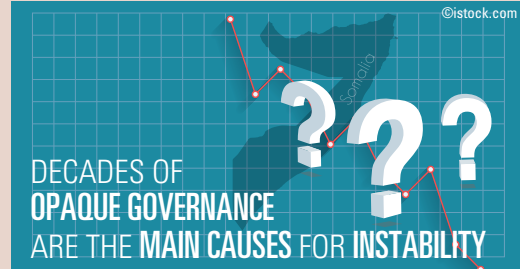


2

Governance

and

instability



Decades of opaque governance are the main causes for instability in Arab LDCs. Unless addressed, prospects for peace and sustainable development are weak.



Conflicts have caused massive displacement, leaving these countries with unmanageable burdens of people in desperate need.

Governance indicators for all Arab LDCs are negative for the entire first two decades of the century, demonstrating the failure of the international development strategies and policies that have been implemented, as well as of internal governance and the efforts of external States and agencies. Yemen, Somalia, the Sudan and Mauritania each currently face different contexts of instability: Yemen is in a state of active conflict, whereas Somalia and the Sudan have faced ongoing conflict for decades, and Mauritania is at risk of instability. Within the region, while political stability in Yemen has been in continuing decline since 2006, the other States have shown mild improvements, particularly Somalia which has risen slowly since 2009. While the trend in Mauritania is downwards, the upward trend in the Sudan resulting from the overthrow of the earlier regime remains insecure with an uncertain future given the ongoing struggle between pro-democracy forces and others supporting a new autocracy.

A. Fragile States

Several indices demonstrate governance and structural challenges faced by Arab LDCs. The Organization for Economic Cooperation and Development's (OECD) States of Fragility series covers risk exposure and insufficient national capacity to address or mitigate those risks. Yemen, Somalia and the Sudan are considered extremely fragile States with severe economic, environmental, political, security and societal fragility, while the context of Mauritania is categorized as a less fragile, specifically when it comes to security.¹⁵

In addition, the four countries are also considered fragile by the Fund for Peace's Conflict Assessment System Tool, which determines the Fragile State Index (FSI). The FSI annually ranks various indicators that affect a country's level of fragility, whereby the lower the score the greater the stability. Out of 178 countries, Yemen ranks first in the FSI in 2020 and is among the

"most worsened" under this indicator in the past decade as a result of ongoing civil war and humanitarian crisis (table 2). Somalia ranks second and together with Yemen is described as "very high alert." Classified as "high alert," the Sudan ranks eighth and is the joint second most improved country in the index. Mauritania ranks thirty-third and is classified as "high warning." Arab LDCs have high scores in several indicators.¹⁶

The World Economic Forum's Global Competitiveness Index, which provides insights into economic prospects and constraints to productivity growth, ranked Mauritania 134th out of 141 countries in 2019, three places lower than in 2018, and Yemen 140th. Each indicator is scored out of 100, where 100 is ideal. Mauritania has a low institutions score of 36.4. This score covers security, social capital, checks and balances, public sector performance, transparency, property rights, corporate governance and

Table 2. Arab LDCs within the Fragile States Index 2020 (Rankings across all 12 FSI indicators)

	Yemen	Somalia	Sudan	Mauritania
Security Apparatus	9.7	9.8	8.4	6.6
Fractionalized Elites	10.0	10.0	9.4	8.8
Group Grievance	9.7	8.6	9.4	7.3
Economic Decline	9.4	9.1	8.1	6.8
Uneven Economic Development	7.8	9.4	8.0	5.9
Human Flight and Brain Drain	7.0	8.9	8.0	6.6
State Legitimacy	9.9	8.9	9.3	8.0
Public Services	9.5	9.1	8.3	8.4
Human Rights and Rule of Law	10.0	9.0	8.9	7.2
Demographic Pressures	9.8	10.0	9.1	8.5
Refugees and IDPs	9.7	9.1	9.3	7.6
External Intervention	10.0	9.0	8.6	7.1
Total	112.4	110.9	104.8	88.7
Ranking	1	2	8	33

Source: The Fund for Peace, *Fragile States Index Annual Report 2020*, 2020.

