THE NEW GEOPOLITICS OF FRAGILITY
RUSSIA, CHINA, AND THE MOUNTING CHALLENGE FOR PEACEBUILDING

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EXECUTIVE SUMMARY

During the Cold War, the conflicts of the “Third World” were viewed by the superpowers as a terrain for competition, often in the form of proxy wars that turned those countries into some of the great killing fields of modern history. Then, for the two decades that followed the fall of the Berlin Wall, wars in every region in the world declined, by every measure. Notwithstanding the current focus on the failures of U.S.-led wars in the wider Middle East, this decline in levels of war was in large part due to successful efforts at peacebuilding, led by the Western nations. Now, that progress is at risk. The West faces stiff competition for influence in development policy in general, and in fragile states specifically. Competing investments from foreign interests in fragile states can undermine countries’ long term economic and financial sustainability, while ill-conceived security support arrangements can weaken the governance of the security and justice sector in these countries. All while mounting tensions at the United Nations Security Council and other global and regional institutions reduce or impede the international community’s ability to prevent the escalations of conflict and support accountability.

There’s long been competition at the regional level in fragile states, but as fragility has spread across the Middle East, that dynamic has brought in more influential, more capable regional actors — like Turkey, Saudi Arabia, Iran, and the United Arab Emirates. What’s more, Russia and China have increased their engagement both at the global policy level and in specific fragile states. These countries, and the West, all adopt different strategies and approaches based on their capabilities and strategic economic and security interests — often, in deep contradiction with one another. The core of Russia’s strategy in these cases is disruption; China has a more elaborate strategy that defined by longer-term economic and security interests. It is vital for China to open market and investments opportunities while building up its security in the Pacific, and to ensure secure trading routes. Beijing puts considerable resources behind its strategy, as the very ambitious Belt and Road Initiative illustrates. Countries like Turkey, Iran, and Saudi Arabia have more regional ambitions that are connected to their own security, ideological views, and economic opportunism. In the Indo-Pacific, Japan, Australia, and increasingly India are also playing an active role in fragile states, in part to try to fence off China’s ambitions.
This dynamic creates a huge risk for fragile states, as they become an arena for geopolitical competition. Many of the careful and progressive approaches to peace building and improvement of governance and accountability that the West has elaborated over the last two decades are very much put into question by this situation. The relatively weak commitment of the West for implementing fragility-specific approaches is also part of the problem. Western nations need to rapidly mobilize to address these risks that could easily increase fragility and create more conflicts. They should put concerted pressure within multilateral institutions for the “new” powers to improve the quality and accountability of their interventions. And the West should improve its own coordination and effectiveness, and back strong multilateral partnerships — with the involvement of regional powers where they are willing to collaborate. The alternative is to be pulled back into full-blown proxy wars, at great human cost.

This report is being released after the swift fall of Afghanistan to the Taliban in August marked an inglorious end to 20 years of American presence in that country. Events there may feel like a metaphor for a wider phenomenon of shifting Western attention away from fragile states; they should also serve as a cautionary tale.

INTRODUCTION

During the Cold War, the conflicts of the “Third World” were viewed by the superpowers as a terrain for competition, often in the form of proxy wars that turned those countries into some of the greatest killing fields of modern history. As the Cold War waned, the West turned part of its attention to managing or ending conflicts in the developing world. At first, that effort was limited to political negotiations and peacekeeping, but Western governments and multilateral institutions then focused on tackling the underlying issues of institutional weakness and political/social division that sustained conflict risk — the “fragility” agenda. This is no minor part of the development portfolio now — by most definitions, more than a billion people live in countries characterized as “fragile states.” Fragility is both a development concern and a security challenge.

The West’s efforts had mixed motives, were frequently incoherent, and yielded failures. However, for the two decades that followed the fall of the Berlin Wall, wars in every region in the world declined by every measure: absolute number of wars, total battle deaths, and associated excess deaths — the severity of wars. The absence of superpower competition was a necessary but not sufficient condition for success; nor was this simply the better angels of our nature. It required sustained, on-the-ground, multilateral efforts that worked more often than they failed. Progress was uneven and hard to sustain. Even once hot wars were ended, ongoing progress towards stable development proved challenging. But progress was made.

Now, that progress is at risk. The West faces stiff competition for influence in development policy in general, and fragile states specifically. The new dynamics include the rapid evolution of China’s role in fragile states, supported by considerable levels of financing (in many countries, outstripping the largest Western donors) as well as diplomatic effort. In a sub-set of cases, the West now also confronts sustained efforts by Russia to counteract U.S. and European influence, as well as to generate profits for Russian enterprises. As the gravitational weight of American power has diminished, would-be regional hegemons have increased their economic, diplomatic, and in some cases military actions in civil conflicts and in fragile states. The resultant competition between the powers represents particular risks for fragile states.
These risks are acute across four areas.

1. **The increased level of major powers’ direct or indirect participation in civil wars and political crisis makes their resolution much more complicated.** Syria and Ukraine are examples of such situations. Proxy wars, one of the great ills of the Cold War, are back with us.

2. **Investments and financial support from foreign interests in fragile states can undermine countries’ long-term economic and financial sustainability**, as in the Democratic Republic of Congo (DRC), Venezuela, and Zambia.

3. **Security arrangements and support can weaken the governance of the security and justice sector in fragile states**, as with Russian support to security institutions in Venezuela and Chinese engagement in Myanmar. (Of course, the United States is responsible for similar ills in some of its unilateral interventions in the broader Middle East).

4. **Tensions at the United Nations Security Council and other global and regional institutions reduce or impede the international community’s ability to put pressure on local actors to prevent escalations of conflict and support accountability.** The cases of Libya, Myanmar, and Syria are illustrative.

Western policy can no longer ignore these new geopolitical realities in fragile states.

The search for coherent policy on fragile states within and between Western nations can and should continue but it needs urgently to be complimented by a firm (but nuanced) approach to dealing with far-reaching Chinese economic and diplomatic influence, for countering Russian activism and disruption, and for managing regional hegemonic competition. Finding a common approach to this among Western governments, will not be easy. In the U.S., the instinct will be to view fragile states as yet another domain for competition with China; in Europe, the instinct will be to find ways to engage China, and accommodate their growing role. What’s clear is this: if the West is divided, China will gain ever-more influence in these countries and in the multilateral institutions through which responses to their challenges are often organized and have a freer hand to pursue approaches corrosive to inclusive or democratic governance, peacebuilding and financial sustainability of fragile states, and Western interests.

This report explores these dynamics. We look briefly backwards, through the evolution of Western and multilateral policy towards fragile states, to set out what’s at stake. We chart the main features of the new dynamics of geopolitical competition. We summarize the policy drivers of the “new” actors in this space — especially China and Russia — and we sketch the effects on regional competition in two geographies where it is playing out in part in fragile states: East Asia and the Arab world. Then, we turn to the thorny question of how the West should respond — fully acknowledging, and starting to grapple with, both the internal contradictions in U.S. policy and the divides between the U.S. and Europe that have sometimes curtailed effectiveness. We warn of the dangers of ignoring China’s and Russia’s game, or worse of playing it by ignoring human rights abuses and poor governance in fragile state. That would result in a high-cost race to the bottom. We make the case that the gains that can be won through a proxy war approach to fragile states are slim while the human costs are exceedingly high. We conclude with recommendations for how the West can improve the effectiveness of its own efforts as part of a strategy of contending with the new, competitive realities of influence in fragile states.
A BRIEF LOOK BACK: WHAT’S AT STAKE

To understand what’s at stake with the new geopolitical dynamic, it is useful to briefly look back at the progression of policymaking efforts (mostly by the West and Western-dominated multilateral institutions) during two and a half decades following the end of the Cold War. This is not easy: although peacebuilding and fragile states policy was dominated by the West, that domination was not total, so in many cases the policy or action of another power or player was germane; the West was often divided (from our vantage point, on pretty trivial issues, given the stakes); and several Western capitals, above all Washington, exhibited both a high degree of schizophrenia in their responses to fragile states and a great deal of dynamic variation in policy over time. It would take a long essay to cover this history. A very condensed version follows.

The early years

During the Cold War, the Western response to poverty in the “Third World” was divided between genuine developmental concern with poverty reduction (mostly from continental European development agencies), a solidarity response (by church groups and social democratic governments especially in northern Europe), an effort, sometimes rapacious, to secure minerals and strategic assets, the maintenance of post-colonial relations, and a geopolitical effort to buy votes at the U.N. (mostly by the United States). Coups and conflicts in the periphery were not viewed as demanding a response of conflict management and peacebuilding, but rather as occasions for superpower competition with the Soviet Union. Soviet policy focused on arms supplies to client governments, infrastructure building (usually of the “white elephant” variety), and proxy warfare. (China too, in the 1960s and 1970s, supported wars of “liberation.”) The net effect of superpower competition in the developing world both limited actual poverty reduction and extended proxy wars — in Sudan, Congo, Angola, Mozambique, Southeast Asia, and Central America — that were among the most brutal in modern history. Other conflicts were viewed as “untreatable” and allowed to burn themselves out, at huge human cost.

As the Cold War receded, the West found itself commanding the heights of international power without competition. The U.S. and Europe turned to the U.N. to generate new kinds of responses to civil wars in renamed developing world — to wit, U.N. and regional mediation, U.N. and regional peacekeeping operations, and large-scale humanitarian responses within national borders (which had not been mounted during the Cold War). This met with some early successes, and some dramatic failures.

By the mid-1990s, the search for more consistent policy led the U.N. to focus on “multi-dimensional operations” that integrated its peacekeeping units with its political negotiators, humanitarian planners, and human rights specialists. In theory, development practice was supposed to be part of this multi-dimensional response; in practice, turf wars between the political wings of the U.N. and its development arm (UNDP), competition between UNDP and the World Bank, and an extremely conservative view on conflict issues at the World Bank and other regional development banks meant that development responses were only minimally integrated into these broader response frameworks to conflict risks.

