



# IPCS

INSTITUTE OF PEACE AND CONFLICT STUDIES

Innovative Research | Independent Analysis | Informed Opinion

## IPCS Debate

# FAILED STATES INDEX (FSI) REPORT

## A CRITIQUE

*Edited by*  
Roomana Hukil



The FSI Report: Is Bangladesh a Failing State?

Delwar Hossain



Nepal: Failure of the Failed States Index

Pramod Jaiswal



The Failed State Index and South Asia:  
Revisiting the White Man's Burden

Salma Malik



India and the Failed States Index

PR Chari



Nepal and the Failed States Index

Yelisha Sharma



Kaushalya Ruwanthika Ariyathilaka

Failed State Index Fails Sri Lanka



# IPCS

INSTITUTE OF PEACE AND CONFLICT STUDIES

### About the Debate...

In the recent years, there has been an increased focus at the global level on Failed and Failing States. Where does South Asia stand? How does the region perceive itself in terms of State failure and fragility? The Institute is attempting to capture the debate in South Asia, and also strengthen its research focus on State Failure and Fragility, from a regional perspective.

Prof. Delwar Hossain (Bangladesh), Salma Malik (Pakistan), Pramod Jaiswal (Nepal), Yelisha Sharma (Nepal), Kaushalya Ruwanthika Ariyathilaka (Sri Lanka), and PR Chari (India), make assessments of the various nuances with respect to the Failed States Index Report in their individual commentaries. Each year's Failed States Index analyzes how countries performed during the previous year. In the ninth annual Failed States Index. The focus on FSI was on the indicators of risk and was based on the factors that diminish greater stability worldwide.

However, the focus of the critiqued report has laid emphasis on addressing the major contributing factors for state failure vis-à-vis their primary compulsions in the light of demonstrating their individual capacities and performances in contemporary time.

Roomana Hukil

### CONTENTS

The FSI Report: Is Bangladesh a Failing State? <i>Delwar Hossain</i>	3
Nepal: Failure of the Failed States Index <i>Pramod Jaiswal</i>	4
The Failed State Index and South Asia: Revisiting the White Man's Burden <i>Salma Malik</i>	6
India and the Failed States Index <i>PR Chari</i>	10
Nepal and the Failed States Index <i>Yelisha Sharma</i>	11
Failed State Index Fails Sri Lanka <i>Kaushalya Ruwanthika Ariyathilaka</i>	13

## The FSI Report: Is Bangladesh a Failing State?

Delwar Hossain

Director , East Asia Study Center, University of Dhaka, Bangladesh

Since the end of the Cold War, several categories are used to understand the capacity, performance, changes and dynamics of the State – including ‘competition state’, ‘failed state’, ‘crisis state’, ‘fragile state’, ‘rogue state’, ‘weak state’, ‘ineffective state’, ‘neo-patrimonial states’, ‘warlord states’, ‘quasi states’, a ‘country at risk of instability’ or ‘under stress’, and even a ‘difficult partner’. Most of these categories are highly political and controversial.

Failed State (FS) is one of such categories. The ranking of states based on Failed State Index (FSI) has drawn enormous attention from its critics who even termed the concept meaningless and a western myth. Analysts have questioned both the methodology and parameters of failed state. However, the attempt of ranking the state based on FSI explores the nature of states with particular focus on their capacity and sustainability in the era of a global age. The pivotal reference point is the post-cold war era as indicated above.

Bangladesh is ranked 29th in the bottom of the 2013 Failed States Index along with Afghanistan, Nepal, Pakistan, and Sri Lanka in the same category or below. Barring India, all major actors of South Asia could not score enough points to raise their ranks at least at the moderate level.

Bangladesh’s position has moved between 12 and 19 during 2005-10 and it ranged between 24 and 29 during 2011-13. Bangladesh has improved its FSI ranking from the lowest 12th to the highest 29th over the last nine years. What does it signify for Bangladesh as a nation-state? At a larger level, the same question may be posed to many of the developing countries in the world as they are also part of ranking. More specifically, is Bangladesh a failed state?

The positioning of Bangladesh in the FSI Ranking over the years clearly indicates that the country is almost a failed state. Paradoxically, it has really failed to demonstrate the capacity and performance of Bangladesh as a post-colonial state. While looking at the 2013 ranking one may easily get bewildered.

The following positions are particularly puzzling in the 2013 index: Bangladesh (29); Myanmar (26), Iraq (11); Syria (21), North Korea (23) and Libya (54).

