Global Report on Conflict, Governance and State Fragility 2007

Global Report on Conflict, Governance, and State Fragility 2007: Gauging System Performance and Fragility in the Globalization Era

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The resignation of the last president of the Soviet Union, Mikhail Gorbachev, in December 1991 launched an era of dramatic change in world politics. The fifteen years since the end of the Cold War have seen a major increase in globalization, as technical "revolutions" in information and communications systems have made world politics far more transparent and increased the effects of changes in any one region on other parts of the world. They have also exposed a nascent global system peppered with fragile, failing, and failed states, and in which large areas have been ravaged by years of violence, contestation, and uneven development.

The US National Security Strategy 2006 recognizes the complex mixture of opportunities and challenges that characterize this unfolding dilemma in its tenth section, titled "Engage the Opportunities and Confront the Challenges of Globalization."[1] Successfully managing and guiding the complex dynamics of the new era through international engagement, investment, and assistance will require a global perspective on prevailing conditions and trends in the key dimensions of conflict, governance, and development.

In recognition of the need for new global perspectives on issues that affect relations among our many sovereign states, several initiatives have been developed to help keep global and regional actors better apprised of shifting circumstances, situations, and trajectories in global politics. The foundational models for regular global reporting of key issues affecting states in the world can be found in the Stockholm International Peace Research Institute's SIPRI Yearbook of World Armaments and Disarmament, first published in 1969, and in the annual State of the World Atlas, developed by Michael Kidron, Ronald Segal, and Dan Smith and first published in 1981.

The first attempt to track global performance trends from a global systems perspective was the biennial Peace and Conflict report series first issued by the University of Maryland in early 2001, modeled on the Conflict Trends Internet-based report designed by the Center for Systemic Peace in 1999.[2] More recently, global trends reporting has blossomed with the appearance in 2004 of the annual Alert series (escola de cultura de pau, Spain), in 2005 of the annual Human Security Report and Brief series (Human Security Centre, Canada), and in 2007 of the annual Global Trends report (Development and Peace Foundation, Germany).[3] Parallel to these efforts to measure and track important global performance trends have been efforts to measure the capacity of states to perform in the key dimensions of conflict, governance, and economic and social development. Prominent among these efforts has been the "Peace-Building Capacity" index and "Ledger" developed for and reported in the Peace and Conflict series, the "World Governance Indicators" developed by the World Bank, and the "Failed States Index" developed by the Fund for Peace and reported in the journal Foreign Policy.[4]

This new "Global Report on Conflict, Governance, and State Fragility" is designed as a new contribution to satisfy the need to track key trends in the emerging global system and gauge general system performance in an era of dynamic globalization. The report begins with a brief discussion of general system trends in conflict, governance, and development and then introduces a new, baseline measure of state capabilities and prospects, the "State Fragility Index." This Index is based on a matrix of indicators measuring state effectiveness and legitimacy in the key dimensions of security, governance, economics, and social development. The Fragility Index has been developed over the past several years with the support of the US Agency for International Development and is critically informed by the work of the US Political Instability Task Force, on which the authors have served as key members for many years.[5]

Global Trends and Systems Analysis

Conventional analyses of security and governance factors have for too long relied almost exclusively on individual or dyadic (bilateral) analysis, that is, on the conditions relevant to a particular country or state or relative to the interactions of two states. Systems analysis was largely confined to the analysis of alliance structures and treaty organizations. The Cold War was, at once, the penultimate exam-

ple of dyadic analysis (the "superpower confrontation") while at the same time the threat of nuclear annihilation acted as the harbinger of systems analysis with its general recognition of a common and universal security dilemma.[6] It is a natural consequence of the end of the Cold War that we should enter an era of globalization and, with that, widen our perspectives to recognize the complexities and densities of interactions, interconnections, and networks among the myriad actors that constitute the global system.

Systems analysis focuses on the complex relations between dynamics (human agency and environmental forces) and statics (physical and social attributes, conditions, and structures). Basic societal-systems analysis must take into account the interconnectedness of three fundamental dimensions: conflict, governance, and development (based on the accumulation of physical and social capital). Conditions in each of the three fundamental dimensions of societal-systems critically affect the other two dimensions to such a degree that it is not possible to meaningfully analyze one dimension without taking the other two into account. Any change in one dimension will have consequences for each of the other others. Likewise, any limitation or weakness in one of the key dimensions will lessen the prospects for improvement in the other dimensions. Successful improvement of conditions in a societal-system thus requires coordinated changes among all of the key dimensions.

With regard to each dimension, change depends on a combination of applied coordination (effectiveness) and voluntary compliance (legitimacy). Performance evaluation of a societal-system must therefore track conditions in all key dimensions with a view toward both effectiveness and legitimacy. Problems that arise in societal-system dynamics can stem from any of the three fundamental dimensions. The qualities of governance and development must be taken into account when analyzing or leveraging conflict. Likewise, the qualities of conflict and governance must be included when examining the potential for development and the conditions of conflict and development critically affect the nature of governance.

This report will provide evaluations of contemporary conditions and trends in the three fundamental dimensions of societal-systems analysis at the global level. These performance evaluations are intended to help inform our audience of the immediate circumstances and prospects for the emerging global system.

Global Armed Conflict

The main conflict-related, security goals stated in the US National Security Strategy include "defeat global terrorism and work to prevent attacks against us and our friends," "defuse regional conflicts," and "reduce the threat posed by weapons of mass destruction." The most encompassing observation that can be made regarding global system performance in regard to the conflict dimension concerns the status of "regional conflicts."

The global trend in major armed conflicts has continued its dramatic decline in the globalization era both in numbers of states affected by major armed conflicts and in the general magnitude of such conflicts (figure 2). According to our calculations, the general magnitude of global warfare has decreased by over sixty percent since peaking in the mid-1980s, falling by the end of 2006 to its lowest level since 1964.[7]

Civil warfare has been the most prominent mode of warfare since the mid-1950s, increasing steeply and steadily through the Cold War period from the mid-1950s right up to 1990. This linear increase in civil warfare is largely explained by a general tendency toward longer, more protracted, wars during this period. The rate of onset of new civil wars has remained fairly constant throughout the period with an average of about four new civil wars per annum.

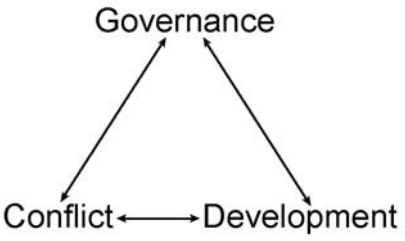

Figure 1. Key Dimensions of Societal-Systems Analysis

By contrast, the general global level of interstate warfare has remained at a relatively low level since the end of the Second World War and the beginning of the UN system, which was designed to prevent interstate wars. Although there was a moderate increase in interstate wars during the last years of the Cold War, from 1977 to

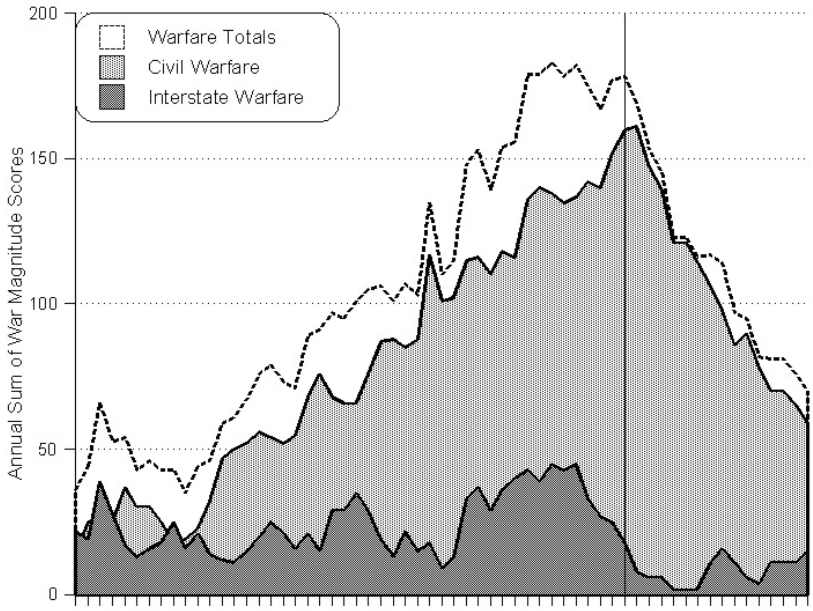

Figure 2. Global Trends in Armed Conflict, 1946-2006

1987, interstate warfare has also declined substantially with the end of the Cold War. Of the interstate wars, many of the most serious were wars of independence fought during the decolonialization period that coincided with the first half of the Cold War. Of the conventional interstate wars, onsets occurred at the rate of about one event per annum, although onsets occurred at about double that rate during the late 1970s and early 1980s. Three-quarters of the sixty-seven such wars remained at fairly low levels of violence. High magnitude interstate wars are limited to the several Israeli wars, the Vietnamese wars, the Afghanistan wars, the Iraqi wars, the India-Pakistan wars, and the recent war between Ethiopia and Eritrea; all except the Iraq-Iran war and the first Gulf War had some domestic, or former-domestic, conflict aspect (i.e., they were internationalized civil wars). Over the entire period, since 1946, wars have been quite common: there have been over 300 distinct episodes of major armed conflict. During the past twenty-five years (since 1982), over one-half of all countries have experienced some major armed conflict (85 of 162 countries).

Currently, in early 2007, there are twenty countries embroiled in major armed conflicts; nineteen of these countries are embroiled in civil wars: Afghanistan, Chad, Colombia, Democratic Republic of Congo, Haiti, India, Iraq, Israel (Palestine), Myanmar, Nigeria, Philippines, Pakistan, Somalia, Sri Lanka, Sudan, Thailand, Turkey, Uganda, and Yemen. One of the current wars is touted as a "global war" (the US "global war on terrorism"), although if war means repeated and ongoing attacks, that "global war" is currently confined almost entirely to warfare in Iraq. The wars in Iraq and Sudan are high magnitude wars. There have been only three new war onsets in the past two years: a civil war in the Pakistan province of Baluchistan and a rebellion against the Déby regime in Chad in 2005 and, in 2006, a brief but intense interstate war involving Israel and Lebanon (Hezbollah militias).