As more short-term successes were recorded, and levels of war in most regions declined, some deeper progress was made in integrating development policy into overall strategic coordination — mostly through bilateral donors. Countries like the United Kingdom, Australia, Canada, and the Netherlands led the effort to develop what became known as
“3D” policy that more effectively integrated development, diplomacy, and defense tools. At the multilateral level, the emergence of the “peacebuilding” agenda and architecture at the U.N., with cooperation from the World Bank, represented an advance in efforts to integrate development spending into an overarching political framework, while at the World Bank there was deeper consideration of the underlying issues of institutional weakness and socio-economic division as drivers of development failure and conflict recurrence — the “fragility” agenda.

The U.S. was an inconsistent and schizophrenic actor in all this — punching well below its weight in Organisation for Economic Co-operation and Development (OECD), World Bank, and U.N. policy deliberations, and operating with multiple, inconsistent strands of policy on the ground. In the main, though, in the period prior to the 2003 start of the Iraq War, the benign elements of U.S. policy largely outweighed the more heavy-handed tendencies. Washington was also by far and away the largest donor during this period. This was not so much in terms of its bilateral “development” aid — huge chunks of which were simply military aid to a small handful of security partners like Egypt, Israel, and Jordan — but rather in terms of its voluntary spending through multilateral agencies dealing with issues like refugees and food insecurity.

9/11 and all that

All this changed after the September 11, 2001 attacks, and in particular after the launch of the Iraq War. The U.S. became the dominant force in shaping multilateral security and development policy and took the lead role on the ground in countries that it viewed as part of its war on terrorism — in some cases, either starting or joining wars. In the period between 9/11 and 2014, the counterterrorism agenda caused U.S. policy to be wholly enmeshed in the issues of fragile states, especially in Central Asia, the Middle East, and North Africa, and to a lesser degree in Southeast Asia and the Sahel region of Africa. In this period, the U.S. repeated many of the mistakes that had characterized the early years of U.N. responses to civil wars, like dismantling former military structures without adequate strategy for social and economic reintegration of combatants (with destabilizing consequences, disastrously so in Iraq). It grafted its own leadership roles uncomfortably onto pre-existing multilateral frameworks, resulting in such torturous experiments as Provincial Reconstruction Teams in Afghanistan and Iraq. And in some cases, the U.S. simply joined forces or directly supported proxy wars, with no framework for how they could be either won or resolved — contributing, for example, to a sustained humanitarian disaster in Syria (with a side order of strategic humiliation). European policies were also strongly influenced by the counterterrorism logic, reflected for example in France’s military intervention in the Sahel and the U.K.’s diplomatic and security involvement in Somalia.

Over time, U.S. policy began to evolve — both towards an agenda of leading less with the military dimension and seeking a more integrated approach, and in terms of finding more clever ways to manage allied and partner coordination. Both elements of this were best reflected in the structures and policies of the U.S.-led Global Coalition Against Daesh, with its ground-up approach to supporting domestic reformers, its inclusive, coalition-building approach to coordination with partners and allies, and its dynamic cooperation with the U.N.’s humanitarian and development arms. This approach recorded important results in stabilizing western Iraq in the wake of the Islamic State group’s occupation.
As the U.S. worked through its evolving responses in the Middle East, the rest of the world did not stand still. There was, notably, a lot of economic growth in this period. China pursued its massive run of GDP expansion, sparking a vast appetite for energy, mineral, and food resources that created a huge commodity boom. That commodity boom in turn helped pull several dozen countries out of poverty and into middle income status. At the same time, domestic reform and liberalization also generated serious growth and the forging of large middle classes in other large pockets of the “Global South,” notably in India, Brazil, Indonesia, Nigeria, Ethiopia, and South Africa. While this was not directly an issue of fragile states, per se, it did create an environment of overall economic growth and international support for development efforts (much of this eventually encoded in the 2016 U.N. agreement on the Sustainable Development Goals.) And it eventually freed up aid resources that would originally have gone to many of these countries and were redirected to fragile and very poor countries.

Thus, in policy settings among OECD countries, and at the OECD itself, there was progressively greater policy attention to the dynamics of fragility — i.e. to the institutional weaknesses that left countries exposed to the kinds of internal and external dynamics that could generate internal conflict — what the OECD eventually defined as “insufficient coping capacity of the state, system and/or communities to manage, absorb or mitigate... risks.” In 2007, the OECD produced the “Principles for Good International Engagement in Fragile States & Situations,” which provide a template on how to adapt development efforts to these challenging contexts. In 2011, the World Bank used its signature annual publication, the World Development Report, to elevate its own attention to conflict and security issues, and to challenge the laggards among OECD countries to develop more sophisticated development policy for dealing with citizen insecurity, unemployment (including in its relationship to the recruitment of foot soldiers for rebel groups, criminal gangs, and terrorist organizations), and justice issues.

The focus on internal security and justice was a striking departure for an institution characterized by small-c conservatism in its dealings with internal political divisions in client countries. Also, it was clear that much closer coordination between security and development actors was needed in these contexts. In response, the World Bank and the OECD set up in 2009 what became known as INCAF, the International Network on Conflict and Fragility. This became the premier forum where Western donor policies for addressing fragility were discussed and elaborated. The financing for fragile states increased, and the World Bank, the International Monetary Fund (IMF), and other multilateral organizations created special funding programs.

The two dynamics then converged: economic growth saw many countries especially in Asia reducing their dependence on official development assistance (ODA) and “graduating” to the status of middle-income countries (China, India, Indonesia, Vietnam, and others). By 2018, OECD Development Assistance Committee (DAC) countries were spending 63% of their total net country-allocable ODA, or $60.3 billion, in fragile contexts. The World Bank, the largest multilateral contributor for post-conflict reconstruction increased considerably its support to fragile states through its International Development Association (IDA) window for low-income countries (see Figure 1).
In 2017 the World Bank joined forces with the U.N. to launch the “Pathways for Peace” report — the first serious and sustained joint effort by the two organizations to think through simultaneously how to address — and prevent — the twin dynamics of economic and political fragility. (That the “Pathways to Peace” report was published fully 25 years after the challenge of World Bank/U.N. dis-coordination on fragile states was first identified is a sobering reflection of how difficult it is to drive institutional reform — even under conditions of relative geopolitical comity.)

**Internal critics, regional interference**

While the above paragraphs make it sounds like Western policy was the only factor at play in fragile states, in practice life was more complicated. Throughout this era, even where Western policy was both effective and coherent, it often met with resistance from domestic elites in the countries in question, either because those elites were set to lose relative power, or because they resented what they saw (and portrayed) as Western interference and intrusions on their sovereignty. That resistance continues in many cases, but a new factor from the mid-2000s on was more concerted efforts by reformers in fragile states to (a) acknowledge their internal weaknesses, (b) play a more active role in shaping international policy, and (c) thereby reduce the sting of the claim of “interference” in domestic disputes. The most visible version of this was the emergence of a grouping of fragile states, the g7+, which grew to become a network of 20 such states across the globe that began to exert meaningful influence in the OECD, the U.N., and the World Bank. In exchange for acknowledging internal shortcomings and the need for change, the g7+ pushed for development policies and programs that were more respectful of sovereignty and provided much stronger attention country ownership and capacity: the so-called “New Deal for Engagement in Fragile States” for fragile states.
What’s more, while the policy frameworks of most Western capitals and the major multilaterals has always been national in orientation, few civil wars actually ended at their borders; there was frequently both military intervention and political interference from neighbors in otherwise “civil” wars. In the internal conflicts that so damaged sub-Saharan Africa in the 1990s and early 2000s, for example, neighbors were sometimes explicitly drawn into the fighting, and more frequently still offered safe harbor to militia groups, hosted armed refugee camps, or provided political, military, and some financial support to rebel movements in across-the-border sanctuaries.19 The degree of regionalization of these conflicts varies. At the high end, the conflicts in southern Sudan, eastern DRC, and northern Uganda blend into one another, as rebel groups crossed weakly guarded borders, found refuge in neighboring countries, and were sometimes supported by neighboring governments. Over time, more attention was given to regional approaches to address fragility especially in border areas.20 The best example of such regional approaches is the Sahel, where cross-border collaboration was fostered at the security, development, and diplomatic level. Among other innovations: regional military capabilities were reinforced among neighbors in the form of the G5 Sahel Joint Force, supported by France and other EU partners;21 a variety of cross-country mechanisms for collaboration were reinforced as the Sahel Alliance; and donors started to finance large regional and cross-border projects.22

It might be assumed that the election of President Donald Trump, with his avowedly anti-multilateralist rhetoric, would have caused another major change in U.S. policy towards fragile states. In fact, the changes were far more rhetorical than actual. That includes in the Middle East: in some parts of the region, Trump initially doubled-down on U.S. military engagement (as in Syria), while in others he continued the gradual wind-down of excess deployments.23 But Trump did reduce U.S. engagement in multilateral institutions. At the same time, the Europeans were deepening their efforts to foster effective, stable development in those parts of the world that would otherwise send refugees their way (notably the Horn of Africa, North Africa, and Central Asia). Australia and Japan were doing the same in several contests in the Indo-Pacific context. And the main multilateral organizations such as the U.N., the African Union, and the World Bank were deepening their efforts to forge coherent policy that straddles the pernicious diplomatic-security-development divide. But by this point in time, the West had lost two huge assets: primacy in the scale of economic and military intervention in fragile states, and an ability to readily command unified support in the main multilateral bodies.