The level of failure as a state in the cases of Myanmar, North Korea and Syria with authoritarian regimes in power, closed societies and command economies for decades shows difference with Bangladesh only by the range of 2-5 points in total score. Politics, society and economy in Bangladesh are almost a contrast of these nations which do not reflect in the rankings of FSI. Rankings of these states, for example, have failed to capture the continuum of failure mentioned in

*Bangladesh is ranked 29th in the bottom of the 2013 Failed States Index along with Afghanistan, Nepal, Pakistan, and Sri Lanka in the same category or below. Barring India, all major actors of South Asia could not score enough points to raise their ranks at least at the moderate level.*

the table. Bangladesh suffers from political violence, political instability and corruption as part of its process of political development. On the other hand, the country has been able to establish a liberal democracy, open market economy and democratic society. The country has achieved notable success in social indicators including women empowerment. The sustained growth rate of gross domestic product (GDP) has widened the opportunities for livelihoods at rural and urban levels. Ironically, the FSI ranking has been unable to shed light on these vital aspects of socio-economic and political development due to methodological problems.

Both in conceptual and empirical terms, the FSI ranking rather shows that it is untenable to rank the Westphalian state as a human organization. State is so dynamic, multidimensional and context oriented that cannot be captured in the parameters measured by numbers. It is more of qualitative assessment that may give an idea about a state regarding its failure or any tendency. The difference between Finland (178) or Sweden (177) and Somalia (1) or South Sudan (4) cannot be understood by the difference in their rankings. Similarly, one cannot understand the difference between Bangladesh (29) and Kazakhstan (109) or Mongolia (129), by highlighting their positions in the ranking.

*Experiences of statehood in the post-colonial states, any conceptualization of efficacy and capacity of states should be linked with nation-state building process. A state is failed or fragile because it has deficiency in its nation-state building capacity for ensuring political, economic and social stability in its polity. The failure in nation-state building process provides an explanatory variable as to how a transition from a normal state to state failure becomes possible.*

Experiences of statehood in the post-colonial states, any conceptualization of efficacy and capacity of states should be linked with nation-state building process. A state is failed or fragile because it has deficiency in its nation-state building capacity for ensuring political, economic and social stability in its polity. The failure in nation-state building process provides an explanatory variable as to how a transition from a normal state to state failure becomes possible.

However, from an academic viewpoint, there may be a rethinking of FSI as applied by the Fund for Peace for giving a real meaning to this idea. Three points are critical in this regard. First, the term or category 'failed' needs to be given up considering the fact that no state is 'failed' in reality. Historically, states are engaged in a process of social change which is dynamic not static. It is a long drawn struggle for survival and emancipation. Second, the weightage in every indicator of the index and total points needs to be changed in order to see the real difference between or among the states in the survey. Finally, there is a need for more academic engagement on capacity of states which would help further refining of our conceptual framework to understand various dimensions of states in the era of globalization.

## Nepal: Failure of the Failed States Index

Pramod Jaiswal

Research Scholar, Jawaharlal Nehru University

The Fund for Peace's ninth annual Failed States Index (FSI) has been released. The index looks at four Social Indicators (Demographic Pressures, Refugees and IDPS, Group Grievance, Human Flight), two Economic Indicators (Uneven Development and Poverty and Economic Decline) and six Political and Military Indicators (Legitimacy of the State, Public Services, Human Rights, Security Apparatus, Factionalized Elites and External Intervention) to rank 178 countries around the world intending to analyze their proximity towards the failed state.

Since the index has given equal weightage to all the twelve indicators and it has also taken four social indicators, two economic and six political and military indicators, the room for criticism is ample. Not all the indicators have equal potential to demonstrate a state as failed. Index also shows that Political and Military indicators are more responsible (as it has six indicators) than Social (four categories) and Economic indicators (two categories) in ranking the state as failed.

This argument again is dubious as different countries have different factors, different challenges that could lead it to the stature of a failed state. For instance, one state can use Demography as an asset while it can be a liability to another. Some of the indicators can be combined, such as 'Group Grievance' with 'Factionalized Elite' and 'Human Rights' with 'Security Apparatus'. The protection of human rights is influenced by how the Security Apparatus works. Moreover, a grave deliberation is unavoidable on how each country views the state legitimacy of others. The concept of successful Western Liberal Democratic states is taken as the indicator for the calculation of the index. The factors taken into consideration for measuring each indicator is imprecise as well.