In regard to the abiding concern of the US Government with the problem of "global terrorism," two positive observations can be made: since the September 11, 2001 attack on the United States, direct attacks on the US and friendly states have remained relatively rare, and there have been no instances of attacks anywhere in which biological, chemical, or nuclear "weapons of mass destruction" have been used by non-state actors. A disturbing new development has been the attempt to develop a chemical bomb combining liquid chlorine tanks with conventional bombs as a dispersant. There have been three such attempts in Iraq since January 28, 2007; each attempt failed because the explosion burned the chlorine rather than dispersing it as a lethal gas.

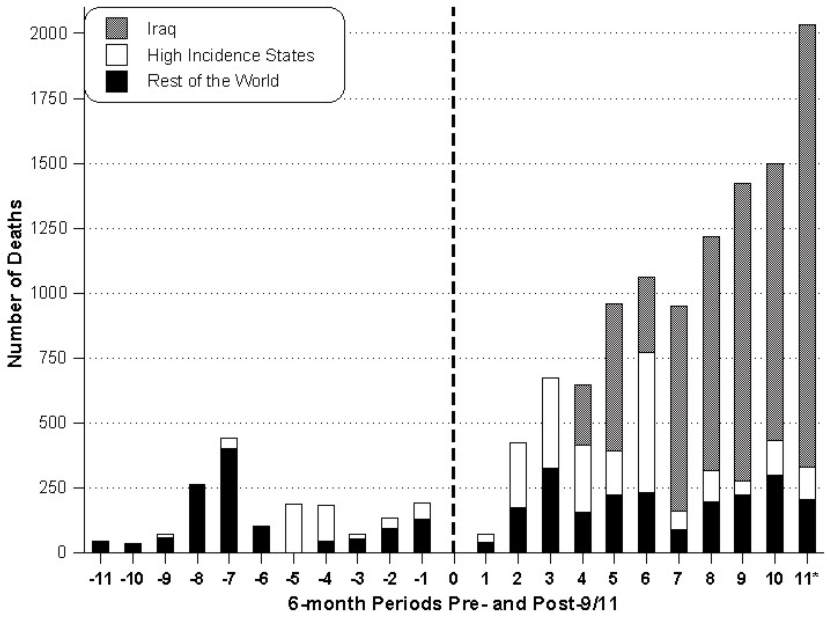

Figure 3. High Casualty Terrorist Bombings, 3/11/96 - 2/25/07

It may be only a matter of time before the technique is refined, with potentially disastrous consequences. This new development is especially troubling as the trend in extremist attacks on civilian populations has continued to escalate. Civilian populations are inherently vulnerable to political violence and the general lawlessness and disruptions in livelihoods and essential services that are the result of protracted conflict situations; they stand in harm's way. The direct and intentional targeting of civilian populations, however, is the essence of the special concept of "terrorism."[8] Explosive devices (bombs, car-bombs, and suicide bombers) are the principal means by which actors have directly attacked civilian populations with the intent to inflict high casualties. Figure 3 tracks the global problem of "high casualty terrorist bombings" over the past eleven years (summing total deaths by such acts for successive six-month periods before and after the 2001 attack on the US); each of the "high casualty" events compiled for the trend graph resulted in at least fifteen people killed in a single attack. Note that the dashed, vertical line represents the 2001 attack on the US in which 2,982 people were killed in four separate locations.

What Figure 3 shows is a very steep increase in the number of people killed in "high casualty terrorist bombings" (HCTB). The number killed during the most recent six-month period was over 2,000 at press time (the period covered was nineteen days shy of six months); the average during the five and one-half years prior to September 11, 2001, was only about 150 killed per six-month period. The graph also parcels attacks into three categories: Iraq, high incidence states, and the rest of the world, in order to show how these attacks have been concentrated mainly in five countries and, particularly, in Iraq (since the March 2003 invasion of Iraq by US forces). There are four countries identified as "high incidence states": Afghanistan (243 killed), Israel (348), Pakistan (583), and Russia (1,428); there have been no HCTB attacks in Russia or Israel since

September 1, 2004.[9]

The total number of people killed in HCTB attacks over the eleven-year study period stands at 15,614 (including the attack in the US). There have been 6,650 people killed by HCTB attacks in Iraq since June 2003. The number killed by HCTB attacks in the four "high incidence states" increased dramatically in the aftermath of the 2001 attack on the US and has dropped sharply since late 2004. The numbers killed in the "rest of the world" have nearly doubled since late 2001 (from just over 100 to nearly 200 people killed per six-month period). The recent trend in HCTB attacks stands in vivid contrast to the more encouraging, downward trend in major armed conflicts. While it may be too much to claim that terrorism has a global scope, it is certain that terrorism has global reach, and that it appears to be focused on the Middle East and South Asia.

While the data supports a fairly sanguine view of decreasing regional conflicts since the end of the cold war, the reverse has been true of terrorism. Since 2001, the numbers of terrorist incidents and deaths attributable to terrorism have shown a persistent and rapid rise.

Global Governance

A major emphasis of the US National Security Strategy 2006 is to "champion aspirations for human dignity." The "way ahead" includes the goals of "ending tyranny" and "promoting effective democracies." Special emphasis here must be placed on the term "effective." Democracy and autocracy are commonly viewed as contrasting forms of governance. Principal differences are found in the ways executive power is acquired and transferred, how political power is exercised and constrained, how social order is defined and maintained, and how much influence public interests and opinion have on the decision making process. Despite fundamental differences, these two forms of governance are often perceived as comparably stable and effective in maintaining social order. In real terms, however, different countries have different mixes and qualities of governing institutions. Even though some countries may have mixed features of openness, competitiveness, and regulation, the core qualities of democracy and autocracy can be viewed as defining opposite ends of a governance scale.

We have rated the levels of both democracy and autocracy for each country and year using coded information on the general qualities of political institutions and processes, including executive recruitment, constraints on executive action, and political competition. These ratings have been combined into a single, scaled measure of regime governance: the Polity score. The Polity scale ranges from -10, fully institutionalized autocracy, to +10, fully institutionalized democracy.[10] A perfect +10 democracy, like Australia, Greece, and Sweden, has institutionalized procedures for open and competitive political participation; chooses and replaces chief executives in open, competitive elections; and imposes substantial checks and balances on the powers of the chief executive. Countries with Polity scores from +6 to +10 are counted as democracies in tracking "Global Trends in Governance" (figure 4). Elected governments that fall short of a perfect +10, like Mozambique, Turkey, and Venezuela, may have weaker checks on executive power, some restrictions on political participation, or shortcomings in the application of the rule of law to opposition groups.[11]

In a perfect -10 autocracy, by contrast, citizens' participation is sharply restricted or suppressed; chief executives are selected according to clearly defined (usually hereditary) rules of succession from within the established political elite; and, once in office, chief executives exercise power with few or no checks from legislative or judicial institutions. Only Saudi Arabia and Qatar are rated as fully institutionalized autocracies in early 2007; other monarchies, such as those in Bhutan, Morocco, and Swaziland, share some powers with elected officials. In general, except for a strong presence in the oil-producing states of the Arabian Peninsula, hereditary monarchy has nearly disappeared as a form of governance in the early 21st century. Autocratic governance at the turn of the century is far more likely to be characterized by the authoritarian rule of personalistic leaders, military juntas, or one-party structures; Libya, Myanmar (Burma), and Vietnam are examples of these non-monarchical autocracies. Besides having slightly more open, or less-clearly defined, rules of succession, less-than-perfect autocracies may allow some space for political participation or impose some effective limits on executive authority; examples include Belarus, China, and Zimbabwe. Countries with

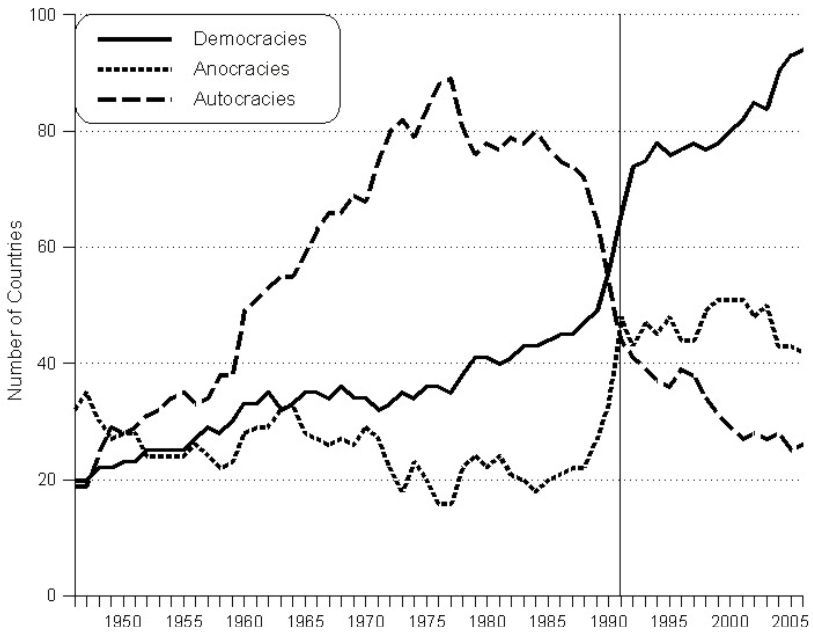

Figure 4. Global Trends in Global Governance, 1946-2006

Polity scores of -10 to -6 are counted as autocracies in Figure 4.

Many governments have a mix of democratic and autocratic features, for example holding competitive elections for a legislature that exercises little effective control on the executive branch or allowing open political competition among some social groups while seriously restricting participation of other groups. There are many reasons why countries may come to be characterized by such inconsistencies, or incoherence, in governance. Some countries may be implementing a staged transition from autocracy to greater democracy; others may institute piecemeal reforms due to increasing demands from emerging political groups. Societal conflict and factionalism often stalemate democratic experiments: some regimes may be unable to fully institutionalize reforms due to serious disagreements among social groups; some may harden their institutions in response to political crises or due to the personal ambitions of opportunistic leaders; while others may simply lose control of the political dynamics that enable, or disable, effective governance.