THE NEW HOT PEACE: CONFLICTS RISING, TENSIONS RISING

The West’s position began to unravel with the simultaneous unfolding of two dynamics: the wrenching conflicts of the early counterrevolutionary response to the Arab Spring,24 and the deterioration in political relations between the world’s top military powers.25

The outbreak of civil protest, and the brutal counterrevolutionary responses it generated, triggered a set of conflicts across the Middle East and North Africa, reversing two decades of progress in declines in the number and level of wars in the world. Collectively, conflicts across those regions now account for about 80% of battle deaths in the world since 2011.26 And they coincided with large-scale refugee flows — globally, refugee flows rose to 26 million in 2019, according to the United Nations High Commissioner for Refugees (UNHCR),27 with Syria and Afghanistan being the largest sources — as well as
steadily rising terrorist attacks, both inside the conflict countries and in the West. The Arab Spring pulled the West in, just as China, Russia, Turkey, and other “rising powers” raised their own game.

This is not the place to outline in great detail the new dynamics of geopolitical competition — though the major features of that competition are increasingly well understood. But it helps to locate the new dynamics of fragile states to highlight a few aspects of the changing global landscape that will shape international responses — most of them, unfortunately, for the worse.28

The most critical feature of the changed landscape is the huge growth and consolidation in Chinese economic power over the past two decades, the translation of that economic weight into diplomatic power and military capacity over the past decade, and the rapid intensification of both internal oppression and external ambition in the Xi Jinping era.29 Over the course of the past decade, China has gone from being a weighty actor in Asia and a “rising” power in the rest of the world, to a clear number two position in world affairs with a stake and role in economic, technological, development, and political affairs in every region of the world, as well as a growing military capacity to challenge the U.S. in the western Pacific. China has also gained influence in several important multilateral institutions. It started by running candidates and building coalitions for influence in the U.N.’s technical agencies in Geneva, notably the World Health Organization (to major and deleterious effect), and the economic departments of the U.N. (very modest in their influence). Its impact has grown with its ambition and with the U.S. draw-down of its engagement in multilateral institutions under the Trump administration.30 And during this same period, China launched a massive project of infrastructure and economic investment in Asia, the Middle East, parts of Africa, and Latin America, first under its “go out” policy, then through its “March West” initiative, and finally under its Belt and Road Initiative.31 Across these efforts it has emerged as the largest consumer of raw materials from the global South, the largest holder of developing world debt, and the largest source of foreign direct investment and development loans in dozens of countries in sub-Saharan Africa, Southeast Asia, the Pacific, and Latin America. This is not limited to but certainly includes many of the world’s most fragile states.

U.S.-China relations have rapidly declined, shifting from a halting effort in the early Obama administration to craft what the Chinese called “a new era in great power relations,” to President Barack Obama’s “rebalancing” effort to respond to a more assertive China, to a mounting distrust of China in the American strategic community during the second Obama term, to a far-wider breakdown in U.S.-China relations during the Trump years – but not limited to the Trump team. The Biden administration reflects a consolidating American consensus that China poses a systematic challenge to U.S. power and values, one that has to be met by vigorous competition, and perhaps outright confrontation. If anything, the Biden administration has added a strong human rights dimension with very open criticism of China’s brutal oppression of its Uyghur minority and the suppression of democracy in Hong Kong. The Trump administration had already strongly criticized China for its treatment of minorities and Secretary of State Mike Pompeo designated the treatment of the Uyghurs as a genocide in his last full day in office.32 That view of China is still resisted in some parts of Europe, but is gaining adherents in the strategic communities of London, Paris, and Berlin, and wider communities in northern Europe and Australia — to say nothing of Tokyo and New Delhi, which have long been convinced of the aggressive nature of Chinese foreign policy.
At the same time, the United States and Europe’s relations with Russia have taken a series of sour and bizarre turns. The scale of Russian political interference in European and American political campaigns in the 2015-2016 period would, under normal conditions, have produced a searing Western response. But there were not normal conditions, because two political campaigns turned the Western dynamic on its head: the Brexit referendum and the election of Donald Trump. The Brexit campaign created a situation in which Britain — long the sharp end of Europe’s intelligence and defensive efforts vis-à-vis Russia — turned inwards, fighting itself and fighting Brussels over the texture of the long-delayed agreement to depart the EU. And in Washington, Trump went out of his way to protect Russia from recriminations, sparking congressional investigations and extensive concern among intelligence agencies about the nature of relations between the president and Moscow. In this context, no serious Russia policy was possible. But now that Britain has officially left the EU and Trump has officially left the White House, we are likely to see a significant upturn in Russia-West tensions and actions. This was made clear when Biden agreed in an ABC News interview that Russian President Vladimir Putin was “a killer” and that Russia, in response, recalled its ambassador to the U.S. to Moscow.33

Russia-China relations are often characterized as a “budding alliance” but are in fact more complicated than that.34 They can most easily be compared to the kind of “concert” dynamics that sometimes held (temporarily) between imperial powers that distrusted one another but sought to share the project of weakening a third competitor. Just so, Russia and China profoundly distrust each other; have competing interests on issues like energy; have divergent interests in north Asia, the Middle East, Latin America, and Europe; and yet see an overweening interest in weakening the United States and the U.S.-led alliance system (NATO, for the Russians; the Asian alliances, for the Chinese). This overweening interest has led Moscow and Beijing to develop substantial collaboration in the naval domain, launch large-scale joint military exercises, and support each other’s diplomacy or blocking moves. Russia and China have increasingly been willing to block action at the U.N. Security Council, or at least dull the policy edge of Western initiatives. The degree of disunity between Russia and China on the one hand, and the P3 (U.S., U.K., and France) on the other, varies from region to region and policy issue to policy issue. At times, it has seemed like the dynamic between the two is best characterized by Russia serving as a “tip of the spear” — engaging in highly disruptive, risky, militarized behavior — in the U.S., northern Europe, Germany, Syria, Venezuela — while China stays largely above the fray, avoiding direct confrontation with the West, avoiding risks, but maintaining a kind of diplomatic envelope that protects Russia from the most severe reactions of the West. Russia continuously seeks opportunities to advance its own image as a “great power” on the world stage, to advance its sales of arms and fossil fuels, and of “private” security, and to confound, embarrass, and upstage the West — and as we’ll see below, fragile states provide a tempting platform for this behavior.

Nor is geopolitical competition limited to these three top military powers. Japan has slowly but steadily increased its arms spending and widened its policy space for militarized response to putative Chinese aggression — especially through its surface navy and submarine forces. India and China have seen repeated clashes along their contested Himalayan boundary, and their respective navies are sailing in tense proximity to one another in the Indian Ocean, the Andaman Sea, and the western Pacific. India and Russia maintain traditional diplomatic ties and an arms relationship, though even that has come under strain as a growing body of the Indian strategic community has sought to deepen strategic ties to the U.S. in order to balance China. Germany and the
EU are still squarely in the U.S. camp, but the tensions between Europe and the Trump administration have caused a growing number of voices in Berlin and Brussels to look towards European strategic autonomy, already advocated by Paris for some time — while Britain has, until very recently, focused the vast bulk of its diplomatic energy on its shambolic divorce from the EU.

In the space thus left for adventurism, new dynamics of contestation and conflict have arisen — especially in the Islamic world, but also in East Asia — as we set out in more detail below.

In academic terms, we have entered a period whose primary structure is best depicted as “asymmetric bipolarity” — with the U.S. and China wielding power at levels substantially beyond any other actor, and with decisionmaking in Beijing and Washington constituting an essential shaping fact for virtually every actor on virtually every issue. But unlike during the Cold War, where the two superpowers were vastly more powerful than their next most powerful ally/client, now the gap in power and capacity between the top two and the next tier is much smaller. Taken as a bloc, the EU is nearly as large, economically, as the U.S., though the U.S. substantially exceeds it in military and technological terms; and Russia is a close peer to China in military terms, though vastly outstripped by it in economic ones. As a result, there are many domains of policy that operate more like a “multipolar” world — especially in the economic domains. And that includes fragile states.

When the U.S. or other Western players sought to develop a peacekeeping or peacebuilding approach to a civil conflict or a fragile state in the 1990s or 2000s, they could count on several things. First, they could assume that it would be relatively easy to forge consensus or do a deal at the U.N. Security Council, thereby triggering internationally orchestrated resources of mediation and peacekeeping. Second, that the Western powers would be — by far — the dominant sources of economic support to the country in question. And third, that if any third party were sending in military forces, it would either be one of the Western powers or a neighbor with negligible geopolitical weight. (That did not mean that those forces that sought to foster peaceful and developmental responses to fragile states always won the day, but they had a good fighting chance).

Now, none of those assumptions hold. As a result, peacekeeping efforts through the U.N. and regional organization that used to be immune from geopolitical tensions has also become increasingly marred by them.35

There’s been a further complication. Since the onset of the Arab Spring, the issues of fragile states, civil wars, and terrorism have progressively fused. Not all civil wars have a terrorism dimension of course (even if we smooth out some of the infelicities and oddities of the definitional question of who is and who is not a terrorist.) But a growing number do.36 That’s in part because by far the largest terrorist organizations of the contemporary moment are radical Islamists, like al-Qaida and the Islamic State group, and because of the related fact that the upsurge in conflict in recent years has taken places in parts of the wider Islamic world — specifically Central Asia, the Middle East, North Africa, the Sahel, and parts of East Africa including now the north of Mozambique.37 The presence of terrorist organizations in conflict zones is creating risks for entire regions, and even for big powers. The U.S. presence in Afghanistan and Iraq, the French presence in the Sahel, and the U.S. and U.K. presence in Somalia and its border areas are all justified by the international threat against terrorism. These groups had greater military and technological sophistication than most of the rebel groups associated with internal wars in the 1990s
(with important exceptions), to say nothing of informational and ideological capability. They are often not amenable to suasion or sanction through traditional diplomatic measures. And their ability to move resources and personnel around geographies added to the difficulty of containing their impact. Grappling simultaneously with fragility strategy and counterterrorism strategy has proved confounding for Western strategists.