the future orientation of the government. The country's public sector performance is ranked 141st with a low score of 21.2. This score covers the burden of government regulation, the efficacy of the legal framework in settling disputes, and e-participation. Mauritania also ranked 121st on transparency, for which the underlying measurement relates to the incidence of corruption, and 138th on the future orientation of the government. This indicator covers government policy stability,

government responsiveness to change, the legal framework's adaptability to digital business models, government long-term vision, energy efficiency regulation and renewable energy regulation. Yemen is ranked second to last, ahead of Chad, with an institutions score of 29. The public sector performance of Yemen (24.9) and the future orientation of the Yemeni government (25.1) are ranked 139th. Yemen is ranked last on transparency with a score of 14.¹⁷

B. Corruption

Mauritania, the Sudan and Yemen are State parties to the United Nations Convention against Corruption. Somalia has neither signed nor ratified the convention although

the Justice Minister announced the Somali government's intention to ratify the convention in 2018. However, Arab LDCs are perceived to have a high level of corruption

Table 3. Arab LDCs within the Transparency International Corruption Perception Index 2019

	Rank (out of 190)	Score	Score change since 2012
Mauritania	137	28	Insignificant (-3)
Sudan	173	16	Insignificant (+3)
Somalia	180	9	Insignificant (+1)
Yemen	177	15	Slight drop (-8)

Source: Transparency International, "Corruption Perceptions Index 2019: Results", 2019.

based on Transparency International's Corruption Perceptions Index (table 3). The extent of corruption is widely viewed as a key indicator of the quality of governance, and all four countries have high corruption scores and rankings. The scores reflect deterioration over the decade for Yemen and insignificant changes for the other three countries, demonstrating yet again, the need for change. In all these countries, the public perceive corruption as a major problem.

The Arab Barometer survey conducted in the Sudan and Yemen confirms public perceptions of corruption and poor trust in institutions. In the survey conducted right before the December 2018 protests in the Sudan, 19 per cent of Sudanese respondents reported corruption as a major concern. Corruption came second to the economy as the most important challenge facing the country (reported by 49 per cent of respondents). According to 77 per cent of Sudanese respondents, financial

and administrative corruption is present to a large or medium degree within State institutions, while less than half of the respondents (44 per cent) believe that the government is working to address corruption. Moreover, Sudanese respondents reported little trust in public institutions, with 33 per cent reporting trust in government and 28 per cent in parliament.¹⁸

As for Yemen, 32 per cent of Yemeni respondents reported the prevalence of corruption to a large extent, while 40 per cent reported it to a medium extent and 23 per cent to a small extent. Moreover, although Yemenis generally reported low trust in public institutions, differences in perceptions of trust in public institutions emerged among respondents residing in government or Houthi-controlled areas, as respondents in Houthi-controlled areas reported lower levels of trust in the government (44 per cent) compared to those in government-controlled areas (80 per cent).¹⁹

C. Governance indicators

The Worldwide Governance Indicators project defines governance as "the traditions and institutions by which authority in a country is exercised," which entails "the

process by which governments are selected, monitored and replaced; the capacity of the government to effectively formulate and implement sound policies; and the respect

of citizens and the State for the institutions that govern economic and social interactions among them.”²⁰ Figure 1 presents the scores of Arab LDCs on each of the governance indicators whereby approximately -2.5 is weak and 2.5 is strong governance performance. The four Arab LDCs have negative scores, indicating weak perceptions of participation in selecting government and freedom of expression, association or media (voice and accountability); high perceptions of political instability or violence (political instability); poor quality of public and civil services as well as government credibility in formulating and implementing policies without political pressures (government effectiveness); the inability to create and enforce policies that promote the development of the private sector (regulatory quality); low confidence in and compliance with the rules of society (rule of law); and use of public power for private gain (control of corruption).

Figure 1 provides details for each of the six indicators and shows clearly that the Arab LDCs have performed badly, with the most

prominent shortfall being in political stability which dropped to -2.2 as a result of the civil wars and conflicts mainly in Yemen and the Sudan.

Governance in the Sudan, Yemen, and Somalia is classified as “failed” and in Mauritania as “weak” within the Bertelsmann Stiftung’s Governance Index for 2020.²¹ The index seeks to give an indication of political management quality within the transformation process of developing countries and countries in transition by taking structural difficulties into consideration.²² Table 4 presents each country’s ranking and scores across the indicators.