Whereas democracy and autocracy are very different forms of governance, they are very similar in their capacity to maintain central authority, control the policy agenda, and manage political dynamics. Anocracy, by contrast, is characterized by institutions and political elites that are far less capable of performing these fundamental tasks and ensuring their own continuity. Anocratic regimes very often reflect an inherent quality of instability or ineffectiveness and are especially vulnerable to the onset of new political instability events, such as outbreaks of armed conflict or adverse regime changes (e.g., a seizure of power by a personalistic or military leader).

Anocracies are a middling category rather than a distinct form of governance. They are countries whose governments are neither fully democratic nor fully autocratic; their Polity scores range from -5 to +5.[12] Some such countries have succeeded in establishing democracy following a staged transition from autocracy through anocracy, as in Mexico, Nicaragua, Senegal, and Taiwan. A number of African and a few Middle Eastern countries have recently begun a cautious transition to greater openness, among them Burkina Faso, Djibouti, Ghana, Guinea, Jordan, and Tanzania. Ivory Coast appeared to be headed on a similar course before stumbling (in 2002) into civil war and regime failure; Iran also reversed the course of democratic reforms and tightened autocratic control in 2004. Others have been able to manage conflict between deeply-divided social groups for substantial periods of time through the use of categorical restrictions on political participation by a substantial out-group as in Malaysia (Chinese), Singapore (Malays), and South Africa (black-Africans under Apartheid). This also appears to be the strategy adopted recently in Fiji to limit political influence by ethnic-Indians. Other anocracies are the result of failed transitions to greater democracy, as currently in Algeria, Angola, Cambodia, and Haiti.

In 1946, there were seventy-one independent states comprising the world's system of states (figure 4).[13] Of these, twenty countries were ruled by democratic regimes and nineteen by autocratic regimes; thirty-two countries were subject to anocratic regimes. The high proportion of anocratic regimes was largely a consequence of the severe devastation and disruptions resulting from the Second World War. Another consequence of that war was a serious erosion of European control over its colonial territories in Asia and Africa. Many new states gained independence in the 1950s, 1960s, and early 1970s, doubling the number of states by 1975. During this period of decolonialization, there was a dramatic increase in the number of autocratic regimes: to a peak of eighty-nine autocracies in 1977. Although new states were about as likely to adopt democratic as autocratic forms of governance upon gaining independence, problems of manageability caused most new, democratic regimes to fail within several years and give way to autocratic rule.

A dramatic shift away from rigidly autocratic regimes and toward more open governance began in 1990. This "rush toward democratization" was led by Latin American countries and the former-Socialist countries of Eastern Europe. During the Cold War period, there was a steady increase in the number of democracies at the rate of about one new democracy every two years. During the early 1990s, the number of democracies increased by about fifty percent (from 49 in 1989 to 76 in 1995). There was an even greater increase in the number of "incomplete transitions to democracy," as the number of anocracies rose from twenty-seven to forty-eight. The number of autocracies continues to plummet: from a peak of eighty-nine in 1977 to only twenty-six in 2006. There are ninety-four countries classified as democracies in early 2007. Countries that have transitioned to, or returned to, democratic governance since 2000 include Burundi, Comoros, Ghana, Guinea-Bissau, Kenya, Lebanon, Liberia, Nepal, Peru, Sri Lanka, and the newly independent states of East Timor and Montenegro.

While we view the major global shift toward greater democracy as a very important and generally positive trend, the sharp increase in the number of anocracies since the mid 1980s is cause for concern. Historical research indicates that anocracies have been highly unstable regimes, with over fifty percent experiencing a major regime change within five years and over seventy percent within ten years. Anocracies have been much more vulnerable to new outbreaks of armed societal conflict; they have been about six times more likely than democracies and two and one-half times as likely as autocracies to experience new outbreaks of societal wars. Anocracies have also been about three times more likely to experience major reversions to autocracy than democracies. However, a "new truth" may be emerging regarding the vulnerability of anocratic regimes in the Globalization era.

In the past fifteen years, there have been far fewer failures of anocratic regimes than would be expected from the historical trends. Despite continued high numbers of anocratic regimes, there has been a steady decrease in global trends in violent conflict (see figure 2) and fewer than expected outbreaks of new political instability events. We believe that this change in trends for anocratic regimes is due largely to notable increases in proactive international engagement, improved pub-

lic expectations, and a lessening political activism within militaries, which have been far less likely to intervene in politics or support forceful repression of public challenges to ruling elites. Counter-examples have occurred recently as military coups have ousted elected governments in Thailand and Fiji in late 2006.

Recent research by the Political Instability Task Force has focused attention on the problem of "factionalism" in "incomplete democracies."[14] In the Task Force's models of the onset of political instability, factionalism stands out as having the greatest explanatory power among global model indicators.[15] The general condition of factionalism is a precursor to instability in about half the countries where it appears; the other principal outcome of factionalism is the further consolidation of democratic procedures and discourse. The "problem of factionalism" in new or incomplete democracies is not a new finding, by any means. In fact, it is probably the most widely accepted, and least understood, problem in the process of democratization. In "The Federalist No. 10," James Madison (1787) makes several prescient observations in this regard, among these are 1) the link between "domestic faction and insurrection;" 2) the opportunity afforded by factionalism for "adversaries to liberty" to declaim popular government; 3) the observation that the dynamics of "instability, injustice, and confusion" that factionalism introduces into public councils are the "mortal diseases under which popular governments have everywhere perished;" and 4) the conclusion that the "friend of popular governments" must act with due diligence to pursue any plan which "provides a proper cure" to factionalism "without violating the principles" of liberty and diversity.

In general terms, the Polity conceptualization of "factionalism" refers to an advanced, macro-systemic stage of group polarization that transforms political behavior in distinct ways that are both systematic and sustained. Factionalism transforms the conventional politics of deliberation to the unconventional "anti-system" politics of disruption. About three-quarters of the anocracies charted in Figure 4 are characterized by factionalism. Examples of factionalism in early 2007 can be observed in Algeria, Bangladesh, Guinea, Lebanon, Togo, and Zimbabwe. While factionalism presents a very high risk factor for the onset of political instability, by far the greatest risk is for the onset of an "adverse regime change" whereby democratization is reversed and oppositional faction(s) are forcibly repressed. We are currently conducting new research to gain a better understanding of the problem of factionalism in democratization.

Global Development

The third major focus of the National Security Strategy is on "igniting global economic growth through free markets and free trade," "integrating developing countries" into the global economy, and "ensuring energy independence." We will assess the current trends of development in the emerging global system by examining two important issues: (1) global and regional distributions of income, and (2) dependence and independence with regard to the key source of energy traded in the world system, oil.

The conventional method by which development has been tracked over time is by calculating the gross economic production of countries and gauging its growth (or decline) relative to population, or following gdp/capita. This has been quite useful in monitoring economic performance at the country level. Alternatively, the United Nations' Development Programme (UNDP) has constructed a measure of the production of human capital, the Human Development Index (HDI), to better monitor the "quality of life," again, at the country level. These two aspects of development, material and human, tend to track together over time.

From the system perspective, however, what we discover is that 1) there is wide variation in the "relative capabilities" of states based on wealth and productive capacity, 2) the relatively more wealthy and productive states hold great power in their relations with poorer states, and 3) an uneven distribution of wealth and influence in a system tends to reproduce the system's disparities over time. Recent research has shown that "neighborhood" (system) effects, both "bad" and "good," can have a substantial influence on both the policies and the prospects of states in societal-systems.[16]

In order to gain a systemic perspective on development in the globalization era, we use an approach termed comparative regionalism, developed by the first author of this study.[17] This approach examines global and regional income distributions by constructing Lorenz curves, which plot the cumulative proportion of income by countries (ordered from poorest to richest) against the cumulative proportion of their population in the societal system. The line of equality is a diagonal line drawn from the point of origin (0,0) through the end point (1,1) on the graph; this is the line that results if every country's proportion of the system's total income is the same as their proportion of the system's total population. If the richer countries have a greater portion of system income for their populations, the actual Lorenz curve will fall below the line of equality. The degree of inquality in income in the total system distribution can be seen, and measured, as the area of divergence between the line of equality and the plotted Lorenz curve. The greater the area between the line of equality and the observed Lorenz curve, the greater the disparity in income among the countries in that system.

This approach allows us to measure system disparities and track system integration (i.e., the lessening of disparities among units within the system) over time. Plotting the income distributions of the several regional sub-systems that comprise the global system allows us to compare well-performing regions with regions that have been performing less well; it also allows us to monitor changes for the global system as a whole. The following series of regional income profiles plots income distributions in 1992 (the beginning of the Globalization era) and in 2005(the most recent annual data).

Good-Performance Regional Sub-Systems

Well-performing regional sub-systems in the global system in terms of their regional-level equality include 1) the United States, 2) Western Europe (the former

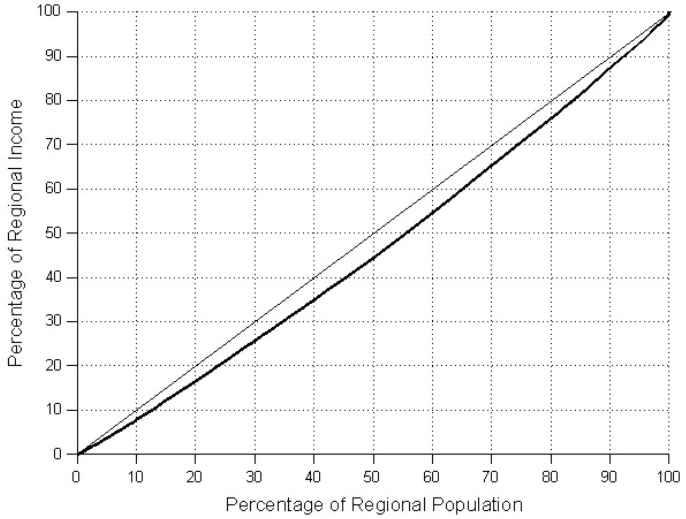

Figure 5a. US Regional Profile, 2005

European Community), and 3) South America. The first two regional sub-systems are wealthy, democratic, stable, well-integrated, highly productive, and have experienced relatively little violent, civil conflict during the contemporary period (since 1946). South America is unique in that, although it is far less prosperous than the US and Western European sub-systems, it has experienced far less violent conflict than any of the remaining regional sub-systems in the world.