There is a sliver of good news here, though: according to the Institute for Economics and Peace’s 2020 “Global Terrorism Index,” terrorist incidents emanating from the Islamic world were at their lowest levels since 2013. However, on most other dimensions, the West now confronts a far more complicated landscape in dealing with fragile states.

**THE “NEW” POWERS: NON-WESTERN POWERS TAKE ON FRAGILE STATES**

In charting the new dynamics of fragile states, there are both global and regional dimensions. At the global level, the increased activism of the strongest authoritarian powers, Russia and China, is remaking the field of play.

**Russia: Opportunism and disruption under financial constraints**

After the collapse of the Soviet Union, Russia considerably reduced its involvement in developing economies to refocus its diplomatic and security attention on its immediate neighbors, trying to maintain what it could of its influence in the former Soviet bloc and trying hard to discourage any NATO or EU interest in what it viewed as its backyard. However, Russia had an extended presence and networks of contacts in many developing countries dating from the Soviet period, including in many fragile states — and it kept some of these connections alive. Russia also remained a major provider of military equipment to developing countries, even during the dark hours of the 1990s when it was facing a massive economic and political crisis. Since 2012, Russia became more interested in projecting its global power outside of its immediate neighborhood — in the Middle East and Africa, where the Soviet Union used to be a powerful player, and to a lesser degree in Asia. This coincided with the beginning of active support to the government of Bashar al-Assad in Syria, which culminated in a military intervention in 2015 that entirely rebalanced the power equilibrium in the civil-war-torn country and reaffirmed the role of Russia as a player in the Middle East. At the same time, Russia became much more active diplomatically in the Middle East, Africa, and with some of its old allies in Asia, such as Vietnam.

Russia made the Middle East and Africa the center of its attention outside of the former Soviet Union. This was a logical move in light of the footprint that the Soviet Union had in these countries before the fall of the Berlin Wall. In 2019 it organized the first Russia-Africa summit in Sochi on the model of other such summits organized by nations such as France, the U.S., and Japan; 43 countries were represented by heads of state or government. The messages were, in effect, that Russia has a lot to offer on security and natural resources; that it is ready to move, and it is not interested in intervening in regime change nor influencing internal governance; and that establishing a partnership with Russia can represent a welcome change from depending on a former colonial power or the U.S., or a much more powerful China. To this end, Russia used the summit to announce $12.5 billion in investments deals. But many analysts highlighted that the summit actually showcased Russia’s quite limited capacity to support Africa.
The return of a more active Russian presence outside of Europe and Central Asia was a logical continuation of Putin’s efforts to restore Russia’s status as a global power. Russia also adopted a much more aggressive stance toward the West in and around the Euromaidan events in Ukraine, including through the seizure and annexation of Crimea. Moscow was also eyeing with some concern the fast development of China’s presence around the world, particularly the projection of its military power, especially in some areas in Africa and Asia where Russia used to have strong influence. It also saw the West’s various interventions during the Arab Spring as a way to reinforce its presence in the region and assert stronger control over the Middle East’s economy, politics, and security.

These geopolitical motivations were amplified by Russia’s economic situation, as Russia could use its engagement in fragile states for economic gain. Russia has a fragile economy and an economic crisis that has lingered since Western sanctions were put in place in 2014 following the occupation of Crimea and destabilization of the Donbas and the price of oil fell in 2015, with the last six years marked by an anemic average growth rate on the order of 1 to 2%. Russia also needs to find markets for its goods, particularly its agricultural products, and investment opportunities from some of its large natural resources companies as it navigates the continued impact of sanctions on its economy. It has also had limited success with its attempts to diversify its economy away from natural resources extraction and has been unable to attract the type of foreign investment required. These economic and financial constraints mean that Russia does not have the fundamental strength that China or Western nations enjoy to support their global ambitions. This has had two effects. It meant that Moscow could not replicate its intervention in Syria in other areas; its attempt to influence other theaters of operations (such as Libya) have been more constrained and more limited. A second effect: Russia needs to be much more opportunistic and ensure some immediate financial and economic return from its involvement in the Middle East and Africa to be able to finance its expansion in these areas.

Moscow is also focusing on improving its capacity to disrupt by investing in cyberwarfare, strengthening its network of spies, and using its large companies to more aggressively support its global ambitions. Over the last decade, Russia has also discovered that the geopolitics of fragility could provide a low-cost way to establish a global footprint and be sufficiently disruptive to earn it a chair at the table.

At the center of Russia’s efforts to increase its influence is its security sector and military industry. At relatively lower cost than the U.S. or Europe, it provides high-quality military equipment with very few strings attached, and on flexible and adaptable terms. As for any other power, these exports are essential for Russia to sustain the development of its defense industry at home. Many Middle Eastern, Asian, and African armies are already equipped with Soviet-made armaments, and so these weapon systems are not entirely new to most of these countries’ militaries. Russia has considerably increased its military exports since 2000 and it is now the main exporter of arms to Africa. In 2019, 21 countries in Africa were purchasing arms from Russia. Many of the fragile states are clients of Russia, including Burkina Faso, Mali, Nigeria, South Sudan, Sudan, Zambia, and Zimbabwe.

Recently, Russia has also actively publicized its capabilities to provide direct support, training, and advice on security issues for governments interested in escaping the many conditionalities that come with Western security support. It is actively stepping into
the space that France, the U.K., and the U.S. are leaving empty. The French military, for instance, abruptly left the Central African Republic (CAR) after its interventions in 2013, rendering the country’s very weak security sector without support; Russia moved to fill the void.\textsuperscript{46} Russian security cooperation is much more “à la carte” than Western support is nowadays; it can feature military training, advice on how to organize security forces, help with peace negotiations (such as in the CAR), and advice on major counterinsurgency efforts (as in Mozambique). It can extend to support for disinformation and communication, such as in Sudan at the time of the revolution against Omar al-Bashir, or in support of President Alpha Condé in Guinea, and allegedly to the governments in Ivory Coast and Cameroon.\textsuperscript{47} By providing military cooperation, Moscow can also help a regime to stay in power, get involved in active military operations, and participate in electoral manipulation. Russia has also proven it is very willing to enter into corrupt deals, making it a very useful partner for regimes looking to avoid the Western comprehensive approach to fragility. This activity is probably the most worrying for the stability of fragile states. Russia has signed such security deals with Angola, Burundi, the CAR, the DRC, Madagascar, Mozambique, and a few others.\textsuperscript{48}

One case in point has been the support Russia is currently providing to the CAR — a country that has a very fragile peace process and many internal tensions — through a “private” security company, the Wagner Company, to train and advise security forces. This is particularly problematic because many of the communitarian tensions that have generated conflict in the CAR have been linked to the lack of accountability of the CAR’s armed forces, and rampant corruption in the CAR’s security sectors. The Russian mercenaries, having successfully pushed back the CAR rebels, have now been invited by the government of Mali to fight the jihadist insurrection alongside the Malian army. The invitation infuriated the French and the Europeans, but came at a time when France was downscaling and restructuring its Mali operation (amid mounting skepticism about the Malian regime’s commitment to the return to electoral democracy).\textsuperscript{49}

While Russia is focused on disruption and geopolitical signaling, it doesn’t squander opportunities for economic gains when they present themselves. First, cooperation in terms of energy and mining helps Russia find opportunities for some of its global companies in oil, gas, and atomic energy, and new markets for its agricultural products. While such companies are few and struggling to remain global, they certainly has strong experience in the extractive sector and in nuclear energy. As is the case for China, the large-scale Russian companies have very strong state interests embedded in their capital and systems of governance. Russia has been exploring many opportunities and has invested in many fragile and conflicted economies, such as Angola, Mozambique, Niger, and Sudan, as well as in Venezuela.\textsuperscript{50}

Russia finances its operations by leveraging the murky relations it has established between the state security apparatus and some private entrepreneurs. The now notorious, but still relatively mysterious Wagner Company is providing security services in multiple forms, including via mercenaries, and it is connected to businessman Yevgeny Prigozhin, who is close to Putin and well-connected to Russian military intelligence (the GRU). Wagner started its operations as part of the Russian military intervention in the Donbas region of Ukraine, and then expanded its activities as a military contractor in Syria. Wagner is connected to many business interests, and therefore deals can be easily made to finance the presence of its forces for active duty, training, and protection without costing a government any cash funds. Wagner is reportedly working in tandem with various Russian companies that have received legal rights to prospect in CAR diamond fields. It seems as though Russia has
revived old Cold War power methods: operating through organizations such as Wagner creates a convenient, low-cost, flexible, and discreet way to increase Russia’s footprint and undermine Western efforts to improve governance in fragile situations.\textsuperscript{51}

While Russia has been proactive about expanding its footprint in fragile states in Africa and the Middle East, as well as in countries such as Venezuela, it is not totally reckless. It knows it has a real issue with jihadist insurrections on its territory, with certain regions, such as Chechnya and Dagestan, providing an outsized contribution of soldiers to the Islamic State group and other jihadist franchises throughout Africa and the Middle East. It is not in Russia’s interest to destabilize countries in a way that jihadists can take control of whole regions.\textsuperscript{52}

Russia’s approach in fragile states is thus a combination of traditional great power search for political support by governments at the U.N. and other multilateral organizations, opportunities for natural resource grabs, and markets for its goods — weapons in particular. Moscow has also a parallel ambition of showing its capacity for disruption on the world stage and to embarrass the West wherever it can.\textsuperscript{53} To do that it needs to be extremely cost effective as it operates under enormous financial constraints, using self-financing mercenaries, its effective espionage and disinformation network, and the revival of old ties it had in many of these countries before the collapse of the Soviet Union.