It is hard to believe that most African countries have better human rights records than countries like India, China and Russia. The FSI is based on the number of challenges a nation faces but it fails to take into account, its capacity to deal with the challenges.

Nepal, a country in transition, is ranked 30 in the latest report while it was 27 in 2012. Notably, it was 35 in 2005 and 20 in 2006. 2005 was the year when Nepal was under direct rule after King Gyanendra dismissed the elected government and declared a State of Emergency. Freedom of the Press was attacked and much to the knowledge of everyone, human rights violation was extensive. The country

*It is hard to believe that most African countries have better human rights records than countries like India, China and Russia. The FSI is based on the number of challenges a nation faces but it fails to take into account, its capacity to deal with the challenges.*



was in serious crisis and instability was prevalent. However, FSI report failed to reflect on it. The report seems to be incorrect and unconvincing. Although people took to streets against the King in 2005, the report states that group grievance was as low as 5.6 in 2005 but sharp increase of 9.2 has been shown in 2006 when people got hope for stability with the signing of Comprehensive Peace Accord (CPA). The monarchy was abolished and a decade long civil war ended. The report of 2005 embodies the influence of the then dictatorial regime. In 2007, group grievances should have increased as Madesh Movement erupted in the southern plains of Nepal but the report fails to take it into account.

It is unconvincing to note that human flight was 4 in 2005, while people lived in fear during emergency rule of King Gyanendra and it increased after democratic and republic regime was restored in Nepal. Human rights violation was very high in 2005 under direct rule of King Gyanendra which is rightly predicted. There is slight improvement in this field in 2013 with score of 7.9. It has rightly pointed out that there is no change in security apparatus of 2005 and 2013 while there were ups and downs between both the periods. The FSI does not provide deep and comprehensive analysis on the situation of Nepal. It fails to convince that public service was better in 2005 and 2006 while it deteriorates in later years. It is hard to accredit that FSI follows proper methodology to measure the legitimacy of the state. It gives almost similar score to dictatorial regime of King Gyanendra and elected government of Nepal. The movement of Refugees and IDPs was 8 in 2005, a number which fell drastically in 2006 but again accelerated in later years, which is implausible. The index seems to be correct on external intervention indicator of Nepal.

*Much of the group grievances and varied opinions of elites are heard after revival of democratic culture in Nepal which guarantees safety and security to the people. If the Constituent Assembly Election II takes place as scheduled and new constitution is promulgated, it will create a space to believe that Nepal will secure itself a better position in FSI index.*

Nepal is passing through a crucial phase of transition. It is struggling to get its constitution written from Constituent Assembly and an agreement on federalism issue looks far-fetched. Despite all these challenges, Nepal is standing on comparatively stable grounds than in the past. The violent civil war has come to

an end and there is remarkable decline in the number of protests and strikes. Much of the group grievances and varied opinions of elites are heard after revival of democratic culture in Nepal which guarantees safety and security to the people. If the Constituent Assembly Election II takes place as scheduled and new constitution is promulgated, it will create a space to believe that Nepal will secure itself a better position in FSI index.

## The Failed State Index and South Asia:

### Revisiting the White Man's Burden

Salma Malik

Department of Defence & Strategic Studies, Quaid-i-Azam University, Islamabad, Pakistan

The failed state phenomenon is much like the proverbial Humpty Dumpty, which once it falls off the wall becomes pretty difficult for the king's men to pick up off the floor and put back together again. Thus making the global community weary and watchful of another Humpty Dumpty take a tumble, as firstly this creates a huge splatter that certainly leaves marks on everyone around it. And the closer the state is, the worst is the impact and secondly the size of the problem becomes mammoth and no longer possible to handle or contain.

This is a very simplistic take on the national security doctrine initiated by the American president George Bush back in 2002. From president Bush's statement that "America is now threatened less by conquering states than we are by failing ones," the same dilemma continues to haunt the Obama administration and security aides as well as policy makers, which is evident from Robert Gates' prophetic words in 2011 that "in the decades to come, the most lethal threats to the United States' safety and security – are likely to emanate from states that cannot adequately govern themselves or secure their own territory." Therefore, failed or failing states considered as a clear and present threat to US safety and security are to be prevented or rather preempted.

Thus encompassing a dangerous trend providing the US the legitimacy and approval to intervene in any country, such as Libya on humanitarian grounds, in order to prevent the spread of more such cases.