Figure 5a plots the 2005 income distribution of the fifty states that constitute the United States of America; the Lorenz curve shows an almost perfect equality among constituent units in the system. Only data for the year 2005 is displayed because the income distribution has been quite stable (invariant) over time. Of course, equality among system units does not mean there is equality among individuals within the units. Quite the contrary, the income distribution among individuals in a well-performing societal-system can be relatively unequal.[18] The Gini Index measure of individual-level inequality for the United States is 40.8 (a medium score); Western European states have some of the lowest reported Gini Indices, ranging from a low of 24.7 for Denmark to a high of 36.0 for Italy and the United Kingdom.

Similarly, the regional profile for the Western Europe sub-system (i.e., states that formed the original European Community; figure 5b) shows a high degree of income equality among constituent units that has continued to improve since 1958.[19] Figure 5b plots Lorenz curves for 1992 and 2005 for Western Europe. In addition, Figure 5b plots the 2005 Lorenz curve for the expanded European Union (including the candidate countries: Croatia, Macedonia, and Turkey). Expansion, especially the accession of Turkey with its large and relatively poor population, dramatically alters the income distribution of the regional sub-system.[20] This illustrates one of the sources of tension that has characterized accession negotiations with Turkey over the past several years and has, more generally, increased debate and disagreement among the key states in the European Union over tighter policy and financial integration. We argue that high degrees of internal trade and exchange among constituent units in a system serve to equalize income among units over time; this process is strengthened by redistributive policies enacted by central administration in strongly integrated societal-systems. Indeed, in the US and European regional systems, the volumes of trade and transactions among constituent units are much higher than the volume of trade and transactions with units outside the regional systems.

The South America regional profile (figure 5c) shows substantial improvement in income distribution among the countries of that region, particularly due to improved economic performance in Brazil, despite general instability triggered by the 2001 financial crisis in Argentina. As mentioned, this region has experienced relatively low levels of political violence

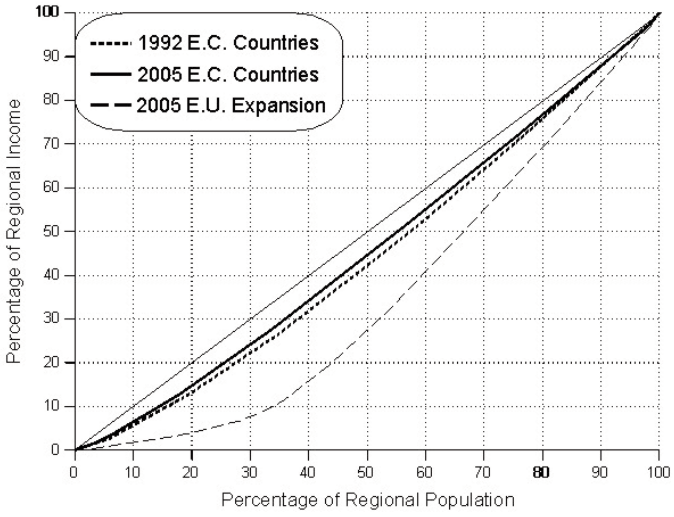

Figure 5b. Europe Regional Profile

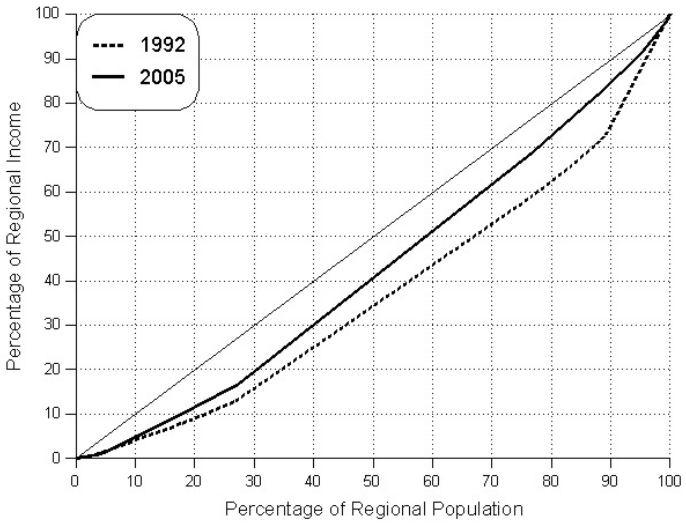

Figure 5c. South America Regional Profile

during the contemporary period and has witnessed a resurgence of democratic governance since the end of the Cold War (only Venezuela scores lower than +6 on the Polity scale; its regime rating dropped to anocracy due to a further concentration of executive power under President Chavez's initiative to create a one-party state). On the other hand, only Chile (beginning in 2006) and Uruguay are rated as "fully institutionalized democracies" (with Polity scores of +10). Similar to the US and European regions, South America has a relatively high density of trade and transactions among its constituent units. One corollary of the 2001 financial crisis is that income growth for the region has fallen behind the standard set by the Western European countries (see table 1). Income distributions within states in the South America region are also rather more unequal than those in Western Europe and the United States; Gini Indices for South American states range from a low of 43.2 in Guyana to a high of 59.1 in Brazil.

Middle-Performance Regional Sub-Systems

The Central America (not shown) and Asia regional subsystems show moderate integration. The Asia regional profile (figure 5d) provides an example of a historically less well-performing sub-system, but one which has made by far the most economic progress in the globalization era.[21] It is home to some of the world's largest and most densely populated countries, and in 1992 it had the lowest GDP per capita of all the world's regional sub-systems (table 1); even lower than sub-Saharan Africa. It has experienced very high levels of armed conflict throughout the contemporary period, and before (it was a major arena of the Second World War).

While warfare has diminished substantially in East, Central, and Southeast Asia, it remains relatively high in South Asia (home, also, to the world's poorest nuclear powers).[22] Asia is also home to some of the world's most reclusive states, including Bhutan, Laos, Myanmar (Burma), and North Korea; Cambodia and Vietnam are only now beginning to emerge from their isolation. Formal trade and transactions among states comprising the Asia region have been and remain quite limited. Until recently, trade and transaction densities have been concentrated in the Asian "tigers" located around the periphery of the region (South Korea, Taiwan, and Singapore); the rapid economic growth in the People's Republic of China is increasing regional economic penetration but maintaining the region's focus on external trade.

Governance in Asia was characterized mainly by autocratic regimes during the Cold War period, with the notable exception of India. Governance in early 2007 is characterized by about an equal mixture of autocratic, anocratic, and democratic regimes. Nearly all the improvement in the regional income distribution in Asia during the globalization era results from the rapid growth of the economy of mainland China. Per capita income for the Asia region, as a whole, has nearly doubled relative to that of the Western European states (table 1).[23] This is what we should expect for poorer sub-systems that are

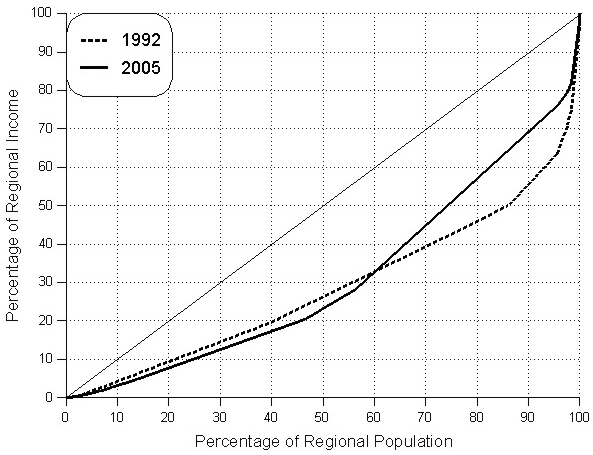

Figure 5d. Asia Regional Profile

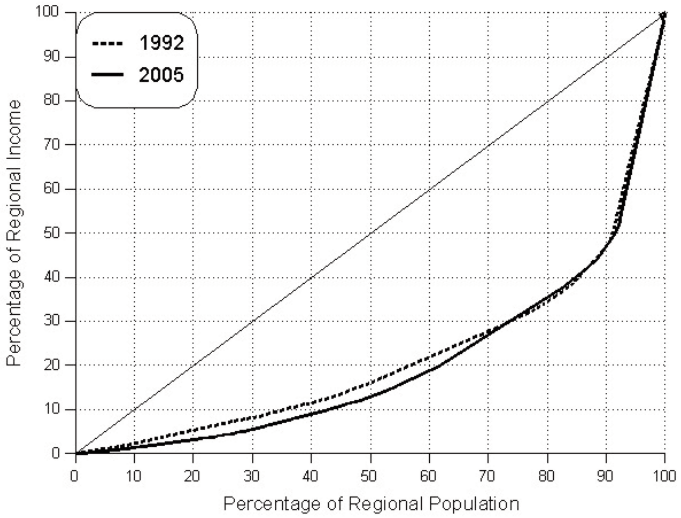

Figure 5e. Sub-Saharan Africa Regional Profile

"closing the income gap" with the more wealthy regions. However, the Asia region stands as an exception in this regard.[24]

Poor-Performance Regional Sub-Systems

The most troubling regional sub-systems in the globalization era are the regions constituted by the sub-Saharan (non-Muslim) African countries (figure 5e), and the pre-dominantly Muslim countries (figure 5f), which stretch from Morocco and Senegal in the west to Malaysia and Indonesia in the east.[25] The Lorenz curves for these two regions are roughly equivalent; income inequality among African countries is only slightly greater than income inequality among Muslim countries.

Both regions were beset by intense civil wars during the Cold War period. The Sub-Saharan Africa countries experienced high levels of warfare during the decolonialization period, 1955-1980, (i.e., wars of independence) while the Muslim countries experienced high magnitudes of interstate warfare in the latter half of the Cold War period (e.g., the Iran-Iraq War and the Gulf War). Although the general magnitude of armed conflict in both regions has diminished substantially since the end of the Cold War, the overall decrease in warfare in Africa has fallen more slowly than the general global trend and warfare remains a serious concern in east and central Africa. The trend in the Muslim countries had initially shown a very dramatic decrease in the level of armed conflict in the globalization era (over eighty percent by 2002 in the Middle East); however, the Muslim countries are the sole region where there has been an increase in armed conflict in recent years, possibly leveling, or even reversing, the general downward trend.

Both regions have been ruled for much of the contemporary period by strongly autocratic regimes; democratic experiments were relatively rare and usually short-lived. Since the end of the Cold War, autocracy has nearly disappeared in sub-Saharan Africa, falling by eighty percent in a very short period of time. However, democracy has been very slow in emerging in Africa and most countries are riven by factionalism; there are no fully institutionalizing democracies in Africa (except the small island state of Mauritius). Electoral politics in African countries are very often dominated by a single party, usually organized around a personalistic leader.