The World Bank conducts the Country Policy and Institutional Assessment (CPIA) annually to determine inclusion of countries to International Development Association (IDA) borrowing terms. This assesses the country’s performance in a number of criteria that are grouped into the following four clusters: economic management, structural policies, policies for social inclusion and equity, and public

Figure 1. Arab LDCs’ scores within the Worldwide Governance Indicators

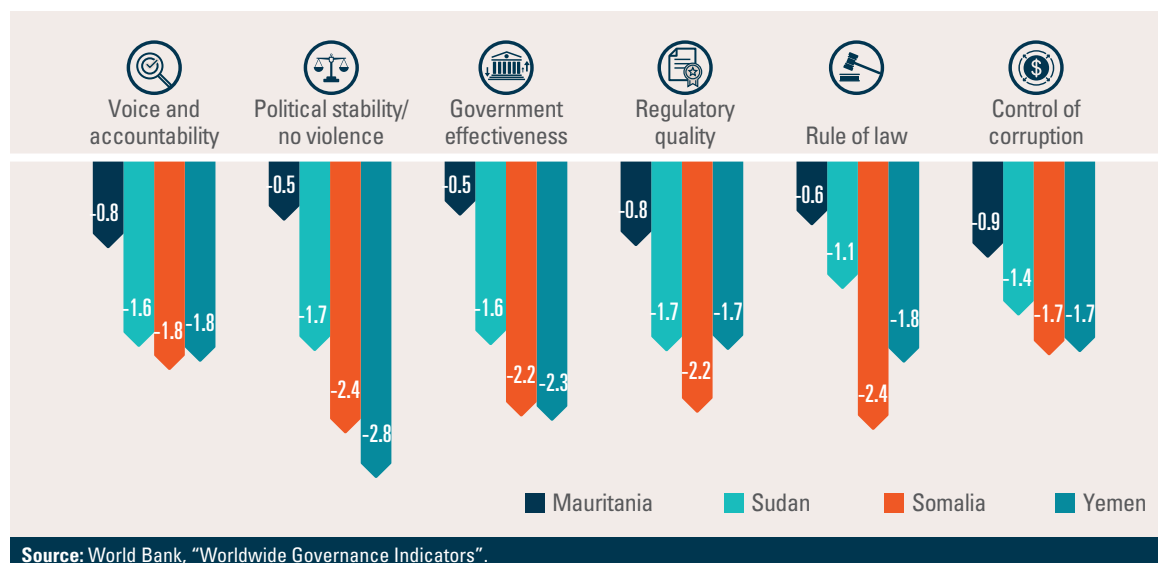
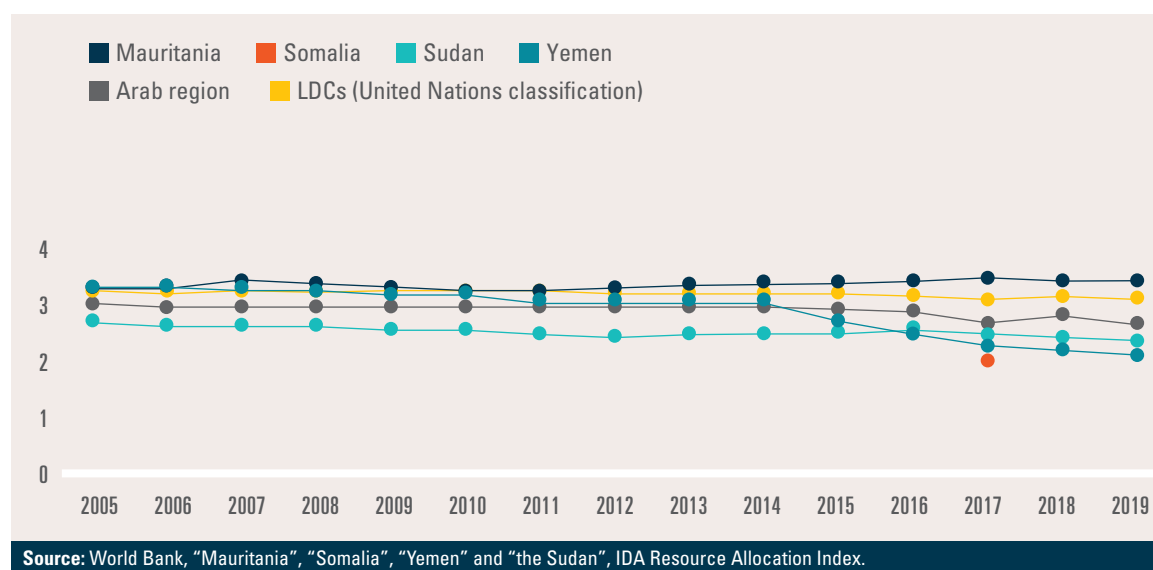