This somewhat resonates of the "white man's burden" that neither served its colonial masters in the past, nor could deliver any relief to any of the antagonists under the current scenario, but exacerbated the overall security situation. It ended up turning stressed yet stable countries into totally chaotic, free for all battlefields which spelled disaster for not only the countries themselves but for all concerned, on the pretext of regime change. The question that pops up in one's mind is, would this moral argument be equally applied to every fragile, weak and failing state? Or is it case specific? Unfortunately the trend appears tilted more towards the latter. Where on one hand, global powers such as the US definitely find threats emanating from failing states inimical to their security, not all such

*One of the most glaring examples could be that of complete inaction by US and the world community during the hundred day long genocide and complete failure of state apparatus in Rwanda, which claimed approximately 80000 lives. Rwanda neither in the past nor today holds significant interest for the global community, to the extent that it did not even merit a UN preventive meeting during the height of the 1994 genocide, until it was too late.*

cases acquire a high priority status. Nor every failing state poses a direct threat to the US and its allies.

One of the most glaring examples could be that of complete inaction by US and the world community during the hundred day long genocide and complete failure of state apparatus in Rwanda, which claimed approximately 800000 lives. Rwanda neither in the past nor today holds significant interest for the global community, to the extent that it did not even merit a UN preventive meeting during the height of the 1994 genocide, until it was too late.

So why should the global powers be alarmed about state failure? How is it gauged and assessed? And how absolute is this failure to start seeking an alternate universe in case we are entitled to be members of

*Whereas, in the very high warning category, Bhutan moved from 59th to 62. Lastly India, which occupies the high warning slot bettered to 79 from 78, whereas Maldives retained its 88th position in the same category. In individual categories, only Afghanistan has the worst indicators with regard to external intervention and security apparatus. The latter indicator also includes Pakistan, however even the better ranking countries on the FSI failed to make it to the best performers profile.*

an endangered species. It was not only incidents like Rwanda, but a direct attack on US homeland security in the shape of monumental 9/11, and its long-spread roots in Afghanistan that led to the development of this new discourse. Besides the new emerging “green arching crescent of crisis,” the “failed” status of Afghanistan as an aftermath of post Geneva accord’s civil war was cited as the biggest reason. Ironically, however, the totalitarian regime of Taliban took over Kabul and events fast led to 9/11. The total collapse of state and governance, rampant warlordism, near to absent human security and the rights of a population either displaced or residing near abroad as refugees, made Afghanistan a classic case study where all types of non-state actors operated openly and became the masterminds of terrorism, did not elicit any global action, until their interests demanded.

In South Asia unlike the West, social discourse is still more qualitative than quantitative. Therefore, each year the Failed State Index (FSI), a brain child of Fund for Peace, is dreadfully anticipated like a year end result card by the 178 pupils (states) registered, who are judged against two categories that hold a total of twelve performance criterion. As expected, the South Asian neighbors have invariably ranked in the first 100s. The six categories against which they are judged are: demographic pressures, refugees and IDPs, uneven economic development, group grievance, human flight and brain and lastly poverty and economic decline amongst the socio-economic indicators and state legitimacy, public services, security apparatus, human rights and rule of law, factionalized elites and lastly external intervention amongst political and military indicators.

For 2011 as well as 2012, these neighbors have predictably shown more or less consistent positions, Starting from the high alert category, Afghanistan has moved up from the 6th to 7th position, Pakistan remained a constant 13, Nepal improved from 27th to 30th position in the alert category, Bangladesh a consistent 29th, Sri Lanka slipped down one slot to 28 from its previous 29. Whereas, in the very high



warning category, Bhutan moved from 59th to 62. Lastly India, which occupies the high warning slot bettered to 79 from 78, whereas Maldives retained its 88th position in the same category. In individual categories, only Afghanistan has the worst indicators with regard to external intervention and security apparatus. The latter indicator also includes Pakistan, however even the better ranking countries on the FSI failed to make it to the best performers profile.