The Muslim countries have the highest number of autocratic regimes in early 2007 (14). Regime type in these countries is somewhat associated with patterns of oil production: twelve of the Muslim autocracies are net oil producers (only two autocracies remain among the non-oil producing Muslim countries; these are Uzbekistan and Morocco). There are no democracies among the net oil-producing states in either region.[26] In 2007, there are fourteen democracies in Africa and eight in Muslim countries. African democracies are almost invariably coastal countries; Muslim democracies, such as Indonesia,

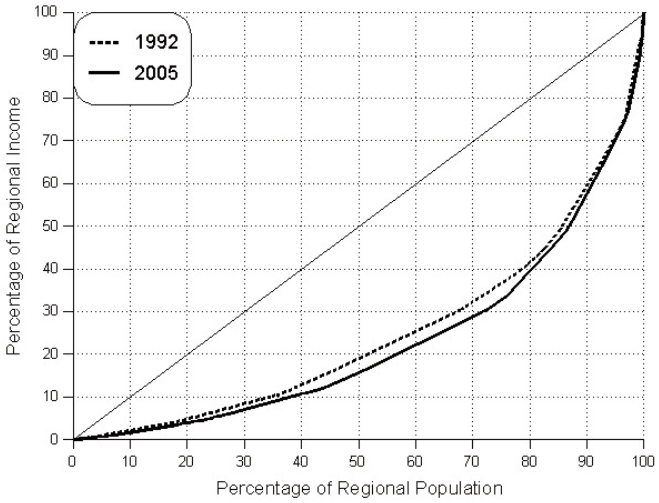

Figure 5f. Muslim Countries Regional Profile

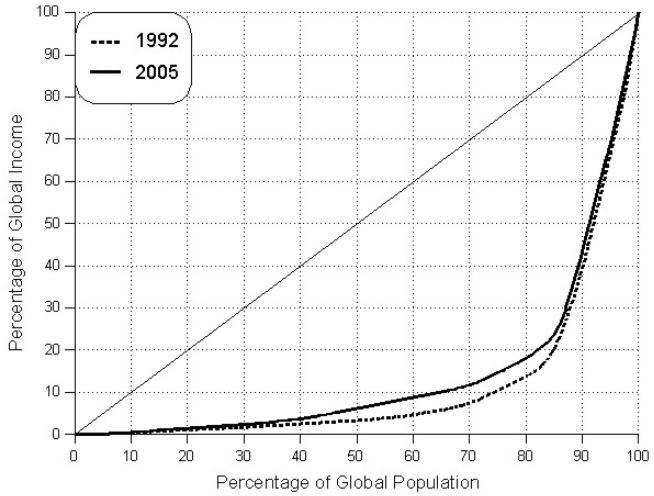

Figure 6. Global System Profile

Senegal, and Turkey, dot the periphery of the region.

The sub-Saharan Africa region was the poorest region in the world system in 2005 and the region's "income gap" widened by nearly ten percent relative to the Western European countries since 1992. Regional income in the Muslim countries region is substantially higher, and further increased by ten percent relative to Western Europe by 2005, narrowing the "income gap" somewhat. Despite these differences in income growth, both regions show a worsening income distribution among their constituent states during the globalization era, comparing 1992 and 2005. Of even greater concern is the fact that levels of formal trade and transactions among the states within each of these two regions are extremely low and show few signs of improvement: inter-regional trade in each region accounts for between five and fifteen percent of total trade. These regions remain heavily dependent on extra-regional export trade in primary commodities; manufactured goods account for less than twenty percent of total export trade.

The Global System

The global system as a whole is an emerging societal-system that is highly complex and poorly understood; it is much more than the sum of its parts. This report hopes to establish baseline conditions as a starting point for better understanding the prospects for change in the global system. Table 1 brings together the "parts" of the system profiled above in order to gain a comparative perspective on "relative income" and "relative growth" among the regional sub-systems that comprise the global system. Figure 6, then plots the income distribution profile for the global system; this picture presents a very real sense of "shock and awe" of the challenges and opportunities confronting political leaders in the early years of the globalization era.

The global system as a whole is a societal-system in which income production is highly concentrated; a system that is profoundly split into "Haves" (about 15% of the global population) and "Have-nots." As of 2005, eighty percent of the population accounted for less than twenty percent of production income. It would seem that the potential for polarization and factionalism in such a system is quite high and, given the evidence that the "income gap" is narrowing only slowly, will remain high for the foreseeable future. The policy implications of this examination can be summarized in a single word: caution. The information and communication "revolutions" have created powerful tools that, like all tools, act as "double-edged swords": they enable and empower not only the world's elites and the advocates of globalization but also the demagogues of discontent. If there is one thing that most clearly distinguishes the globalization era from preceding eras, it is the speed of and potential for social mobilization. Opportunities for freedom and

	Year	Regional GDP/cap (current US$)	Income Relative to W. Europe	Relative Growth
United States	1992	24,070	115%	12%
	2005	41,844	129%	
Western Europe	1992	20,926	—	—
	2005	32,372	—	
European Union	2005	24,326	75.10%	
South America	1992	2,765	13.20%	-5.50%
	2005	4,042	12.50%	
Central America	1992	3,125	14.90%	15%
	2005	5,569	17.20%	
Asia	1992	545	2.60%	80%
	2005	1,520	4.70%	
Sub-Saharan Africa	1992	613	2.90%	-8%
	2005	875	2.70%	
Muslim Countries	1992	1,166	5.60%	10%
	2005	1,985	6.10%	

Table 1. Regional Income, Relative Income, and Relative Growth

Net Petroleum Consumers	Barrels per capita	15 Year Trend	Net Petroleum Producers	Barrels per capita	15 Year Trend
Singapore	-65	++++	Qatar	562	++++
Cyprus	-24	++	Kuwait	305	
Belgium	-23	++	United Arab Emirates	282	- -
United States	-22	+	Equatorial Guinea	267	++++
Netherlands	-20	+	Norway	236	+++
Ireland	-17	++	Saudi Arabia	127	++
South Korea	-16	++	Oman	87	- -
Taiwan	-16	++	Libya	86	
Finland	-15	-	Gabon	61	+
Japan	-15		Trinidad	37	
Sweden	-15		Venezuela	32	
Greece	-14	+	Angola	26	+
Spain	-14	++	Kazakhstan	24	++
Israel	-14		Congo-Brazzaville	22	
Switzerland	-14		Iraq	21	- -
Portugal	-12	+	Algeria	20	
France	-12		Russia	17	+
New Zealand	-12	++	Denmark	14	++
Austria	-12	+	Iran	14	
Italy	-11		Ecuador	11	
Germany	-11	-	Bahrain	10	-
Lebanon	-11	++	Canada	9	+
Slovenia	-10	+	Turkmenistan	9	+
Jamaica	-10	+	Azerbaijan	8	+
Panama	-9	-	Chad	7	+
Consumption:			Production:		
Increased	>15	++++	Increased	>200	++++
	10-15	+++		100-200	+++
	5-10	++		15-100	++
	1-5	+		5-15	+
Decreased	1-2	-	Decreased	5-15	-

Table 2. Top 25 Net Petroleum Producers and Consumers, 2004

growth are created when policy effectiveness and political legitimacy stand together; serious challenges are created when they drift apart or, worse, when they fall together.

The United States has grown slightly wealthier per capita than Western Europe in this period, as have Central America and the Muslim countries. However, the striking trends are the remarkable relative growth in Asia, driven by China's emergence as a major economic power, and the relative declines in income in South America and sub-Saharan Africa.

The emerging era of globalization begins, then, with three important challenges: one is the sharply increasing number of 'anocracies,' which denote a transitional and possibly unstable stage on the way to more stable democratic governance. A second is the large, and in many cases growing, gap in income among countries within the world system, and within certain regional sub-systems. A third is the disruptive potential of growing dependence of the wealthier countries on petroleum; this too needs to be accepted as a global dilemma, requiring a global solution.

Although many countries explicitly state that their goal is 'energy independence," the irony of "energy independence" is profound: at the present time, only extreme poverty has the power to create "energy independence." Among the richest fifty countries (measured by income per capita), only one can be said to have achieved true energy independence: the United Kingdom (see table 2).

There is a definite contrast in regard to governance and fragility between net oil producers and consumers. The least fragile countries, according to our assessment (see table 3), are almost invariably net consumers of oil and, so are likely to be the strongly dependent on foreign sources of oil. Of the thirty-eight countries with a Fragility Index of 2 or less, only five are net producers: Argentina, Canada, Denmark, Norway, and the United Kingdom. The overwhelming majority of these countries have democratic forms of governance. By contrast, net petroleum producers in the poor-performance Africa and Muslim regions are the most autocratic regimes. Dependence on oil revenues appears to contribute to a divergence of wealth and development in these locations. Table 2 lists the top twenty-five net producers and consumers in the global system, ranked in order of their net consumption or production in barrels of oil per capita per year.

The State Fragility Index and Matrix

Having examined the general performance of the global system and the profiles of its several regional sub-systems, we conclude this report with our assessment of the fragility of the system's constituent units. We present a new index of "state fragility" and an assessment of each of the 162 countries (with populations greater than 500,000) that constitute the global system in early 2007. The "State Fragility Matrix" (table 3) rates each country according to its level of fragility in both "effectiveness" and "legitimacy" across four dimensions: security, governance, economic development, and social development.

The idea of a using a matrix of effectiveness and legitimacy dimensions as a method for assessing state fragility was developed at the University of Maryland's IRIS center, in response to a research request from the US Agency for International Development (USAID). Contributions to developing the idea were made by a number of people at IRIS and those involved in parallel efforts at USAID (including not only Goldstone and Marshall but also Dennis Wood, Karl Soltan, Ron Oakerson, Jonathan Houghton, Patrick Meagher, Joseph Siegel, Clifford Zinnes and Tjip Walker), but the current matrix of indicators was developed by the authors of this study. The idea is similar to other multi-dimensional schemes for addressing state fragility, including those developed by Frederick Barton and associates at CSIS, and metrics developed for the Office of the Coordinator for Reconstruction and Stabilization under Carlos Pasquale in the State Department.

