

Appendix: Measuring fragile states: are the rankings really different?

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Fragile states are generally seen as countries where the government has lost its monopoly over violence and its territorial control; is unable to deliver public services to citizens; and is usually in a crisis of legitimacy. The focus on fragile states in policy circles stems from the conviction that weak and fragile states generate threats that may impact European countries (think of terrorist groups, transnational crime and regional instability).¹

The measurement of fragility has spawned a cottage industry of rankings and scores.² Not without reason, because fragility scores affect the amount of development aid and financial support that a state can receive; in other words, governments stand to benefit from their fragility status.³ The best-known rankings are the Fragile States Index of the Fund for Peace and the World Bank's Harmonized List of Fragile Situation. The Organization for Economic Cooperation and Development (OECD) also has a ranking, but uses a different measurement almost every year. The central question here is: do these methods also lead to different results? Do different countries come to the fore from a comparison between the Failed States Index and the Harmonized List?

Ways of measuring fragile states

The best-known index for fragility is perhaps the Fragile States Index (FSI, formerly Failed States Index) of the American think tank Fund for Peace. For the FSI, 178 Member States of the United Nations (UN) are subjected to content analysis and quantitative and qualitative analysis. The Conflict Assessment System Tool (CAST) of the Fund

1 Huria, S. 2008. 'Failing and Failed States: The Global Discourse,' *Institute of Peace and Conflict Studies New Delhi*, July, No. 75.

2 Grotenhuis, R. 2016. 'De noodzaak van nation-building voor fragiele staten', *Internationale Spectator*, <https://www.internationalespectator.nl/article/de-noodzaak-van-nation-building-voor-fragiele-staten>.

3 Menkhaus, K.J. 2010. 'State Fragility as a Wicked Problem', *Prism*, 1(2).

for Peace first of all assigns a score to millions of documents with respect to various social, economic and political indicators (on a scale of 0 to 10) using parameters and (automated) algorithms. These indicators are: demographic pressures, refugees and internally displaced persons, tensions between groups, brain drain, uneven economic development, poverty, the legitimacy of the state, human rights and the rule of law, public services, and the security apparatus. Data is added from organisations such as the UN and Freedom House, after which the results are evaluated and compared with a separate score for each indicator and for each country. The sum of the scores for all indicators, on a scale of 0 to 120, falls into one of four categories: 'sustainable', 'stable', 'warning' or 'alert'.⁴

The World Bank's Harmonized List of Fragile Situations is also published annually. The ranking was first published in 2006. Over the years, three different classification systems have been used, although all have used the Country Policy and Institutional Assessment (CPIA).⁵ The CPIA rates countries according to 16 criteria relating to economic management, structural policies, policies for social inclusion and equity, and public sector management and institutions. This results in the IDA Resource Allocation Index (IDA-RAI), indicating which countries qualify for a loan.⁶ The IDA-RAI forms the basis for the preparation of the Harmonized List of Fragile Situations. The 'fragile situations' according to this index are countries or territories that have a harmonised average CPIA score of 3,200 or less, and/or where a UN or regional peace mission has been active for the past three years.⁷ Since 2011, the World Bank has taken the average of the CPIA ratings of the World Bank Group, the African Development Bank and the Asian Development Bank.

How similar are the FSI and the Harmonized List?

There are various ways of comparing the Fragile States Index and the Harmonized List of Fragile Situations. Two (simple) comparison methods have been used here. First, the overlap (in percentages) in the status assigned to each country. Second, a correlation between the scores.

4 Fund for Peace, *The Methodology Behind the Index*, 2016, <http://fsi.fundforpeace.org/methodology>.

5 Low Income Countries Under Stress List, 2006-2008; Fragile States List, 2009-2010; Harmonized List of Fragile Situations, 2011-2016.

6 World Bank, *IDA Resource Allocation Index*, 2016, <http://ida.worldbank.org/financing/ida-resource-allocation-index>.

7 World Bank, *Information Note: The World Bank Group's Harmonized List of Fragile Situations*, 2016, <http://www.worldbank.org/en/topic/fragilityconflictviolence/brief/harmonized-list-of-fragile-situations>.

Table 1 Measurement of overlap and correlation between WB and FfP

| | Overlap (%) | | Correlation (Spearman) | |
|---------|---------------------|------------------|------------------------|--|
| | <i>EU interests</i> | <i>Total set</i> | <i>EU interests</i> | |
| 2007 | 64.9 | 0.55 | 0.56 | |
| 2008 | 63.2 | 0.55 | 0.60 | |
| 2009 | 70 | 0.50 | 0.47 | |
| 2010 | 76.2 | 0.53 | 0.54 | |
| 2011 | 76.9 | 0.62 | 0.68 | |
| 2012 | 73.2 | 0.57 | 0.62 | |
| 2013 | 74.4 | 0.58 | 0.60 | |
| 2014 | 66.7 | 0.52 | 0.43 | |
| 2015 | 77.3 | 0.65 | 0.70 | |
| 2016 | 73.9 | - | - | |
| Average | 72% | 0.57 | 0.57 | |

Test 1: Degree of overlap. Table 1 gives an insight into the degree of overlap between the two lists. The overlap is calculated by comparing the countries in the FSI with a total value above 90 (the 'alert' category) with the countries on the World Bank's Harmonized List. A distinction is made between the overall list and a subset of countries designated as an area where the European Union (EU) has interests (roughly: the Sahel, the African Great Lakes Region, the Horn of Africa, North Africa, the Middle East and Central Asia).

For the subset of states that are within the EU area of interest, there is an average overlap of 72%. The overlap of the list as a whole is lower but still around 60%. In 2015, the OECD released its own classification of fragile states on the basis of the five peace- and state-building goals. A comparison between the OECD's 2015 list and the World Bank and FSI list produces an 87% overlap (80% between WB and OECD and 94% between FSI and OECD).⁸ In other words, for the overall picture it makes little difference exactly which measurement of fragility is used.

⁸ Not altogether surprisingly, as the OECD takes the World Bank and FSI scores as its starting point.

Test 2: (ranking) correlations. A second way to determine the degree of agreement is to compare the precise values and calculate simple correlations. This test is more complicated than the percentage correspondence.⁹ The exact values are not all known for the World Bank classification because of the different ways of measuring fragility. The WB IDA Resource Allocation Index has therefore been chosen. The IDA-RAI is the basis for all years in which the World Bank has classified fragile situations, regardless of the precise method. The IDA-RAI scores are not yet available for 2016, and for the remaining years the scale has been transformed to make a comparison possible.

Table 1 also shows a strong overlap between the FSI scores and the Harmonized List scores with an average correlation of 0.57 for both all countries and the subset of countries in the EU area of interest (all correlations are significant at 0.01 level). In concrete terms, this means that there is a 'moderate' correlation between the Fragile States Index and the IDA Resource Allocation Index of the World Bank. In other words, this test likewise shows that for the overall picture it makes little difference exactly which measurement of fragility is used.

Conclusion

There is much debate about the fragility rankings. Part of this debate focuses on whether the rankings give different results. While it is obviously important for individual countries exactly what score they receive, the overall picture is that the fragility rankings are very similar. In other words, the results and classification as shown in the contribution on crisis situations in this Monitor is not dependent on the use of a specific fragility measurement.

⁹ Because the values are not distributed normally, a Spearman rank correlation (instead of a Pearson product-moment correlation) has been carried out. For a Spearman rank correlation, the variables must be measured on an ordinal, interval or ratio scale. In order to perform the test, the scores of both indices were converted into ranks (the highest value was given a 1).