The South Asian countries couldn't but be more diverse. Starting with Afghanistan, despite billions of dollars worth of investment and a continued Western presence which wants to leave the country as a functional and stable democracy, still retains the factors that contributed to its total breakdown and failure a decade plus back, and may unfortunately fare worse on the Index after 2014. How much should Afghanistan be blamed for this state of affairs, as US along its Western Allies have been working very hard for the past 12 years on "Project Afghanistan" as they deem fit, ignoring some critical fundamentals, which they realized too late and are now on a timeline, which can never ensure desired results. America's initial no compromise, no dialogue and military heavy strategy, proved unsuccessful, despite friendly advice from neighboring states to engage in dialogue with opposition forces. In fact the colonial expeditions into Afghanistan which proved disastrous for the British also had similar military heavy approach to it, and ended in similar failures. The US attempts to engineer a new system of governance and politics has also not been successful. The latter was put more in place in order to redeem for the sins of the faulty Geneva Accord that caused the extremely weak post conflict Afghanistan to fail completely during the decade of the 1990s.

*Will countries on very high alert status fall and splatter like Humpty Dumpty, compelling the king's men to scramble to the rescue? To take the worst case indexed, i.e. Afghanistan and applying formulae such as division of ethnic-sectarian grounds despite the internal chaos have totally been rejected and aggressively resisted. Similar cartographies are planned, shelved and reconsidered with regards Pakistan. Can such experiments work? Is it so easy to break a country and experiment with it? How long will the 'White Man' shoulder the mercenary zeal to correct and reform the global pagans?*

Sharing the High Alert Category alongside Afghanistan is neighboring Pakistan. Though conveniently clubbed as a singular war and strategic zone "Af-Pak" by the US administration, and having equally bad security indicators as Afghanistan, is Pakistan condemned to be a failed state? There is no denying that proximity to a minimum of three decades long war zone, inherent contested borders and territory, long drawn conventional conflict, colonial legacy, refugee pressure compounded later by IDP presence and indigenously poor governance leave Pakistan in a very fragile situation, yet none of these problems are incurable. Interestingly the FSI does an excellent job in highlighting the bad indicators, what it doesn't highlight are the factors that can positively impact. A proactive media, democracy becoming stronger, judicial activism and civil society awareness are few of the positives the country has to show. Where Pakistan is a classic case of poor governance, with external and internal stress compounding, by no means,

it can be considered a failed state, as selectively projected.

*Still, no state can island itself within the international system. State failure, for example, in any part of South Asia arising from ecological disaster or economic collapse or inability to contain terrorism could transcend borders and affect other parts of the region. Realistically, however, the international system has only a limited ability to influence the domestic processes that predicate state failure in this fashion.*

Maldives which ranks 79 is already looking for a new land to settle, as oceanic water levels are posing a big threat to the archipelago's future survivability, whereas Bangladesh with similar issues is indexed 29. Unfortunately at times such indices are selectively applied as well, for countries with better relations with US have managed to fare better despite questionable human rights, poverty indicators and large scale grievances, case in point being the Kashmiri population as well as now evident and much discussed "genocidal actions" of Sri Lankan government, while crushing the Tamil insurgency.

Pitching developing countries such as those in South Asia with the developed world will always yield drastic indicators. Secondly the notion of "failure" makes the entire situation much dire and morbid. Perhaps more appropriate would be to assess the fragility or weakness of a given state, which may have inherent or acquired traits that could lead to state collapse. The much touted Arab Spring which has been widely celebrated by the West was never a revolution but initially an indigenous protest against repressive regimes, which was later captured and manipulated by external actors for their vested interests. The discomfort of Western elites was palpable when Egyptian elections brought Muhammad Morsi in to power with overwhelming majority, and his recent removal shows a lack of comprehension of domestic dynamics by the global powers.

Will countries on very high alert status fall and splatter like Humpty Dumpty, compelling the king's men to scramble to the rescue? To take the worst case indexed, i.e. Afghanistan and applying formulae such as division of ethnic-sectarian grounds despite the internal chaos have totally been rejected and aggressively resisted. Similar cartographies are planned, shelved and reconsidered with regards Pakistan. Can such experiments work? Is it so easy to break a country and experiment with it? How long will the 'White Man' shoulder the mercenary zeal to correct and reform the global pagans?

The takeaway of the FSI for individual countries is to work out their weaknesses and improve their holistic security and governance indicators. The road to reforms and civilian oversight is long and tedious but not impossible. For the bigger powers, the need is to understand and empathize with the local dynamics rather than impose and enforce solutions made in a sterile briefing room of a policy making outfit. In the global chess game, the States may be a pawn with calculations assessed through such indices, but on the ground, States are real entities with populations adversely affected by ill planned moves and strategies.