Table 4. Arab LDCs within the Bertelsmann Stiftung's Governance Index

	Mauritania	Somalia	Yemen	Sudan
Rank (out of 137)	98	127	132	133
Index value (out of 10)	4.00	2.43	1.63	1.47
Level of Difficulty	7.30	9.60	9.10	8.70
Steering Capacity	3.70	2.00	1.00	1.00
Resource Efficiency	3.30	1.00	1.30	1.70
Consensus-Building	4.00	2.80	2.00	1.40
International Cooperation	6.00	4.00	2.30	2.00

Source: Bertelsmann Stiftung, "BTI Transformation Index – Governance".

Figure 2. Arab LDCs within the World Bank's IDA Resource Allocation Index, 2005-2019



sector management and institutions. The IDA Resource Allocation Index (IRAI) is then determined by calculating an average score for each of the four CPIA clusters and then averaging those scores, whereby 1 is low and 6 is high.²³ As such, "the CPIA measures the extent to which a country's policy and institutional framework supports

sustainable growth and poverty reduction and, consequently, the effective use of development assistance."²⁴

Figure 2 shows the IRAI ratings for the four countries. Having improved from 3.2 in 2011 to 3.4 in 2019, Mauritania has the highest rating compared to Arab LDCs,

as well as Arab countries (2.5) and LDCs (3.3). The Sudan's IRAI rating remains below the average for Arab countries and LDCs as it increased from 2.3 in 2012 to 2.4 in 2014 and 2015, and then decreased to 2.2 in 2018 and 2019. The rating for Somalia and Yemen remains on the lower end of the scale. There is a gap in CPIA results for Somalia; however, its rating has improved from 1.8 in 2017 to 1.9 in 2019. Yemen's rating gradually decreased from the steady 3.0 rating between 2011 and 2014, to 2.0 in 2019.

What is more, the Fragile States Index for 2018 ranks Yemen among the most fragile States globally. In its 2018 report, it states that "as we enter into 2018, conflict continues to rage – and worsen – in Syria and Yemen (...) Among the other most-worsened countries for 2018, it probably comes as little surprise that Yemen and Syria, both mired in prolonged civil conflicts, continue to worsen. Both countries are now firmly entrenched among

the top four countries of the Index, along with Somalia and South Sudan who have also been witness to long periods of conflict".²⁵

The countries' public sector management and institutions cluster averages are 3.3 for Mauritania, 2.1 for the Sudan, 2.0 for Somalia and 1.7 for Yemen in 2019. This cluster covers policies and institutional frameworks pertaining to "property rights and rule-based governance, quality of budgetary and financial management, efficiency of revenue mobilization, quality of public administration, and transparency, accountability, and corruption in the public sector".²⁶ Looking at transparency, accountability, and corruption in the public sector rating in 2019, the ratings for Mauritania, Somalia, the Sudan and Yemen are 3, 2, 1.5 and 1.5, respectively. Within the structural policies cluster, which covers trade, the financial sector and business regulatory environment, Mauritania scores 3.2, the Sudan scores 2.5, Yemen scores 2.0, and Somalia scores 1.5.