\textbf{China: Leveraging economic weight}

China has adopted a totally different approach to developing countries. Its main reasons for intervening in areas outside of what its immediate neighborhood were economic and financial. Like Russia, China does not recognize the concept of fragile states and does not differentiate its approach between countries with low capacity and conflict risks and those with greater capacity. However, in those areas where it has an interest in energy or other resources, Beijing has an interest in stability. It has dramatically increased its participation in the U.N. peacebuilding system, including by providing troops for peacekeeping.\textsuperscript{54} It is also, for the time being, very opposed to direct military interventions, and is extremely careful to avoid being drawn into any active military conflict. Also, unlike Russia, China has elaborated a very comprehensive strategy for pursuing global economic influence and is shoring this up by bolstering institutions and creating new financing instruments.

The aggressive and structured approach to governing developed under Xi Jinping is in contrast with his predecessors’ much more opportunistic and cautious method of advancing China’s global interests in the first decade of the 21st century. Contrary to Russia, this vision is backed by very significant financial means and an active presence in many countries. One place where China’s strategy does resemble Russia’s: like everything else in China these days, China’s approach to foreign policy and international investments is becoming much more top-down, with much stronger control being exerted from the top hierarchy of the Chinese Communist Party, and especially its general secretary.

China’s rapid move to establish global influence in the economic, financial, and security arenas has been criticized both inside and outside the country for hiding many internal contradictions and, from a financial and internal governance perspective, lacking the means for implementation.\textsuperscript{55} However, it is far more sophisticated, more nuanced, and therefore harder to counter.
What’s more: an important part of the context for China’s economic engagement in fragile states is the debt burden these countries carry, which has evolved once again into a serious crisis. Since the 1990s, development organizations have focused on how to manage the indebtedness of developing countries. The debt crisis of the 1990s, which mainly grew out of the wasteful and costly investments made in the 1980s in large parts of the developing world, opened up a long period of economic and fiscal adjustment and led to efforts to reduce the debt pressure in many fragile states. OECD donors and multilateral organizations have provided major financing for debt relief through the 2005 Highly Indebted Poor Countries (HIPC) initiative, which mostly targeted fragile states. They have introduced much more careful management of the indebtedness of poor developing countries through careful monitoring by the World Bank and IMF. These efforts concentrate on improving local fiscal revenue, carefully managing debt levels, and ensuring strong control over the cost-efficiency of government investments under the overall leadership of the World Bank and the IMF. This required strong coordination between donors and a willingness to work within the framework for fiscal sustainability parameters set up by the IMF and the World Bank in discussions with governments. These comprehensive efforts have helped restore macroeconomic balance in certain developing countries, reduced the size of the public sector, and boosted growth. However, they did not change the internal political economy nor bring the funding necessary to finance on a grant basis the massive infrastructure that these countries need.

Today, a number of fragile states are experiencing a new debt crisis that threatens their macroeconomic stability. A rapidly increasing part of the new debt of developing nations including fragile states is held by China. Aggressive lending from China has been heavily criticized by Western governments as running the risk of pushing countries into new fiscal and monetary crisis. China argues that it has a history of renegotiating its debts and has very rarely seized assets to reclaim its dues when governments were not able to pay back. It also argues that high levels of debt might not have the negative long-term impact that observers might think, as many of the projects financed have important economic benefit — which is a far less convincing argument. There are also worries about the terms of many such investments, such as requesting credit reimbursement in kind and mechanisms of credit that lack transparency. China, though the primary culprit, is not the only one: Many Western-based hedge funds and private European, Canadian, and American companies also have provided credit to these countries — in some cases, for dubious projects. Also, many fragile states directly access the international bond market where they can raise important capital, especially if they have natural resources.

Three examples of how this increasing economic competition with China is playing out in fragile settings include (1) the support provided to Venezuela by China (and Russia) while the West tried to pressure the country to change its government; (2) Chinese support to Myanmar that was dramatically scaled up despite the 2015 Rohingya crisis, ensuring that the West would be unable to effectively pressure the government while also taking advantage of the crisis to strengthen its economic grip on the country prior to the February 2021 military coup, and (3) the fast development of investments by China in Zambia, where the debt owed to China has skyrocketed and the country is on the brink of a financial collapse.

These investments do not always align with the long-term economic interests of the recipient countries, suggesting more political incentives. For example, a 40-year-long relationship has made China the most important investor in Zambia, as well as
the Lusaka’s main trading partner. In the process, it has put Zambia’s financial and economic sustainability at great risk. Zambia’s external debt now exceeds 35% of GDP, and an estimated 80% of its debt (about $10 billion) belongs to China. Zambia defaulted in 2020, and the IMF has not reached an agreement for providing support because of the lack of transparency of the amount and structure of the debt with China. Over time, China has moved from investments in copper mines and railways, which give Zambia access to the Indian Ocean, to a multitude of projects ranging from roads, hydroelectric stations, airports, and stadiums. Zambia also has a large Chinese population (estimated at close to 100,000) that is involved in a wide range of businesses. China has often become very unpopular among large parts of the population, with accusations that it is fueling corruption and lacks transparency in its dealings with the government, as well as over the poor quality of some infrastructure.

An important through line in Chinese investment in the developing world is Beijing’s search for an adequate supply of energy and natural resources. In sub-Saharan Africa, Latin America, and Southeast Asia, major investments in oil and gas producing countries and companies, as well as large-scale land investments and agricultural investments, have been a crucial part of Chinese policy from its “go out” phase to its collaboration with the BRICS Development Bank and now with its Belt and Road Initiative. In some key settings — Djibouti, Sri Lanka, and Myanmar among them — China has also used its investments and debt to pressure the respective governments into accepting Chinese preferences in port acquisition, as the development of a network of ports and bases along the world’s key trade routes has grown as a Chinese priority and ambition.

We can learn about China’s approach to fragile states through its mammoth Belt and Road Initiative, the closest the country has come to establishing a clear strategy for increasing its global footprint. The program goes well beyond the construction of infrastructure that will help China’s trade and investments across Asia, Europe, and Africa, but includes financial support, free trade accords, and potentially security support. This is supported by a $40 billion fund and more than $100 billion in financing through its network of banks. About 900 projects have been identified as part of the initiative. China is also developing institutions to support this effort, such as the new Asian Infrastructure Investment Bank, which is designed along the model of international multilateral banks such as the World Bank and the Asian Development Bank.

China has also become much more active in promoting military and security cooperation, and has pitched its support to many fragile states. In the summer of 2018, China organized its first China-Africa Defense and Security Forum in Beijing, in which representatives of 49 African states, as well as the African Union, participated. It promoted cooperation agreements between African states and China on a wide range of issues, including training, security advice, police and law enforcement, anti-corruption, intelligence, and counterterrorism. China is also becoming an active supplier of arms to sub-Saharan Africa, especially light weapons. Among fragile states, Burkina Faso, the DRC, Nigeria, Sierra Leone, Sudan, and Zimbabwe have all entered into security agreements with China. Unlike Russia, China claims that contrary to other big powers it does not seem to use these cooperation agreements to interfere in internal politics in sub-Saharan Africa and this appears to be true. This is in sharp contrast to the Pacific islands, where China has exerted influence through economic programs and projects in the Solomon Islands and Papua New Guinea, among others.
While it has increased its security cooperation, contrary to other big and regional powers, China has so far very rarely been involved in internal conflicts. The major exception is Myanmar. China sees Myanmar not only as a country with great potential for investments and trade but also as one central to China’s security. It is contributing to mega development projects such as the Myitsone Dam, the deep-sea port and economic zone in Rakhine State, and the China-Myanmar Economic Corridor. There is widespread suspicion that China provides support to the insurgent Myanmar National Democratic Alliance Army, which fundraises and openly holds bank accounts in China. The United Wa State Army (UWSA), Myanmar’s largest ethnic armed group, is equipped with sophisticated Chinese weapons and receives financial support from Chinese interests. This might indicate that despite the many statements of China’s leaders that it does not get involved in internal conflicts, it will increasingly resort to this classical big power instrument. China has also rapidly learned the downsides of this kind of investment — when Myanmar descended into new internal violence in the wake of the February 2021 coup, among the early targets of Burmese civil violence were Chinese factories in Yangon.

Myanmar is not the only place where China has experienced costs from its investments. China has been directly affected by conflict and fragility: it went through a massive evacuation of Chinese nationals from Libya in 2011 (35,000 people) and 2014, from South Sudan in 2013, and from Yemen in 2015. These evacuations required complex military operations far from base. If anything, they demonstrated to China the importance of having military bases abroad to protect its nationals and economic interests, on the model of its first naval base abroad, in Djibouti. The case of South Sudan — where China has significant interest in the oil sector, and where it struggled throughout the conflict to protect its infrastructure (and lost 14 workers in the process) — also convinced the Chinese to proactively engage in a more comprehensive approach to peacebuilding than it usually takes. China got involved in facilitating peace talks, engaged in the U.N. Security Council, provided humanitarian support, and support the U.N. on the oversight of the peace agreement in South Sudan, a first for Chinese diplomacy, which is usually quite reluctant to get involved in internal political issues. The relative success of this enterprise might convince China that fragile states require more than economic and financial deals.

China has made enormous efforts to modernize its system of international cooperation and bring its companies up to international standards. China is actively seeking to change its reputation for selling cheap, low-quality goods and importing its own labor to support its investments without any respect for environmental and social norms. Chinese companies regularly bid for — and win — contracts financed by the World Bank and other development banks, showing that they can comply with the complex international safeguards that these institutions demand. Many of China’s international companies enter into joint ventures with Western companies and follow the environmental and social safeguard standards that are required. While there are still major issues with quality, respect for international labor and environmental standards, and a lack of assessment of the broad impacts its investments have on economic sustainability, China has dramatically evolved from the 1990s.

