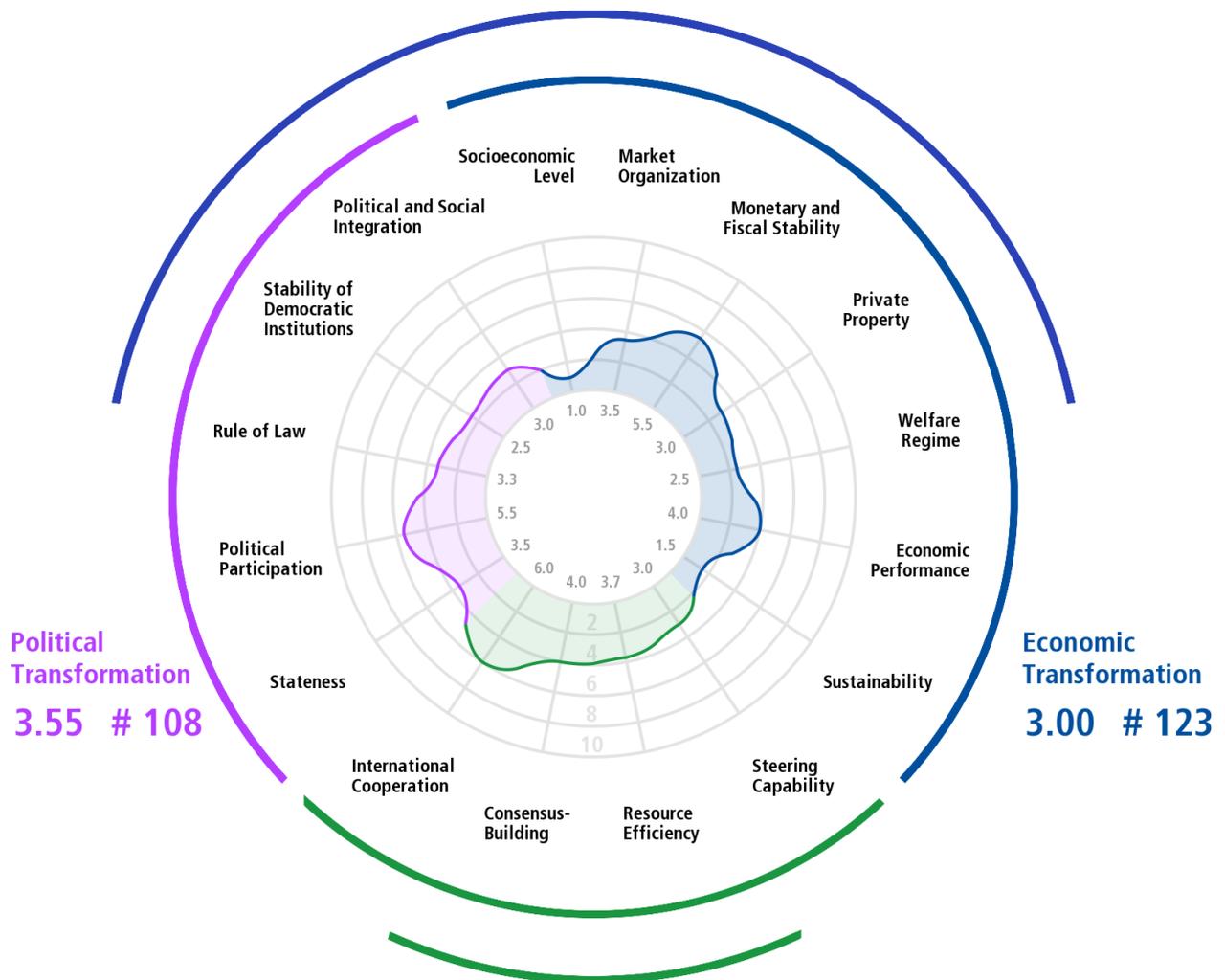


Central African Republic

Status Index

3.28 # 121

on 1-10 scale out of 137



Governance Index

4.08 # 94

on 1-10 scale out of 137

This report is part of the **Bertelsmann Stiftung's Transformation Index (BTI) 2020**. It covers the period from February 1, 2017 to January 31, 2019. The BTI assesses the transformation toward democracy and a market economy as well as the quality of governance in 137 countries. More on the BTI at <https://www.bti-project.org>.

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Key Indicators

Population	M	4.7	HDI	0.381	GDP p.c., PPP \$	872
Pop. growth ¹	% p.a.	1.5	HDI rank of 189	188	Gini Index	56.2
Life expectancy	years	52.2	UN Education Index	0.353	Poverty ³	% 83.1
Urban population	%	41.4	Gender inequality ²	0.682	Aid per capita \$	110.5

Sources (as of December 2019): The World Bank, World Development Indicators 2019 | UNDP, Human Development Report 2019. Footnotes: (1) Average annual growth rate. (2) Gender Inequality Index (GII). (3) Percentage of population living on less than \$3.20 a day at 2011 international prices.