D. Displacement

As a result of both political and environmental disasters, the Sudan, Somalia and Yemen all have serious difficulties coping with the large numbers of refugees and internally displaced people (IDPs), most of whom are in conditions of long-term distress. In addition, all three also have to contend with thousands of refugees from neighbouring countries. Table 5 shows UNHCR's recorded figures of IDPs and refugees within the four countries as of 2019.²⁷

These figures, for the end of 2019 do not include the additional population displacements resulting from the numerous additional crises of 2020: devastating floods in Yemen and the Sudan, the locust invasion

in all four countries, intensification of fighting in Yemen, let alone the latest crisis in the Horn of Africa, starting in November 2020, which has already displaced thousands from Ethiopia into north east the Sudan, with the expectation that this crisis will lead to more displacements. Until this year and the COVID-19 crisis, more Somalis and Ethiopians fled to Yemen (hoping to reach Saudi Arabia) than crossed the Mediterranean. In 2019, 138,000 (almost all of them Ethiopians and Somalis) arrived in Yemen, including 24,000 women;²⁸ even in the first half of 2020, 32,000 more arrived, including 5,000 women,²⁹ and this was prior to the conflict in Ethiopia. Mauritania is increasingly receiving refugees from its neighbours affected by the increasing

Table 5. Internally displaced people and refugees within Arab LDCs, 2019

Country	Total	IDPs	IDPs percentage of total population	IDPs percentage of total displaced
Mauritania	37 000	0	1	
Sudan	2 700 000	1 900 000	6.4	70
Somalia	3 600 000	2 600 000	24	72
Yemen	3 800 000	3 600 000	13	95

Source: UNHCR, *Forced Displacement in 2019, 2020*, p. 81.

Table 6. Population of concern by country or territory of asylum, 2019

	Mauritania	Somalia	Sudan	Yemen
Refugees and people in refugee-like situations	84 909	17 883	1 055 489	268 511
Asylum seekers (pending cases)	1 549	17 789	15 545	10 682
Returned refugees	-	6 243	2,191	3
IDPs of concern to UNHCR	-	2 648 000	1 885 782	3 625 716
Returned IDPs	-	22 555	-	69 174
Others of concern to UNHCR	-	152	3 694	14
Total population of concern	86 458	2 712 622	2 962 701	3 974 100

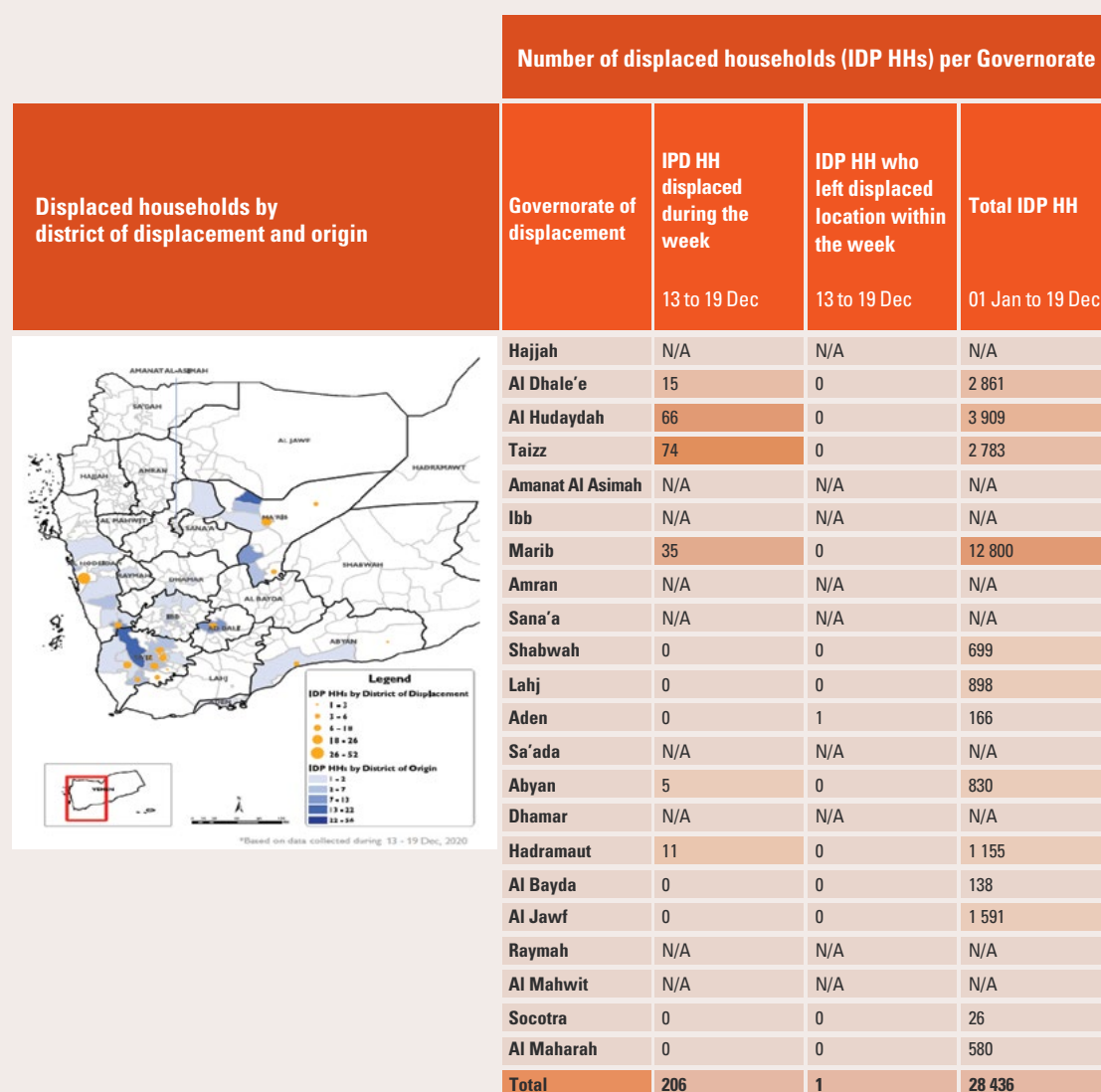
Source: UNHCR, *Global Trends Forced Displacement in 2019*, 2019.