Beijing has recently been criticized for paying too little attention to the debt sustainability of its borrowers, the lack of transparency of its deals (which make them particularly prone to corruption), and for paying too little attention to the environmental, social, and
political impacts of its investments. These criticisms have been especially strong from Western nations; the previous U.S. administration, for example, has accused China of engaging in debt trap diplomacy.\(^\text{77}\)

While all of these accusations seem to have elements of truth, it also appears that China is increasingly sensitive to them.\(^\text{78}\) China has indeed contributed to debt increases in fragile states like Venezuela or Zambia, but so have many Western companies. While it is true that China takes very big financial risks to push the interests of its companies, it has also experienced major losses, as it did in Venezuela following its efforts to prop up the national oil company.\(^\text{79}\) China has quite often accepted rescheduling its debt with poor countries, and has very rarely seized assets when companies could not pay.\(^\text{80}\) As more evidence of its behavior in this area, it recently joined European nations in a major debt relief effort to reduce the burden from the COVID-19 crisis on the poorest countries.\(^\text{81}\)

China seems concerned about how other countries view it, and perceptions of Chinese investment appear to be improving. For example, a 2019 Pew Research Center survey on opinions of China shows a 70% favorable rating for China in Nigeria, and 56% in Kenya.\(^\text{82}\) Unlike Russia, China is much more sensitive to how a negative image can harm its longer-term relationships, and it has shown that it can respond to criticism.

While China has made progress, for OECD donors the main problem remains the opacity of its economic cooperation with fragile states, and its unwillingness to fully collaborate with the World Bank and the IMF. Also, its indifference to the governance impact of its dealings with fragile states runs counter to what is recommended by the OECD, the World Bank, and the IMF. Unlike Russia, it does not seek out ways to humiliate or embarrass the other partners in a country, but its continuing indifference to corruption, the rapid increase of national debt linked to its projects (some of which have low rates of return), and its engagement with countries responsible for major human rights abuses (such as Myanmar and Venezuela) in many cases reinforce fragility.

China’s involvement in fragile states follows a clear strategy of enhancing its economic interests. China has put considerable resources behind this strategy, and has evolved to be more flexible and shown that it is sensitive to criticism especially when it comes from countries where it invests. But it increasingly sees its influence abroad as important for its own security and military capacity as well. Thus, China’s strategy is evolving, and arguably bifurcated, with a stronger political/military role in countries that directly link to its effort to build a global network of bases or are key authoritarian allies.

**China and Russia: Limited partners**

China and Russia share responses to criticism of their behavior. In essence, they argue that they are doing exactly as Western nations did for decades during the Cold War, and as the U.S. continues to do in the Middle East. They argue that the West frequently mixes political, security, and financial interests into its foreign policy, including in fragile states.

If the reference is back to U.S. behavior in the developing world during the Cold War, then there’s more than a shred of truth to this response — though even during the Cold War, pernicious American actions were almost always balanced by more benign actions through other arms of government. But the reality is that through much of the Cold War, U.S. development aid was first and foremost an instrument of geopolitical competition.
European aid was never purist, but it did have a better balance of solidarity goals and genuine development objectives, mixed in with corporate gains (often through “tied aid.”)

But when the Cold War waned, the development business in the West genuinely transformed. Aid was “untied,” poverty eradication rose up the relative rank of goals, and a much deeper focus on sustainable development took hold in Western aid policy. There have been obvious and not infrequent lapses in Western policy; but these must be balanced by the very substantial role that the West plays in stabilization, sustainable development, support to mediation and peacekeeping, and humanitarian relief.

It is also the case that since the level of the debt of many developing countries has increased over the last five years at alarming rates, Chinese and Russian reluctance to enter discussions with the IMF and the World Bank on the macroeconomic impact of their investments in developing countries is putting major pressure on the international financial architecture of development aid. China and Russia use the pretext that they respect the sovereignty of countries they engage with and that the latter should be able to make their own choices. This strategy has started to backfire, increasing the unpopularity of China in some countries, such as Zambia, and contributing to important losses for China’s banks and government, as is the case in Venezuela. Still, an honest accounting of the issue reveals nothing that indicates that China is less welcome in many other countries, particularly in fragile states trying to access credit and investments with fewer strings than Western nations offer — and sometime get very good deals. The West cannot simply wish this away — Chinese economic flows into fragile states are simply a reality with which the West will have to contend.

**Brazil and India (briefly)**

It is worth noting that India and Brazil — the other two original “BRICs” — have also increased their economic, commercial, and diplomatic engagement in several regions that encompass fragile states. In some countries, this reaches significant proportions. An indicator: in the mid-2000s, Brazil opened 50 new embassies worldwide, concentrated in sub-Saharan Africa. Brazil has become an important partner for Lusophone Africa, as well as for countries developing offshore energy, for example off the coast of Mozambique. Indian companies have become major players in land acquisition in sub-Saharan Africa, as well as food production. India plays an important foreign policy, diplomatic and intelligence role in Afghanistan, as well as in Myanmar.

Seen globally, none of this remotely resembles the scale of Chinese investment or the disruptiveness of Russia’s. But in specific contexts, where these actors have substantial influence on local elites, it may offer opportunities for the West to develop wider partnerships for impact.

**REGIONAL HEGEMONIC COMPETITION**

While the largest individual new factors in fragile states’ economies and diplomacy are China and Russia, they are not the only countries that have upped the ante on their engagements in these countries. As China’s power has increased and the net dominance of the West has receded, new dynamics of regional competition have taken hold — particularly in East Asia and the Middle East, but also spreading into North Africa and the Horn of Africa. Fragile states are part of the terrain of that competition.
**East Asia and the Pacific**

The competition that gains the most attention in East Asia is naval. With the Chinese “sea grab” for the vast terrain of the “Cat’s Tongue” Beijing claims in the South China Sea, competition for control of sea lanes of that vital economic space have been heating up over the past decade, with China now at parity or exceeding U.S. naval capacity in its “near seas.” That development has pushed the competition further outwards to the western Pacific, an area where U.S. naval power projection is premised on its bases, basing rights, and basing arrangements along a string of islands that run from Hawaii to Japan connected by the Marshall Islands, Guam, and various other smaller island holdings in the western Pacific. The U.S. is also exploring new basing options in Palau, and the U.S. and Australia are jointly exploring reinforcing a military presence in Papua New Guinea.

All this has given new salience to the dynamics of fragility and foreign relations among the Pacific island states. In the post-Cold War period, Australia has been a major provider of aid, diplomatic, and sometimes security and peacekeeping responses to fragile states in the region. But over the last decade, it has seen its spending across the region increasingly matched by Chinese official and unofficial flows. Japan in turn has stepped up its spending, seeking to compete with China.

Indeed, across the region as a whole, China and Japan are in a kind of development “arms race” to outspend one another. This is a dynamic across the middle-income countries of East Asia as well, but also encompasses the region’s fragile states — countries like Cambodia and Bangladesh — as well as those middle-income states with pockets of sub-national violence. Japan’s aid ministry proudly trumpets where they are the largest donor in the region: Vietnam, Myanmar, Thailand, Indonesia, Philippines, Mongolia, Cambodia, Laos, Malaysia, and East Timor. This competition is quite old-fashioned, in that it focus on scale of spend, large-scale infrastructure projects, and visible diplomatic gains — a kind of semi-soft version of Cold War-era aid competition.

This competition has been particularly fierce in Myanmar. During the period when Myanmar was under Western sanctions and isolation, China was the only major external supporter of the regime, and built substantial networks and ties across the society. This also stoked resentment among Burmese elites, however. When the Burmese generals turned towards openness and semi-democratic reforms in the 2010s, they also opened up relations with the United States to counter Beijing. President Barack Obama’s high-profile visit to Myanmar in 2012 solidified the new relationship. Japan joined forces with the U.S., increasing the size of its aid flows to Myanmar steadily over the course of the decade, ending up in the position of the largest source of ODA to Myanmar, as well as a substantial contributor to foreign direct investment. In November 2020, just before national elections in the country, Japan inked a $400 million+ package of loans to Myanmar designed to support infrastructure projects that would connect the country to Laos, Thailand, and Vietnam. Many commentators in Asia saw it as part of Japan’s effort to construct an alternative to China’s Belt and Road Initiative — and Japan’s own leadership discussed it as part of the broader effort to foster and defend a “free and open Indo-Pacific region.”

But China was pushing back. When intense international pressure on Myanmar over its treatment of the Rohingya minorities caused several Western donors to scale back on its aid, China scaled up. Myanmar’s democratically-elected political leader, Aung San Suu Kyi, increasingly at odds with the West over the Rohingya issue, forged new...
ties to Beijing, culminating in another high-profile state visit, this time by President Xi. When Myanmar was hit early by the COVID-19 pandemic, Beijing was the first to provide both economic and health assistant to the country (while the U.S. floundered in the management of its own response, let alone an international response). When Aung San Suu Kyi’s party won the November 2020 elections with a very large margin, and the Burmese army launched a coup in response, it left the Washington and Tokyo in the very awkward position of having to move to impose sanctions and renewed isolation on the Burmese army, the most pro-Western faction in Burmese politics, to seek the re-installation of the most pro-China faction.\(^92\) It’s too early to parse the precise effects of China-Japan-U.S. (and India and EU) competition for influence in Myanmar, but to be sure it complicated the ability of the Western powers to deter the 2021 coup, or to respond effectively. That China also lost out in the coup dynamics did not facilitate renewed Western influence.\(^93\)

**Competition for regional hegemony in the Middle East and surrounding Muslim countries**

If competition in East Asia has been largely in the economic / aid domain, a sharper form of competition for regional hegemony has been playing out in the fragile states of the Middle East, as well as the adjacent Horn of Africa and the Muslim countries of North Africa. These states have seen a withering battle — in some cases, literally — for influence between proxy forces of Iran, Saudi Arabia, and Turkey, sometimes aided by Qatar and/or the United Arab Emirates. All this, as the slow disengagement of the U.S. from the region and the aggressive U.S. focus on Iran under the Trump administration contributed to dramatically shift the previous regional equilibrium. Fragile states such as Yemen, Iraq, Syria, Libya, and Lebanon have all been directly negatively impacted by this growing assertiveness of regional would-be hegemons.