## India and the Failed States Index

PR Chari

How one defines state failure lies at the heart of any meaningful analysis of the failed states index (FSI). According to the Washington-based Fund for Peace that designed the index, a failed state is recognized by:

- loss of control over its territory, affecting its monopoly to legitimate use of physical force therein;
- erosion of legitimate authority to make collective decisions;
- inability to function as a full member of the international community.

The idea of Pakistan failed spectacularly in 1971 when it lost its eastern wing, and Bangladesh was born. The secession of parts of a country would thus seem to offer the ultimate criterion to recognize state failure. Its likely fragmentation would also qualify, which could happen to Afghanistan after 2014. So could their rapid descent into chaos, which makes Somalia, Congo, Sudan, South Sudan and Chad—all Sub-Saharan countries—uniquely singular as the countries most vulnerable to state failure. The international system abhors instability, and is interested therefore in recognizing early signs of states failing to stem this contagion from spreading.

Still, no state can island itself within the international system. State failure, for example, in any part of South Asia arising from ecological disaster or economic collapse or inability to contain terrorism could transcend borders and affect other parts of the region. Realistically, however, the international system has only a limited ability to influence the domestic processes that predicate state failure in this fashion.

By contrast, a failing state that is gravitating towards state failure can be recognized by weak and ineffective governance with loosening control over its territory; inability to provide public services; widespread corruption and criminality; refugees and involuntary movements of people; and sharp economic decline. There are huge difficulties, however, in parsing these subjective judgments to frame foreign policy. For instance, how much is the loss of territory under government control that would qualify a state to be “failing”? Are civil society movements indicting the State for tolerating corruption, providing immunity to criminals, but neglecting education, public health, social and civic services providing a truer identification of a failing state?

*The economic factors include uneven economic development on group lines, and severe economic decline. Political factors comprise criminalization and/or delegitimization of the state; deterioration of public services; suspension or arbitrary application of laws; extensive human rights abuses; security apparatus becoming a "state within a state"; rise of factional elites; and, intervention by external political agents.*

These questions are relevant for India. In 2013 it has been ranked 79 in the FSI listing of 178 states, improving its position slightly from 78 in 2012. Incidentally, Afghanistan (7) and Pakistan (13) lead the 2013 Index in South Asia, followed by

Sri Lanka (28), Bangladesh (29), Nepal (30); all them fall in the highest sub-category "Alert" in the FSI, Bhutan (63), India (79), and Maldives (88) are some distance behind in the Index, and are included in the next sub-category "Warning".

One must go deeper into the criteria for estimating the vulnerability of states adopted by the FSI to understand its construction. Some 12 factors, grouped under social, economic and political criteria, have been isolated. The social factors include: mounting demographic pressures; massive displacement of refugees; widespread vengeance-seeking group grievances; chronic and sustained human flight. The economic factors include uneven economic development on group lines, and severe economic decline. Political factors comprise criminalization and/or delegitimization of the state; deterioration of public services; suspension or arbitrary application of laws; extensive human rights abuses; security apparatus becoming a "state within a state"; rise of factional elites; and, intervention by external political agents.

*The most affected year as per the index is the year of 2006. During 2006, Nepal was up by 15 position on the radar occupying the 20th position. It could be argued that this is because the consequences of war are actually lingering and felt afterwards than during the war itself. Hence, the repercussions of the decade long conflict were seen at the highest level when the conflict actually was coming to halt.*

The Fund for Peace apparently relies on its proprietary Conflict Assessment Software Tool (CAST) to analyze data to obtain final scores for the FSI. Based on reviewing a large number of documents, countries are given scores based on the 12 political, social and economic indicators listed above (which includes over 100 sub-indicators). These scores are checked against two key aspects viz. quantitative analysis and qualitative inputs based on major events in the countries under scrutiny. And, further cross-checked by human analysis to ensure that the raw data has not been misinterpreted by the computer software. It is claimed that the strength of this analysis lies in its methodological rigor and systematic integration of a wide range of data sources.

Still, major problems persist. India (77) has been adjudged as more likely to fail than the Maldives. The fragile nature of democracy in the Maldives is painfully evident. Moreover, global warming and rising sea levels present an existential danger to its territory. Placing the Maldives above India in the FSI is, therefore, egregious. It is also arguable whether factors like human flight and state legitimacy among the 12 indicators chosen are relevant to India. Further, in the total FSI score of 77.5 for India, the most significant are vengeance-seeking group grievances (8.2) and uneven economic development (8.1), closely followed by security apparatus becoming a "state within a state" (7.8) and mounting demographic pressure (7.5). Inflation, corruption, criminalization of the political system, dysfunctional bureaucracy and law and order apparatus seem more relevant with several parts of the country falling under the control of ethnic and Left Extremist groups. Sadly, the reality underlying failed and failing states is much more complex than made out in the FSI, which should be borne in mind.