Table 7. Population of concern by Arab LDC country of origin, 2019

	Mauritania	Somalia	Sudan	Yemen
Refugees and people in refugee-like situations	37 427	905 122	734 944	36 527
Asylum seekers (pending cases)	8 585	48 039	71 982	34 331
Returned refugees	-	6 243	2 191	3
IDPs of concern to UNHCR	-	2 648 000	1 885 782	3 625 716
Returned IDPs	-	22 555	-	69 174
Others of concern to UNHCR	1	160	16	45
Total population of concern	46 013	3 630 119	2 694 915	3 765 796

Source: UNHCR, *Global Trends Forced Displacement in 2019*, 2019.

Figure 3. Displaced households in Yemen in 2020



Source: International Organization for Migration. 2020. Rapid Displacement Tracking (RDT).

activity of militant armed actors in the Sahel.³⁰ Increasing tensions in Western Sahara in December 2020 may produce more displacement into Mauritania in coming years.

Driven by conflict and natural disasters, displacement is highly evident among Arab LDCs, as seen in tables 6 and 7.

In 2019, Yemen had the fourth highest number of IDPs worldwide,³¹ after Colombia, the Syrian Arab Republic, and the Democratic Republic of Congo. Somalia and the Sudan were among the countries with the sixth and eighth largest forcibly displaced populations worldwide by country of origin, respectively. In addition, Somalia and

the Sudan host the seventh largest international displacement situation worldwide. For the past decade, Somalia and the Sudan have remained in the top ten sources for cross-border displacement, with 905,100 Somali and 734,900 Sudanese people displaced across borders in 2019.³²

The figures above exclude additional displacement in 2020. By August 2020, Mauritania hosted 66,852 refugees from Mali, which is the highest number compared to other countries in the

Sahel.³³ In Somalia, 893,000 people were internally displaced as a consequence of conflict, flood and drought in from January to August 2020.³⁴ Moreover, in 2020 the Sudan received 14,429 people fleeing the Central African Republic,³⁵ as well as 3,159 Eritreans and Somalis arrived to eastern the Sudan.³⁶ In addition, as indicated in figure 3, 28,436 households (170,616 individuals) were internally displaced in Yemen between January 1 and December 19 2020 due to conflict (82 per cent), natural disasters (13 per cent), and health, including COVID-19 (5 per cent).³⁷