Turkey is rapidly expanding its power projection across these linked regions.\(^94\) Its ambitions abroad are in large part driven by the vision of its populist president, Recep Tayyip Erdoğan, whose regime can best be described as national Islamist.\(^95\) Domestically, Erdoğan justifies the extension of Turkey’s international footprint by reference to a lingering nostalgia for the old Ottoman Empire, the caliphate that ended in 1921, and the need to support the Muslim Brotherhood movement across the Islamic world, of which the Turkish leader sees himself as a father figure.\(^96\) Turkey is using a wide panoply of instruments for increasing its footprint. It is increasingly relying on its army, one of the most powerful in the region and part of NATO; on the export of valuable Turkish-made military equipment, including sophisticated drones; and provision of advice on security, even facilitating the use of mercenaries (in Syria, Libya, and Azerbaijan). Erdoğan plays remarkably well to his advantage the increasing disinterest of the U.S. and the renewed activism of Russia and China in the region. However, Erdoğan is also pragmatic and issues like weakening the Kurdish rebellion, opening international markets for Turkish companies, and accessing natural resources feature in the Turkish strategy abroad.

Ankara increasingly sees fragile, and conflict-affected states as an important opportunity to show its ability to play a meaningful international role. Turkey is actively involved in the Libya conflict, where it has successfully supported the U.N.-recognized government, which is close to the Muslim Brotherhood. In the process, Turkey has obtained access to Libya’s oil and gas resources. Turkey has also been very involved in the Syria conflict where it is one of the main supporters of Islamist groups fighting against the regime — putting it into a complex set of dynamics with both its main NATO
allies, the U.S., U.K., and France; its regional neighbor/rival/sometime ally Israel; and Russia. Erdoğan succeeded in establishing a military cordon to avoid direct contact between Syrian Kurds and members of the Kurdish rebellion in Turkey. Ankara has also been frequently engaged in Iraq, by sending troops mainly to contain the influence of Iraqi Kurds, and it has actively supported Azerbaijan in its conflict with Armenia around the Nagorno-Karabakh territory. Its interventions in both Syria and Libya have received sharp international criticism for its unilateralism and the lack of collaboration with other powers that are also engaged in the area — criticisms that can also at times apply to Western actors.

Turkey’s activism in fragile states is not always negative. In Somalia, Turkey has been widely recognized for its role as a stabilizing force in helping to address some of the country’s many challenges. Turkey has established in Mogadishu its largest military outpost outside of Turkey, to train the national Somali army in its fight against the al-Shabab insurgency. A number of Turkish enterprises are investing in Somalia and the Turkish government has funded infrastructure, education, and health programs in that country.\textsuperscript{97} Based on what is widely seen as a successful intervention in Somalia, Turkey has started to expand its cooperation to Sudan under similar premises: focusing on development and humanitarian aid, military cooperation, economic investment, and trade. Of course, along the way it has managed to support Islamist governments and movements — a phenomenon that has not gone unnoticed by Saudi Arabia, Egypt, and the UAE, Turkey’s rivals for influence in the Horn and East Africa as a whole.

Besides Turkey, Saudi Arabia and the United Arab Emirates have also long been involved in fragile states through bilateral aid, investments by the Saudi-based Islamic Development Bank, and charities. The strong presence of Saudi and Emirati financing in some fragile states has often been a source of concern for the West because of their support of the Wahhabi brand of Islam through charitable financing of schools and mosques, a practice that has without doubt contributed to the spread of extremist ideology in northern Africa and other regions with large Muslim populations (including in subnational regions of East Asia.) After the Arab Spring, these two countries, often supported by Morocco, Bahrain, and Jordan, became very active in fending off non-state groups that were openly challenging the Middle Eastern monarchies. They have also been actively looking at keeping Iran’s ambitions in check. For them Iran is a destabilizing force in the region, stirring instability through Shiite minorities (particularly in Bahrain, Yemen, and Saudi Arabia itself).

Iran has a clear goal in its aggressive policies abroad: to advance its power and protect its regime via protecting the interests of Shiite communities in neighboring and nearby states.\textsuperscript{98} That includes helping them to consolidate power in places like Iraq and Lebanon. Throughout, Tehran seeks to undermine U.S. interests in the region. Like the other contenders for regional hegemonic power, domestic considerations are important for Iran: overseas adventurism undermines reformist voices in the country by pushing a strong nationalist and pan-Shiite agenda, and stoking tensions with the United States, Israel, and the Saudis. Tensions with the United States serve to boost the popularity of the guardians of the revolution and most conservative institutions in the country.

The resultant tensions — and worst, outright proxy wars — between the U.S., Saudi Arabia and its allies, and Iran are a major source of direct instability for fragile states in the region. The ongoing instability in Iraq and Lebanon’s worsening political and economic volatility are two of the most consequential results. The war in Yemen is the most
tragic example of this rivalry, with Iran providing direct support to Houthi rebels and the Saudi and Emirati militaries intervening in support of the internationally-recognized government — with active military support from the United States, both in terms of weapons sales and refueling and intelligence support to Saudi Arabia’s armed forces. (The Biden administration has announced a partial halt to such support.)99 The result: a humanitarian disaster that has advanced neither Iran nor Saudi Arabia’s relative position, let alone America’s.100 In this, Yemen is a stark warning for what happens when competition for influence in fragile states is allowed to tip over into outright proxy warfare — massive human costs for limited or no strategic gains.

RECOMMENDATIONS, OR HOW TO AVOID A RACE TO THE BOTTOM

Western policy can no longer ignore these new geopolitical realities in fragile states. The search for coherent policy within and between Western nations can and should continue but it needs urgently to be complimented by an effective approach to dealing with Chinese and Russian investment, activism, and disruption and the increased engagement of more constructive players like India as well as regional powers with new ambitions such as Turkey, Iran, Saudi Arabia, and the UAE.

Finding a common approach among Western governments will not be easy. In the United States, the instinct will be to view fragile states as yet another domain for competition with China or Russia; in Europe, the instinct will be to find ways to engage China — and in some cases Russia — and accommodate their growing role. What’s clear is this: if the West is divided, China and other new players will gain ever-more influence. The result is that predatory elites in these countries will have few incentives to change their behaviors, jeopardizing the long-term efforts to reduce fragility and improve stability. China will also gain influence in the multilateral institutions through which responses are often organized. At the same time Western nations will have to recognize that these “newcomers” often fill important gaps in support to fragile states that the West is often not ready to finance, in particular in terms of large-scale infrastructure, productive investments like ports and transportation hubs, and security.

What’s more, it’s not only the U.S., the U.K., and the EU that are engaged and that have stakes in this new dynamic. Across much of Asia, Japan is as large an investor as China; sometimes larger. In Myanmar and in much of Central Asia, India has a large economic, intelligence, and diplomatic presence that matters. Australia is an important player especially in East Asia and the Pacific.

The temptation in some Western capitals in their dealings with fragile states will be to ignore the increasing importance of these newcomers and continue to implement policies recommended under the “New Deal”101 without realizing that they can quickly become ineffective. They might also simply play the newcomers’ own game, by lowering standards on human rights and governance while increasing financial volumes. That would be a mistake. The results would be a race-to-the-bottom dynamic that would generate economic and social tensions, erode governance reforms, and empower the most disruptive actors, like Russia.
Far better to do the hard work of finding common ground among not just trans-Atlantic donors but the wider set of democratic partners — certainly Japan and in some contexts India — and competing against China and Russia on the basis of high standards and financial contributions. China now outstrips even the United States in the scale of its investment in some parts of the developing world, but when the investments of the U.S., the EU, the U.K., Australia, and Japan (and in cases India) are taken together, they match or exceed Chinese flows. Civil society organizations, regional organizations, and reformer groups like the g7+ can be allies in the search for high-standards development.

This will rarely be easy — and almost always work better if done in a practical way through in-country engagement, rather than through general agreements at the global policy level. Europe has retained flexibility in dealing with some sets of non-state actors that American policymakers are legally prohibited from dealing with; the EU tends to prioritize economic development over security assistance, while the U.S. operates with the reverse logic; and both Japan and India operate with a highly realist sense of their own interests. Still, some past experience — in Kenya, in Liberia, Sierra Leone, in East Timor, and pre-coup Myanmar — shows that democratic donors are capable of limiting their differences and finding ways to use the variation in their policies to advance broader common objectives. Faced with a mounting challenge from China, Russia, and some regional actors, both the economic and political rationale for doing so, and prioritizing this coherence among like-minded partners, is growing.