All of these schemes recognized that assessing a state's ability to win the loyalty of its people depended on its performance in multiple spheres, spanning governance, economic performance and opportunity, security, and delivery of social services. What the IRIS research team added was to make explicit the need for regimes to exhibit both effectiveness and legitimacy in its performance of those tasks. That is, to achieve maximum stability a regime must both carry out the tasks expected of a competent government, and maintain legitimacy by being perceived as

just and fair in the manner it carries out those tasks. A state may remain in a condition of fragile instability if it lacks effectiveness or legitimacy in a number of dimensions; however a state is likely to fail, or to already be a failed state, if it has lost both.

Table 3 presents the State Fragility Index and Matrix and the corresponding ratings of the global system's 162 countries in early 2007. It is followed by Technical Notes that identify the data sources used and describe how the various indicators were constructed.

We believe that this is a valuable addition to the existing scales of state capacity in two respects. First, the data sources used to compile the scale are fully transparent and reproducible; we do not rely on obtaining subjective expert opinions for any components of our scale. Second, this is the only state capacity scale that clearly differentiates between the legitimacy and effectiveness aspects of state power. Thus, for agencies seeking to design policy interventions to strengthen or restore state capacity, this State Fragility Index allows targeting interventions in the precise areas required to remedy deficiencies. For example, both Ecuador and the Philippines have moderately high fragility scores (total score 12). However, in Ecuador, problems arise mainly in regard to the government's effectiveness, particularly with regard to providing physical security; in the Philippines, there are far greater problems with the government's legitimacy, particularly with regard to creating economic growth and providing social services.

TECHNICAL NOTES TO TABLE 3, STATE FRAGILITY INDEX AND MATRIX:

Table 3 lists all countries in the world in which the total country population is greater than 500,000 in 2005 (162 countries). The Fragility Matrix rates each country on both Effectiveness and Legitimacy in four performance dimensions: Security, Political, Economic, and Social. Each of the Matrix indicators is rated on a four-point fragility scale: 0 "no fragility," 1 "low fragility," 2 "medium fragility," and 3 "high fragility." Blank cells indicate "no fragility" and are scored as zero (0). Each of the four Matrix dimensions is highlighted by a separate column which provides information regarding a key factor that is a characteristic of that dimension.

Fragility Indices

Fragility Index = Effectiveness Score + Legitimacy Score

Effectiveness Score = Security Effectiveness + Political Effectiveness + Economic Effectiveness + Social Effectiveness

Legitimacy Score = Security Legitimacy + Political Legitimacy + Economic Legitimacy + Social Legitimacy

Security Indicators

Security Effectiveness: Measure of General Security/Vulnerability to Political Violence (25 years), 1982-2006
Source: Monty G. Marshall, Major Episodes of Political Violence dataset (annual war magnitude score; ten-point scale). Three indicators are used to calculate the "total residual war score," including "summed war magnitude score(s)"; "interim years of no-war"; and "years of peace since end of most recent war." Formula used to calculate the residual war score is based on two assumptions: 1) the residual effects of low level and/or short wars diminish relatively quickly and 2) the residual effects of more serious and/or protracted warfare diminish gradually over a period of 25 years. Then, reswar1 = warsum1 – (yrnowar1 + (.04yrnowar1 x warsum1)); reswar2 = (reswar1 + warsum2) - (yrpeace + (.04yrpeace x (reswar1 + warsum2))); and so on for each additional episode. Total Residual War Scores are then converted to a four-point fragility scale as follows: 0 = 0; 1-14 = 1; 15-100 = 2; >100 = 3.

Security Legitimacy: Measure of State Repression, 1992-2005
Source: Mark Gibney, Political Terror Scales (two indicators for each year, one coded from Amnesty International and one from State Department report). Each indicator uses a five-point scale ranging from 1 "no repression" to 5 "systematic, collective repression." Four indicators are used to determine the "state repression score," including 1) nine-year average, 1992-2000; 2) four-year average, 2001-2004; 3) most recent year average, 2005; and 4) general trend, 1992-2005 (change from nine-year average to four-year average and change from four-year average to most recent year average). State Repression Scores are then converted to a four-point fragility scale as follows: 1.00-2.00 = 0; 2.01-3.00 = 1; 3.01-4.00 = 2; > 4.00 = 3.

Security Highlight: Armed Conflict Indicator (Figure 2: Global Trends in Armed Conflict, 1946-2006)
Source: Major Episodes of Political Violence dataset. War = country with an active "major episode of political violence" in early 2007; X = country which has emerged from a "major episode of political violence" in the past five years (since 2002); * = country that has experienced any "major episode of political violence" during the twenty-five year period 1982-2006.

Political Indicators

Political Effectiveness: Regime/Governance Stability (15 years), 1992-2006
Sources: Monty G. Marshall, Keith Jaggers, and Ted Robert Gurr, Polity IV Project: Political Regime Characteristics and Transitions; Henry S. Bienen and Nicolas van de Walle, Leadership Duration (updated by Monty G. Marshall); and Monty G. Marshall and Donna Ramsey Marshall, Coups datasets. Three indicators are used to determine "Governance Stability" score including regime Durability (Polity IV, 2006), current Leader's Years in Office (Leadership Duration, 2006), and Leadership Instability (Coups, 1992-2006). Indicators are scored as follows: Durability < 10 years = 1; Leader in office >12 years = 1; Leadership Instability counts the number of coups (successful, attempted, plotted and alleged; not including adverse regime changes) and the number of forced resignations or assassinations of ruling executives during the fifteen year period 1992-2006 and assigns scores as follows: (1 or 2) = 1 and >2 = 2. Governance Sta-

	Fragility Index	Effectiveness Score	Legitimacy Score	Security Effectiveness	Security Legitimacy	Armed Conflict Indicator	Political Effectiveness	Political Legitimacy	Regime Type	Economic Effectiveness	Economic Legitimacy	Net Oil Production or Consumption	Social Effectiveness	Social Legitimacy	Regional Effects
Dem. Rep. of Congo	**23**	11	12	2	3	War	3	3	X	3	3		3	3	Afr
Afghanistan	**22**	11	11	3	3	War	2	2	X	3	3		3	3	Mus
Sierra Leone	**21**	11	10	2	1	*	3	3	X	3	3		3	3	Afr
Somalia	**21**	9	12	2	3	War	1	3	X	3	3		3	3	Mus
Chad	**20**	10	10	2	2	War	3	2	X	2	3	7	3	3	Mus
Myanmar/Burma	**20**	10	10	3	3	War	2	3	Aut	3	3		2	1	
Sudan	**20**	10	10	3	3	War	3	2	X	2	3	3	2	2	Mus
Burundi	**19**	11	8	2	3	X	3		Dem	3	3		3	2	Afr
Cote d'Ivoire	**19**	9	10	1	2	X	3	3	X	2	2		3	3	Afr
Ethiopia	**19**	9	10	2	2	*	1	3	X	3	2		3	3	Afr
Liberia	**19**	11	8	2	2	X	3		Dem	3	3		3	3	Afr
Nigeria	**19**	10	9	2	2	War	3	1	X	2	3	6	3	3	Afr
Angola	**18**	9	9	3	2	X	2	1	X	1	3	26	3	3	Afr
Guinea	**18**	9	9		1	*	3	3	X	3	2		3	3	Mus
Iraq	**18**	8	10	3	3	War	3	3	X	1	2	21	1	2	Mus
Rwanda	**18**	9	9	2	1	*	1	2	X	3	3		3	3	Afr
Congo-Brazzaville	**17**	7	10	1	2	X	3	2	X	1	3	22	2	3	Afr
Guinea-Bissau	**17**	9	8		1	*	3	1	Dem	3	3		3	3	Afr
Nepal	**17**	10	7	2	3	X	3	2	Dem	3			2	2	
Niger	**17**	9	8		1	*	3	1	Dem	3	3		3	3	Mus
Uganda	**17**	9	8	2	3	War	2	1	X	3	2		2	2	Afr
Zambia	**17**	8	9		1		2	2	X	3	3		3	3	Afr
Zimbabwe	**17**	9	8		2	*	3	3	X	3	1		3	2	Afr
Algeria	**16**	6	10	2	3	X	2	3	X	1	3	20	1	1	Mus
Burkina Faso	**16**	9	7		1		3		X	3	3		3	3	Afr
Cameroon	**16**	6	10		2	*	2	3	X	2	3		2	2	Afr
Central African Republic	**16**	9	7		2	X	3	1	X	3	1		3	3	Afr
Eritrea	**16**	9	7	2	2	*	1	1	Aut	3	3		3	1	Afr
Yemen	**16**	7	9	1	2	War	1	2	X	2	3	6	3	2	Mus
Djibouti	**15**	7	8		1	*	2	1	X	2	3	-5	3	3	Mus
East Timor	**15**	9	6	2	1	*	2	1	Dem	3	3		2	1	
Haiti	**15**	9	6	1	2	War	2	1	X	3			3	3	
Mozambique	**15**	8	7	2	1	*			Dem	3	3		3	3	Afr