## Nepal and the Failed States Index

Yelisha Sharma

Research Fellow, Centre for South Asian Studies

The Fund for Peace has been developing a Failed State Index since 2005. The most interesting feature of this index are the indicators it takes into account. The position of various states all over the world is analysed on the basis of 12 indicators which takes into consideration not just the national security and economy of any state but dimensions like group grievances and human rights situation.

Being a post conflict country in transition, all these parameters are quite relevant for Nepal. Out of all the indicators, the measure of group grievances is quite steep. It was minimal in 2005 i.e 5.6 and seems to have increased over a period of time. Especially sharply to 9.2 in the year 2006 and is still very high i.e 9 in the year 2013. Abolition of Hinduism, the Madhes Andolan which was actually waged by the Madhesi community to forward their rights and increasing discourse on inclusiveness which all happened after 2006 seem to be the contributing factors in the rise of group grievances and hence reflected in an increasing trend in the index. However, the movement of IDPs and refugees which was scored 8 in 2005 should have increased in the following years but that is not the case according to the index. In contrary the movement seems to have decreased in the following years being 4.8 in 2006 and 7.7 in 2013, only increasing slightly in between 2007- 2012.

*Currently, Sri Lanka is in poor company, along with eighteen other countries including North Korea and Syria, and has been designated to the “Alert” category. With the exceptions of Afghanistan and Pakistan, Sri Lanka’s South Asian neighbors have fared better than Sri Lanka in the Index.*

In addition, a little discomfoting is the ranking assigned to Nepal in 2005 when Nepal was still witnessing the brunt of war between the government and Maoist insurgents and the 2013 ranking when Nepal is relatively stable and in a post conflict phase. One would presume Nepal’s ranking would be very high in 2005 as the country was still in war mode than in 2013 when it is much stable but the ranking is otherwise in the index. In 2005 Nepal has been assigned the 35th position and in 2013 it occupies the 30th position. This ranking seems to be incorrect and unconvincing in the first instance but a deeper analysis of Nepal’s ranking in the in between years of 2006-2012 provides a logical answer as to why Nepal’s situation was far better than imagined in the year 2005. The most affected year as per the index is the year of 2006. During 2006, Nepal was up by 15 position on the radar occupying the 20th position. It could be argued that this is because the consequences of war are actually lingering and felt afterwards than during the war itself. Hence, the repercussions of the decade long conflict were seen at the highest level when the conflict actually was coming to halt.



After having experienced the most failed position in the year 2006 and finally with the signing of the peace accord in the later half of 2006, from the year 2007 onwards Nepal has been struggling to improve its position. Such a trend can be inferred by analysing Nepal's position in the index from 2007-2013. In 2007 Nepal occupied 21st position, 23rd position in 2008, 25th position in 2009, 26th position in 2010 and 27th position in 2011 and 2012. Hence in 2013 it seems to have come to a full circle by occupying the 30th position and trying to come to par with its position in 2005 when the consequences of conflict had minimal impact.

It would have been a lot more interesting to see Nepal's ranking during the conflict years of 1996 till 2004 but unfortunately there is no data for this period. However, it would be interesting to keep an eye on the position of Nepal in 2014. If the upcoming constituent assembly election scheduled for November 2013 happens smoothly and perhaps controversial issues like federalism are tackled well in drafting of a new constitution Nepal should rank fairly well in the upcoming index. Also, the fund for peace has been mostly relying on data generated from written documents while projecting the country in the index but in the coming years it should also get first hand information from the local people across all the levels through direct interviews as that would make the country's projection more accurate.

*The current Sri Lankan government has indeed performed poorly in the last year across a variety of sectors that adds into the FSI categories. Nonetheless, can the Sri Lankan state be delegitimized just because the current government has underperformed? The ordinary Sri Lankan still feels and recognizes a strong state, even with the economic decline and weak Rule of Law, making it imprudent to group Sri Lanka with the likes of Syria.*

## Failed State Index Fails Sri Lanka

**Kaushalya Ruwanthika Ariyathilaka**

Intern, Regional Centre for Strategic Studies, Colombo, Sri Lanka

Sri Lanka has slipped down to the 28th position in the 9th Failed States Index (FSI) after being identified as the 29th state in the 2012 Index. This year's drop owes to Sri Lanka's poor performance in seven of the categories: Group Grievance, rise of Poverty and Economic Decline, Delegitimization of the state, Human Rights and Rule of Law, Fractionalized Elite and External Intervention.