There are several vehicles that OECD members can use to increase both the coherence and the effectiveness of their engagement in fragile states:

• **Concerted pressure within multilateral institutions.** An important place to start is the international financial institutions. It’s squarely in China’s interest to see the IMF and the World Bank continue to invest in the countries that are the major recipients of their ODA and their loans; international financial institutions (IFI) involvement gives Chinese enterprises and banks some guarantee of financial stability. A stronger effort is needed by Western stakeholders to engage all members of the IMF and World Bank Board of Directors to engage in responsible financing for fragile states’ development needs. China’s participation in the IFIs is an important part of its global strategy and should be leveraged. It’s notable that under concerted international pressure, China did agree to join the effort to reduce the debt burden of poor countries affected by COVID-19. (Unfortunately, this is less true for Russia which seems to have decided that disrupting Western global efforts for stability and democracy was central to its survival.) The United Nations Peacebuilding Commission could be a useful forum for discussing some of the geopolitical challenges related to conflict and fragility which are now harder to address in a polarized Security Council. The Peacebuilding Commission offers a less politically-sensitive venue for engaging states like China and Russia on finding practical solutions to conflict and violence risks. More systemic efforts could be made across the multilateral system to engage China, Russia, Turkey, and others on concrete issues in fragile states like controlling debt, improving environmental and social standards of investments or implementing specific peacebuilding initiatives.

• **Improve coordination of Western nation involvement in fragile states.** While good coordination between organizations supporting fragile states is a common thread of principles and strategies elaborated lately by Western nations, implementing this has been the most vexing issue in effective support. In many fragile states,
the major Western players have notable divergences in their preferred political or commercial outcomes. These differences have at times created substantial competition for influence. For example, in the DRC, even close allies like the U.S. and the U.K. pursued different pathways, with different clients, for security sector reform programs, leading to confusion and contradictions in Kinshasa.\textsuperscript{104} More recently the divergence on how to deal with Turkey and the Kurds in Syria has shown how extreme these divergences could rapidly evolve. While some of these differences are meaningful, they pale in comparison to the gap between overall Western objectives and those of China and Russia. Disunity among Western actors is a major facilitator of Beijing and Moscow’s influence. As there is growing recognition of this, there should be a corresponding increase in the willingness of the major Western players to compromise on some of their less important goals for the wider objective of Western unity in fragile states. (If someone can tell us what vital U.S. national interest is served by blocking the U.K. or Germany from shaping the security sector in the DRC, we’ll revisit this conclusion.) Working through INCAF and the DAC is one way to improve coordination, however, these mechanisms remain very broad and they only involve development actors. It will be important to have diplomatic, development and security actors around the same table at high levels (ministers or their deputies) and to set structures for this continuous engagement at country or regional levels. Some attempts have been made in the Sahel with the G5 Sahel Joint Force and the Sahel Alliance with some success.\textsuperscript{105}

• **Requiring more transparency from fragile states with which the West is engaging.** A serious issue with the interventions of the new actors is that they tend to operate outside of the usual mechanisms of aid coordination (despite the fact that they all belong to the institutions that are in charge of coordination or have leading role on development policies such as the U.N., the World Bank, or the IMF) and they rarely provide to the broader public information on their support. The lack of transparency in financing by China for instance is a constant frustration for the IMF, which tries to monitor the debt of fragile states and their fiscal revenues and expenses. Fragile states tend to deal with Chinese, Russia, Turkey, Saudi Arabia, and the UAE in a very different manner than they do with the main Western donors. Following international principles of transparency and visibility for financial support should be a requirement for all donors involved in the multilateral systems of cooperation (U.N. and IFI) including China, Russia, and others. Agreements between countries and the IMF and World Bank and regional development banks related to budgetary support should have stronger conditionality on transparency in the way countries obtain financial support from other sources.

• **Improving the visibility and impact of Western nation development aid for the population in fragile states.**\textsuperscript{106} While keeping the principles of the “New Deal” and reinforcing the capacity of the state, donor-funded programs need to have a much stronger trickle-down effect on local populations and Western donors need to be conscious that without the population seeing a clear and positive impact on their everyday life, they will support their governments in turning to other partners. Along with projects that build institutions and country capacity, more investments that flow down rapidly to the population are necessary, with less red tape and more direct impact — modeled on the National Solidarity Program in Afghanistan\textsuperscript{107} or the LONDO project in Central African Republic.\textsuperscript{108}
• **Get serious about adapting development aid to meet the specific challenges of fragility.** Despite all the rhetoric on this topic, and the many strategies adopted by donors, Western support to fragile states is still marred by many problems which strongly undermine its effectiveness.\(^\text{109}\) Many of the vast number of programs implemented in fragile and conflicted-affected contexts do not have enough of a rapid and visible impact on the population of the concerned countries. The management costs of many bilateral programs are too high, and the aid is very fragmented as many bilateral programs are implemented by a vast number of implementing agencies. It still takes very long time to prepare programs and donor financing is still allocated for relatively limited period of time, not aligned with the time needed to transform institutions and sustain the benefit to the population. Aid is still very volatile and too often bypasses government structures, undermining the very same governments it is intended to help; and despite some limited progress, development programs are not sufficiently focused on zones of high risks, border regions, and peripheral areas far away from the capital, where many of the conflicts start and linger. What’s more, despite two decades of policy debate on the topic, support to the security sector is often totally separated from development aid, with little consideration for governance of the sector, justice, rule of law, and human rights considerations.\(^\text{110}\) Finally overcoming the “security-development” gap is a prerequisite for Western effectiveness. This could be done in country, through special mechanisms and institutions that can bring government structures together with security, development, and political partners. Niger for instance has created a High Authority for the Consolidation of Peace (HACP)\(^\text{111}\) that can engage with foreign partners on security, development and political settlement issues; in the late 1990s and early 2000s, the Ad Hoc Liaison Committee for Assistance to the Palestinian People (AHLC) also achieved this level of continuous coordination.

• **Support a lead nation.** Taking the above point farther, at times one of the major Western players will have both stronger stakes and greater capacity in a given fragile state. Especially when this involves security and peacekeeping operations, it warrants serious consideration by the other players to deploy the bulk of their economic and diplomatic engagement in that state through a lead nation mechanism. The most recent successful example of this is U.S. leadership of the Global Coalition to Defeat ISIS.\(^\text{112}\) While initially conceived simply as a military coalition, this has successfully evolved into a powerful donor coordination mechanism, chaired by the U.S. but fed substantially by diplomatic and economic inputs from the Europeans and other participating states. French leadership in addressing the rise of extremism in the Sahel through Operation Barkhane and now its successor operation Tabuk is trying to establish a similar dynamic.\(^\text{113}\) The leading role of the U.K. in the efforts of stabilization in Somalia, while of a much lesser scope, has also been central to the improvement of the situation in the region. However, many countries playing the leading role in these types of set-up are complaining that they are committing the largest amount of financing without getting the adequate support of others (Washington regularly complains that it carries an outsized burden in Iraq and Afghanistan, as does Paris with the Sahel, for instance). When a nation leads, there should mechanisms of concertation with other partners and specific mechanisms of support such as trust funds managed by the U.N. and the World Bank as in Afghanistan, so that the lead nation does not take on the whole financial burden for the support to the country.\(^\text{114}\)
Avoid proxy warfare. When Russia or Iran or another non-Western actor engages in disruptive actions, including military actions, in a fragile state, it will frequently be tempting to counter in kind. That’s particularly true in the Middle East writ large, where the U.S. has a several decades-old tradition of maintaining an active military lead on the ground, including through ground forces, covert forces, special operators, and occasional deployment of air power.\textsuperscript{115} Entering into full-blown proxy warfare, especially with Russia or Turkey, would be disastrous. In some way this is what the U.S. has attempted to do in Yemen to counter Iran through its support to Saudi Arabia, resulting in a humanitarian and political disaster. While proxy warfare with involvement of the West is still limited it could easily grow fast with the multiplication of regional tensions and the many conflict lingering in fragile states. The necessary corollary of this is: don’t leave gaps. It will be important wherever feasible to support regional or U.N. operations and programs that can provide at least some degree of steady support and engagement to key sectors in fragile contexts.

Back strong multilateral action through innovative partnerships. Another major risk related to the increasing ongoing tensions between great powers is that a number of actors step aside from multilateral engagement because of the frustration of dealing with an increasingly fragmented set of actors. The multilateral system — consisting of the U.N. organizations, development banks, and regional organizations such as the African Union, Organization of American States, and others — is the only way to engage in collective action and keep the door open to a collaboration by all nations around addressing fragility. However, it is essential that the centrality of good governance, human rights, and rule of law issues are not diluted by the pressure of big power confrontations. More adapted and flexible mechanisms for dialogue and coordination are needed. The U.N. Peacebuilding Commission, the g7+, and INCAF are all structures that had been created to provide more open forum to engage and discuss. These fora need to be much more engaged in ensuring that big power competition and regional competition do not get out of hand, for the sake of sustainable progress in fragile states. To this end, the United States should upgrade its representation at INCAF, the OECD, and other multilateral mechanisms of collaboration. Washington needs to improve and upgrade its mechanisms of concertation and coordination with other western donors. The U.S. aid system is highly constrained by its own rules and regulations and very U.S.-centric and it is often not very effective in influencing partners or innovative in building partnerships, despite a high level of financing available for international cooperation in development, security, and education. This is a particularly urgent area for reform for U.S. aid in fragile contexts in an era where resources are likely to be highly constrained.\textsuperscript{116} It’s unfashionable to say so, but putting multilateralism back into the center of U.S. strategy is the most likely approach to constraining Chinese influence without backing into unfortunate proxy warfare.

During the Cold War, superpower competition turned civil wars into proxy wars — which became some of the most brutal killing fields of modern history. The post-Cold War era saw major investments in security, development and political strategies to end civil wars and foster somewhat stable development — with mixed results, to be sure, but results that nonetheless led to a steady and sustained decline in levels of political violence in every region of the world, until the reversals of the Arab Spring. It would be a tragedy, and deeply shortsighted, if the system for peacebuilding and the efforts to address the root causes of fragility gave ground to a return to full-throated proxy war.
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ACKNOWLEDGEMENTS

The authors would like to thank Landry Signé, Emily Jourdan, and an anonymous peer reviewer for their helpful comments on a draft version of the report. Ted Reinert edited this paper and Rachel Slattery provided layout support — our thanks to them both.