	Fragility Index	Effectiveness Score	Legitimacy Score	Security Effectiveness	Security Legitimacy	Armed Conflict Indicator	Political Effectiveness	Political Legitimacy	Regime Type	Economic Effectiveness	Economic Legitimacy	Net Oil Production or Consumption	Social Effectiveness	Social Legitimacy	Regional Effects
Pakistan	**15**	8	7	2	2	War	2	3	X	2			2	2	Mus
Tajikistan	**15**	9	6	1	1	*	3	2	X	3	2	-2	2	1	Mus
Togo	**15**	7	8		3		1	3	X	3		-1	3	2	Afr
Benin	**14**	6	8		1		1	1	Dem	2	3		3	3	Afr
Cambodia	**14**	10	4	2	2	*	3		X	3			2	2	
Comoros	**14**	7	7				3	1	Dem	2	3		2	3	Mus
India	**14**	7	7	3	2	War		3	Dem	2			2	2	
Malawi	**14**	7	7		1		1	1	Dem	3	2		3	3	Afr
Mali	**14**	7	7			*	1	1	Dem	3	3		3	3	Mus
Mauritania	**14**	7	7		1	*	2	2	X	2	2	-3	3	2	Mus
Azerbaijan	**13**	6	7	2	1	*	2	2	Aut	1	3	8	1	1	Mus
Bangladesh	**13**	7	6	1	2	*	1	2	Dem	3			2	2	Mus
Equatorial Guinea	**13**	4	9		2		2	1	X		3	267	2	3	Afr
Gambia	**13**	9	4				3		X	3	1		3	3	Mus
Ghana	**13**	7	6		1	*	2	1	Dem	3	2		2	2	Afr
Iran	**13**	6	7	2	2	*	2	1	Aut	1	3	14	1	1	Mus
Kenya	**13**	7	6		2	*	1		Dem	3	2		3	2	Afr
Madagascar	**13**	7	6		1		2	1	Dem	3	2		2	2	Afr
Tanzania	**13**	6	7		1			1	X	3	2		3	3	Afr
Uzbekistan	**13**	5	8		2		1	2	Aut	2	3		2	1	Mus
Bolivia	**12**	5	7		1		1	2	Dem	2	2		2	2	
Ecuador	**12**	4	8		2	*	2	3	Dem	1	3	11	1		
Egypt	**12**	5	7	1	2	*	2	3	X	1	1		1	1	Mus
Laos	**12**	5	7		1	*			Aut	3	3		2	3	
Papua New Guinea	**12**	5	7	1	1	*		1	Dem	2	3	1	2	2	
Solomon Islands	**12**	7	5	1		X	2	2	Dem	2	3		2		
Sri Lanka	**12**	6	6	3	3	War	1	3	Dem	1		-2	1		
Bhutan	**11**	5	6			*	1	2	Aut	2	1		2	3	
Guatemala	**11**	6	5	2	2	*	1	2	Dem	1		-1	2	1	
Lesotho	**11**	7	4			*	2	1	Dem	2			3	3	Afr
Moldova	**11**	6	5		1	*	1	3	Dem	3	1	-1	2		
Peru	**11**	6	5	2	1	*	2	1	Dem	1	2		1	1	
Senegal	**11**	6	5		1	*	1	1	Dem	2	1	-1	3	2	Mus

	Fragility Index	Effectiveness Score	Legitimacy Score	Security Effectiveness	Security Legitimacy	Armed Conflict Indicator	Political Effectiveness	Political Legitimacy	Regime Type	Economic Effectiveness	Economic Legitimacy	Net Oil Production or Consumption	Social Effectiveness	Social Legitimacy	Regional Effects
South Africa	**11**	4	7	2	2	*		2	Dem			-2	2	3	Afr
Turkmenistan	**11**	4	7		1		1	1	Aut	2	3	9	1	2	Mus
China	**10**	4	6	2	2	*		3	Aut	1			1	1	
Colombia	**10**	3	7	2	3	War		3	Dem	1	1	2			
Gabon	**10**	3	7		1		1		X		3	61	2	3	Afr
Georgia	**10**	5	5		2	*	2	2	Dem	2	1		1		
Bosnia and Herzegovina	**9**	3	6	1	1	*	1	3	X	1	2	-2			Mus
Guyana	**9**	3	6		1			3	Dem	2	1	-5	1	1	
Honduras	**9**	5	4		1	*	1	1	Dem	2	1	-2	2	1	
Indonesia	**9**	5	4	2	2	X	1	1	Dem	1			1	1	Mus
Israel	**9**	3	6	2	3	War	1	3	Dem			-14			
Kyrgyzstan	**9**	6	3		1		2	2	X	3			1		Mus
Lebanon	**9**	3	6	1	2	X	1	3	Dem			-11	1	1	Mus
Nicaragua	**9**	5	4	1	1	*			Dem	2	2	-2	2	1	
Syria	**9**	2	7		2			2	Aut	1	2	4	1	1	Mus
Turkey	**9**	3	6	2	2	War		3	Dem			-3	1	1	Mus
Kazakhstan	**8**	2	6		1		1	2	Aut		2	24	1	1	Mus
Libya	**8**	2	6		2		2		Aut		3	86		1	Mus
Mongolia	**8**	4	4		1				Dem	2	1	-2	2	2	
Morocco	**8**	4	4	1	1	*		2	Aut	1		-2	2	1	Mus
Paraguay	**8**	3	5		1		1	1	Dem	1	2	-2	1	1	
Saudi Arabia	**8**	1	7	1	2	X		2	Aut		2	127		1	Mus
Serbia	**8**	3	5	1	2	*	2	3	Dem			-3			
Swaziland	**8**	4	4		1		1		Aut	1		-1	2	3	Afr
Venezuela	**8**	2	6		2		2	2	X		2	32			
Armenia	**7**	4	3		1	*	2	2	X	1		-5	1		
Korea, North	**7**	3	4		3		1		Aut	1	1		1		
Russia	**7**	3	4	2	2	X	1		Dem		2	17			
El Salvador	**6**	4	2	2	1	*			Dem	1		-2	1	1	
Namibia	**6**	3	3		1				Dem	1		-3	2	2	Afr
Vietnam	**6**	4	2	1	1	*			Aut	2			1	1	
Botswana	**5**	2	3						Dem			-2	2	3	Afr
Croatia	**5**	1	4		1	*	1	3	Dem			-6			

	Fragility Index	Effectiveness Score	Legitimacy Score	Security Effectiveness	Security Legitimacy	Armed Conflict Indicator	Political Effectiveness	Political Legitimacy	Regime Type	Economic Effectiveness	Economic Legitimacy	Net Oil Production or Consumption	Social Effectiveness	Social Legitimacy	Regional Effects
Fiji	**5**	3	2				2	2	Aut			-4	1		
Jordan	**5**	2	3		1			2	X	1		-7	1		Mus
Montenegro*	**5**	2	3	1	2		1	1	Dem			-3			
Panama	**5**	1	4			*	1	1	Dem		3	-9			
Thailand	**5**	3	2	1	2	War	2		Aut			-4			
Tunisia	**5**	2	3		1		1	1	X				1	1	Mus
Ukraine	**5**	4	1		1		1		Dem	2		-2	1		
Albania	**4**	3	1		1	*	2		Dem	1		-2			Mus
Bahrain	**4**	0	4					1	Aut		3	10			Mus
Brazil	**4**	0	4		2			1	Dem					1	
Kuwait	**4**	1	3			*	1		Aut		3	305			Mus
Macedonia	**4**	2	2		1		1	1	Dem	1		-4			
Malaysia	**4**	0	4		1			3	X			-8			Mus
Mexico	**4**	1	3		2	*	1	1	Dem			6			
Oman	**4**	2	2				2		Aut		2	87			Mus
Romania	**4**	0	4		1	*		2	Dem			-2		1	
Trinidad	**4**	0	4		1			1	Dem		1	37		1	
Belarus	**3**	2	1		1		1		Aut	1		-5			
Cuba	**3**	0	3		1				Aut		2	-4			
Cyprus	**3**	0	3		1			2	Dem			-24			
Jamaica	**3**	1	2		2				Dem			-10	1		
Qatar	**3**	1	2				1		Aut		2	562			Mus
United Arab Emirates	**3**	0	3						Aut		3	282			Mus
Argentina	**2**	0	2			*			Dem		1	3			
Australia	**2**	0	2						Dem		2	-7			
Bulgaria	**2**	0	2		1			1	Dem			-5			
Chile	**2**	0	2			*			Dem		2	-5			
Norway	**2**	0	2						Dem		2	236			
Singapore	**2**	0	2					2	X			-65			
United Kingdom	**2**	1	1	1	1	*			Dem			1			
United States	**2**	1	1	1	1	War			Dem			-22			
Czech Republic	**1**	0	1					1	Dem			-7			
Estonia	**1**	0	1					1	Dem			-5			
France	**1**	0	1					1	Dem			-12			

	Fragility Index	Effectiveness Score	Legitimacy Score	Security Effectiveness	Security Legitimacy	Armed Conflict Indicator	Political Effectiveness	Political Legitimacy	Regime Type	Economic Effectiveness	Economic Legitimacy	Net Oil Production or Consumption	Social Effectiveness	Social Legitimacy	Regional Effects
Lithuania	**1**	0	0				1		Dem			-5			
New Zealand	**1**	0	1						Dem		1	-12			
Slovakia	**1**	0	1					1	Dem			-5			
Spain	**1**	0	1		1				Dem			-14			
Switzerland	**1**	0	1					1	Dem			-14			
Taiwan	**1**	0	1					1	Dem			-16			
Uruguay	**1**	0	1						Dem		1	-4			
Austria	**0**	0	0						Dem			-12			
Belgium	**0**	0	0						Dem			-23			
Canada	**0**	0	0						Dem			9			
Costa Rica	**0**	0	0						Dem			-4			
Denmark	**0**	0	0						Dem			14			
Finland	**0**	0	0						Dem			-15			
Germany	**0**	0	0						Dem			-11			
Greece	**0**	0	0						Dem			-14			
Hungary	**0**	0	0						Dem			-3			
Ireland	**0**	0	0						Dem			-17			
Japan	**0**	0	0						Dem			-15			
Korea, South	**0**	0	0						Dem			-16			
Latvia	**0**	0	0						Dem			-5			
Mauritius	**0**	0	0						Dem			-6			Afr
Netherlands	**0**	0	0						Dem			-20			
Poland	**0**	0	0						Dem			-4			
Portugal	**0**	0	0						Dem			-12			
Slovenia	**0**	0	0						Dem			-10			
Sweden	**0**	0	0						Dem			-15			

bility is the sum of the three indicators (a score of 4 is recoded as 3).

Political Legitimacy: Regime/Governance Inclusion (15 years), 1992-2006
Sources: Polity IV dataset, Ted Robert Gurr and Monty G. Marshall, Discrimination dataset, and Ted Robert Gurr and Barbara Harff, Elite Leadership Characteristics datasets. Four indicators are used to determine the "Governance Inclusion" score including Factionalism (Polity IV, 2006; PARCOMP value "3" = 1); Ethnic Group Political Discrimination against more than 5% of population (Discrimination, 2006; POLDIS values "2, 3, or 4" = 1); Political Salience of Elite Ethnicity (Elite Leadership Characteristics, 2006; ELETH values "1 or 2" = 1); and De facto Group Separation (Polity IV, 2006; FRAGMENT value greater than "0" = 1). Governance Inclusion is the sum of the four indicators (a score of 4 is recoded as 3).

