic, political) power.
9. Leadership matters, as nation-building is about promoting better leadership.
10. It's not all black & white: don't be afraid to talk to those whom we're fighting.

Karl Eikenberry and Stephen Krasner's (2021) conclusions:

1. Set realistic and attainable goals, with modesty, humility, and specificity.
2. Even modest goals should come with strict periodization to avoid overreach.
3. Good-enough governance should emphasize stability & security, essential public services, economic growth. Inclusive social justice may too much to ask.
4. Diplomacy, development assistance, and military doctrines should reflect this modest approach, with education and training programs to support it.
5. When appropriate, the US should support a "standard treatment" of mediation with UN or regional peacekeeping forces and international assistance.
6. Help to establish medical infrastructure in failed states. (Pandemic externalities!)

Subnational government expenditure as %GDP and %TotalPublicExpenditure 2016

5.1. Subnational government expenditure as a percentage of GDP and total public expenditure, 2016



www. Federal countries: dark brown markers

StatLink Regs <http://dx.doi.org/10.1787/888933818302>

Source: *OECD Regions and Cities at a Glance 2018*, p114-115,
https://doi.org/10.1787/reg_cit_glance-2018-en.

(OECD nations with subnational public spending below 20% of total public spending:
 SVN, SVK, ISR, CHL, LUX, HUN, PRT, NZL, TUR, IRL, GRC.)