Currently, Sri Lanka is in poor company, along with eighteen other countries including North Korea and Syria, and has been designated to the "Alert" category. With the exceptions of Afghanistan and Pakistan, Sri Lanka's South Asian neighbors have fared better than Sri Lanka in the Index.

The FSI ranking indicates how policymakers still find the 'failed state' concept to be important, despite being widely rejected by scholars. Policymakers find it convenient

to have at least a rough empirical estimate at a global level to group countries into categories according to their performance as states. Supposedly FSI is to be a guideline for policymakers that are concerned about state failure; yet FSI fails insofar as it is applied for this purpose.

FSI attempts to measure 12 social, political and economic indicators from somewhat empirically measurable demographic pressure, human rights and external intervention to highly abstract and subjective measures such as group grievances and state legitimacy. Thus begins the manifold methodological flaws of the Index at its very conceptual level.

One of its conceptual flaws is the failure to distinguish between 'state' and 'government.' Data collected for FSI may indicate that a government is failing to provide basic public services, yet that does not necessarily translate into a failure of the state, for the state is much more than politics and economics. Just as one can find pockets of strong governance in so called failed states, zones of failure can be found in stronger states.

The current Sri Lankan government has indeed performed poorly in the last year across a variety of sectors that adds into the FSI categories. Nonetheless, can the Sri Lankan state be delegitimized just because the current government has underperformed? The ordinary Sri Lankan still feels and recognizes a strong state, even with the economic decline and weak Rule of Law, making it imprudent to group Sri Lanka with the likes of Syria.

*Where does South Asia fit into this failed, failing, fragile and weak states pantheon? Do they come under these categories? Or, should there be some other yardstick to measure the nature of failure, fragility, and weakness of the State in South Asia?*

Another flaw is that the Index confuses the concepts of the causes and the end results. Lack of law and order, weak central state and the inability to provide public service are end results of what the Index attempts to conceptualize as failure rather than the causes for that failure. Consequently, the Index is marred in tautology. If FSI identifies a strong sense of group grievances and delegitimization of the state in Sri Lanka, can the Index predict what lies ahead in the Sri Lankan political climate? Given FSI's failure to even come close to predicting the Arab Spring, one would think this is too much for FSI to handle.

What matters most in an FSI is a country's performance given its history and political legacy, rather than its individual position. In its only mention of Sri Lanka, the Index compares the progress made by Japan after its 2011 triple crisis of the earthquake, tsunami and Fukushima nuclear plant meltdown with Sri Lanka's reconstruction progress after the 2004 Indian Ocean tsunami. Japan had a per capita GDP of USD 36,100 and was one of the most stable

and peaceful countries in the world when it faced the triple crisis. Sri Lanka, on the other hand, had a per capita GDP of USD 1063 and was engulfed in a disastrous civil war. Does the practicality of the FSI boil down to comparing Sri Lanka's and Japan's post disaster management, when several other factors makes the point of comparison absurd?

Does North Korea, one of Sri Lanka's 'Alert fellows,' suffer from similar ailments as Burundi, Pakistan, Bangladesh and Sri Lanka? Yes, Sri Lanka has underperformed in many economic and socio political sectors, but has it done worse than Bangladesh where bitter political rivalries and incompetent public institutions scar the everyday lives of ordinary citizens? This is not to imply that Sri Lanka has not experienced a weakening of upholding the Rule of Law or has not experienced economic decline or does not have continuing ethnic and religious tensions. Sri Lanka indeed has many weak institutions that need genuine performance boosters.

There is nothing empirical or objective about the FSI. Un-failed states may demonstrate similar kinds of stories and evidences, yet 'failed states' are failed in their own individual ways. The Index fails to contextualize underlying historical causes for states' inability to or weaknesses in performing in a certain category, and to comprehend the nuances of governance within a state. The only derivable utility of the Index is to serve as a guide to those policy makers that are waiting to construct a rationale for saving those who are failing.

Nonetheless, Sri Lanka is at least not alone in its misery. According to the FSI half the world is failing.



**IPCS**

**INSTITUTE OF PEACE AND CONFLICT STUDIES**