Political Highlight: Regime Type (Figure 4: Global Trends in Governance, 1946-2006)
Source: Polity IV regime type, 2006. Dem = Democracy (6 to 10 on Polity scale); Aut = Autocracy (-10 to -6 on Polity scale); "X" = Anocracy (incoherent or inconsistence regime authority; -5 to +5 on Polity scale).

Economic Indicators

Economic Effectiveness: Gross Domestic Product per Capita (constant 2000 US$), 1999-2005
Sources: World Bank, World Development Indicators and UN Development Programme, Human Development Report. GDP/capita is determined by examining GDP/capita five-year average, 1999-2003, and most recent value, 2005; values are converted to a four-point fragility scale as follows: top 40% = 0; next 20% = 1; next 20% = 2; bottom 20% = 3; fragility scale values are then adjusted down 1 point for countries with superior growth and up 1 point for negative growth.

Economic Legitimacy: Share of Export Trade in Manufactured Goods, 1992-2004
Source: UNDP, Structure of Trade: Manufacturing exports as percent of merchandise exports (i.e., exports – primary commodities). Share of Export Trade in Manufactured Goods most recent and representative value is converted to a four-point fragility scale as follows: ≤10 = 3; >10 and ≤25 = 2; >25 and ≤40 = 1; >40 = 0.

Economic Highlight: Net Oil Production or Consumption
Source: US Energy Information Administration: Current Net Petroleum Consumption Indicator (Total Production – Total Consumption). Values are expressed in Barrels per Capita, 2004: negative values = net petroleum consumer; (highlighted) positive values = net petroleum producer; blank cell indicates a "neutral" value (neither net production nor net consumption exceeded 1 barrel per capita in 2004).

Social Indicators

Social Effectiveness: Human Capital Development, 2005
Source: UN Development Programme, Human Development Report: Human Development Indicator (HDI). HDI values are converted to a four-point fragility scale as follows: top 40% = 0; next 20% = 1; next 20% = 2; bottom 20% = 3.

Social Legitimacy: Human Capital Care, 2004
Sources: US Census Bureau and US Political Instability Task Force, Infant Mortality Rate, 2004, and UNDP Human Development Report, Comparison rankings for GNP/capita and HDI. Human Capital Care indicator is based primarily on the Infant Mortality Rate, values are converted to a four-point fragility scale as follows: top 40% = 0; next 20% = 1; next 20% = 2; bottom 20% = 3; the rating is then adjusted to account for superior or inferior performance, identified by comparing global GNP/capita and HDI rankings: if HDI ranking is more than 25 places above GDP/capita ranking, decrease fragility rating by one point, and, if HDI ranking is more than 25 places below GDP/capita ranking, increase fragility rating by one point.

Social Highlight: Regional Effects (Figures 5a-f: Regional Income Profiles)
Source: Mark Woodward, Religious Fractionalization dataset, 2000. Countries that are predominately Muslim and those comprising Sub-Saharan (non-Muslim) Africa are highlighted to draw attention to the serious "bad neighborhood effects" associated with these two world regions: "Mus" denotes countries included in the Muslim region, that is, countries in which the percentage of the population that adheres to a Muslim religion is greater than 50%; "Afr" denotes a country located in the Sub-Saharan Africa region.

1. The National Security Strategy of the United States of America 2006 can be found at URL: http://www.whitehouse.gov/nsc/nss/2006
2. The Peace and Conflict series can be found on the Web at URL: http://www.cidcm.umd.edu/inscr/PC01web.pdf (2001 edition); /inscr/PC03print.pdf (2003 edition); and /inscr/PC05print.pdf (2005 edition). The Center for Systemic Peace "Conflict Trends" report can be found on the Web at URL: http://members.aol.com/cspmgm/conflict.htm.
3. The Alert series can be found at URL: http://www.pangea.org/unescopau/english/alerta/alerta.php. The Human Security Report series can be found at URL: http://www.humansecurityreport.info. The Global Trends report can be found at URL: http://www.sef-bonn.org/de/index.php.
4. The "Peace-Building Capacity" index and "Ledger" is published in the Peace and Conflict series (see note 1); see, also, the "Africa Instability Ledger" developed for Peace and Conflict 2005. The World Bank Governance Indicators are described by D. Kaufmann, A. Kraay, and M. Mastruzzi, "Governance Matters V: The Governance Indicators for 1996-2005" at http://web.worldbank.org/WBSITE/EXTERNAL/WBI/EXTWBIGOVANTCOR/0,, contentMDK:21045419~menuPK:1976990~pagePK:64168445~piPK:64168309~theSitePK:1740530,00.html. The "Failed States Index" can be found at URL: http://www.fundforpeace.org/programs/fsi/fsindex.php.
5. For more information on the work of the Political Instability Task Force (PITF), originally established in 1994 as the State Failure Task Force, see the PITF section on the Center for Global Policy Web site at URL: http://globalpolicy.gmu.edu/pitf.
6. The "ultimate" expression of dyadic contention may be borne in the concepts of the "global hegemon," pitting the US against the World, or the "clash of civilizations," pitting modernists against traditionalists.
7. Interstate and civil wars must have reached a magnitude of over 1,000 directly-related deaths to be

included in the analysis. The magnitude of each major armed conflict is evaluated according to its comprehensive effects on the state or states directly affected by the warfare, including numbers of combatants and casualties, size of the affected area and dislocated populations, and extent of infrastructure damage. It is then assigned a single score on a ten-point scale; this value is recorded for each year the war remains active. See Monty G. Marshall, "Measuring the Societal Effects of War," chapter 4 in Fen Osler Hampson and David Malone, eds., From Reaction to Conflict Prevention: Opportunities for the UN System (Boulder, CO: Lynne Rienner, 2002) for a detailed explanation of the methodology used. A full list of the "major episodes of political violence" from which the data for figure 2 is compiled is posted on the Center for Systemic Peace (CSP) Web site at URL: http://members.aol.com/cspmgm/warlist.htm. The CSP Web site also tracks regional trends in armed conflict. Figure 2 updates the "Global Trends in Violent Conflict" that was previously featured in the Peace and Conflict series (note 1).

8. The greater problem of direct, intentional, and systematic attacks on civilian populations is most often attributed to "state terror" or state-sponsored "death squads." These types of atrocities have not been uncommon during the contemporary period and fall somewhere between the conceptual terms "lethal repression" and "genocide or politicide." For a contemporary survey of the problem of "genocide and politicide," see Barbara Harff, "No Lessons Learned from the Holocaust? Assessing Risks of Genocide and Political Mass Murder since 1955," American Political Science Review 97.1 (2003): 57-73.
9. India (636 killed) and Sri Lanka (338 killed) might also be considered "high incidence states." Most of the attacks in India during the study period have taken place over the past two years. Sri Lanka experienced several attacks early in the study period followed by a lull in attacks until resurgence in the past year. A list of HCTB events used in this analysis can be found with the "Conflict Trends" report on the Center for Systemic Peace Web site (note 2).
10. The Polity IV data set was originally designed by Ted Robert Gurr and coded by Erica Klee Gurr and Keith Jaggers; the Polity IV Project is now directed by Monty G. Marshall at the Center for Global Policy (CGP), George Mason University. It has annually coded information on the qualities of political institutions for all independent countries (not including micro-states) from 1800 through 2006 and is updated annually by Marshall and Jaggers. The data set is available from the CGP Web site at URL: http://globalpolicy.gmu.edu. The indicators are described and analyzed by Keith Jaggers and Ted Robert Gurr in "Tracking Democracy's Third Wave with the Polity III Data," Journal of Peace Research, vol. 31 No. 4 (1995), pp. 469-482.
11. The analysis of governance factors and global trends in governance based on the Polity IV data set were previously featured in the Peace and Conflict series (note 1).
12. Also included in the anocracy category are countries that are undergoing transitional governments (coded "-88" in the Polity IV dataset) and countries where central authority has collapsed or lost control over a majority of its territory (coded "-77" in the dataset).
13. The Polity IV dataset does not include information on micro-states; a state must have reached a total population of 500,000 to be included.
14. In the Polity IV data set, "factionalism" is defined operationally as a code "3" on the "competitiveness of political participation" (PARCOMP).
15. The Political Instability Task Force (PITF) findings are reported regularly; the problem of factionalism emerged in the most recent (Phase V) findings. Task Force reports, including papers detailing the Phase V findings, can be accessed from the PITF Web site at URL: http://globalpolicy.gmu.edu/pitf.
16. See Monty G. Marshall, Third World War: System, Process, and Conflict Dynamics (Lanham, MD: Rowman & Littlefield, 1999) for a detailed examination of system effects. An electronic copy of the book can be found on the Center for Systemic Peace Web site at URL: http://members.aol.com/cspmgm/tww. See also, the Peace and Conflict and PITF reports.
17. See Chapter 6 in Third World War (note 16) for a detailed explanation of this approach.
18. Gini Indices are reported in the UNDP 2006 Human Development Report (table 15).
19. See Figure 6.3 (p. 218) in Third World War for 1958 and 1978 Lorenz curves for Western Europe; Figure 6.4 (p. 219) displays 1958 and 1978 Lorenz curves for South America.
20. The regional profile for the expanded European Union closely resembles the profile for the Central America region (not shown). The Central America region was characterized by several, intense civil wars and frequent political instability in the years prior to the end of the Cold War; its profile has remained stagnant since 1992.
21. The Asia Regional Profile does not include the wealthy, peaceful, and democratic states of Australia, Japan, and New Zealand (and Taiwan).
22. South Asia and East Africa have the highest levels of armed conflict in early 2007.
23. There is a considerable degree of overlap between the Asia region and the Muslim region presented in Figure 5f; nine countries in Asia are predominantly Muslim: Bangladesh, Indonesia, Kyrgyzstan, Kazakhstan, Malaysia, Pakistan, Tajikistan, and Uzbekistan (Afghanistan is not included in the regional analyses due to lack of data).
24. If we use the United States as the baseline region for income growth, only the Asia region (+60%) has managed to narrow the "income gap" since 1992.
25. There is no overlap of countries between the Sub-Saharan Africa and Muslim Countries regional profiles.
26. Net oil-producing democracies include Argentina, Canada, Colombia, Denmark, Ecuador, Mexico, Norway, Papua New Guinea, Russia, Trinidad and Tobago, and The United Kingdom.