Executive Summary

During the period under review, ending in January 2019, the Central African Republic was governed by a president elected by fair and transparent elections held in March 2016.

The economy picked up a bit achieving a GDP growth of 4.3% in 2018 and 4% in 2017. International aid dropped from \$135 per capita in 2014 to \$107 per capita in 2015, as donors waited to learn the outcome of elections, and then began to slowly increase in 2017 (to \$108). The fifth review of the IMF Extended Credit Facility was completed in December 2018 and a \$31.6 million disbursement approved. GDP per capita increased slightly by 2.9% in purchasing power parity from 2016 to 2017.

The International Criminal Court continued its investigations and enacted its first extradition of two Central African nationals accused of crimes during the civil unrest prevailing in the country since 2013. The Special Criminal Court held its inaugural session in October 2018 and has begun investigations. Even though the civilian authorities control over security forces improved, the security situation remained precarious across the country, with large chunks of the country's territory escaping government control. By end of 2018, the U.N. peacekeeping mission continued to be the only actor enforcing law and order with 11,650 military troops and 2,080 police personnel deployed.

At the end of 2018, the humanitarian situation is worse than it was at the beginning of the 2013 conflict. The number of people in need of humanitarian assistance grew from 2.2 million in 2016 to 2.9 million, or 63% of the population. There are 648,516 internally displaced Central Africans and 574,638 who are refugees in neighboring countries. In CAR, 1.9 million people are considered food insecure: 13% at level 4 and 40% at level 3.

While armed groups, driven by social, economic or political interests, continued to assert control across the country, gang violence was common in Bangui. Crimes such as murder, torture, sexual violence, theft, abduction, destruction of property and illegal possession of weapons continued

with impunity. Improvements in the judiciary system were limited to training and the rehabilitation of infrastructure. Attempts to secure justice continued to be confused with revenge, perpetrating a cycle of violence.

The withdrawal of the African Union Special Task Force from the eastern part of CAR in April 2017 coincided with a push by the United Nations Multidimensional Integrated Stabilization Mission in the Central African Republic (MINSUCA) to liberate the strategic city of Bambari and resulted in new waves of violence in that region.

Several different internationally backed peace agreements were signed during the period under review. The most recent – signed by 14 rebel groups in January 2019 – initiated by the African Union and championed by Sudan with support as part of a multi-pronged support effort included military support (weapons, trainers and a defense agreement). It remains to be seen whether this agreement will have a sustained positive impact on peace and security in the country.

The years 2017 and 2018 were expected to usher in a return to normal in CAR, as newly elected representatives were in office and support from the international community was strong. While there has been a slow and partial return to normal, it has not been as one would expect. Normal in CAR is not defined by the provision of basic services and the absence of conflict. Rather, since independence, the country has been defined by decennial cycles of transformation and instability (1965, 1979, 1996 – 1997, 2003 and 2013). Each of these cycles have begun with acute periods of violence, which are temporarily resolved by rearranging power structures. The new power structures redistribute entitlements, which antagonizes those who feel excluded, creating new frustrations, which eventually lead to another period of violence. In the last review period (2015 – 2016), it seemed that the cycle of violence had ended and that the power rearrangement was underway. However, it is evident now that the cycle of violence had not ended. Rather, it had simply stalled for a short time. The opposition, which includes rebel groups, militias and non-elites, quickly became increasingly critical of the government's unfulfilled promises, and violence soon escalated.

Transformation is demonstrated using indicators, conferences, documents and legal motions. However, the reality is that deep structural, political and social constraints continue to hinder sustainable improvements to Central Africans' livelihoods. To confront these challenges, to establish peace nationwide and to prevent the recurrence of violent conflict in CAR, external actors must commit to long-term engagement for the foreseeable future.

History and Characteristics of Transformation

The Central African Republic's (CAR) post-independence history is marked by cycles of violence and non-democratic (or only somewhat democratic) transfers of power. For the first thirty years after independence, France manipulated or facilitated changes in executive office. The French government supported General Jean-Bédél Bokassa, who seized control from David Dacko in a coup d'état in 1965. Bokassa declared himself president for life and then emperor while violently repressing dissent. The economy flourished as Bokassa built and hired, creating a sense of opportunity for those educated during this decade. When France grew tired of Bokassa's violence and excesses it "restored" David Dacko to the presidency in 1979. A second coup brought General André Kolingba to power at the end of 1979. Kolingba's administration presided over a serious, rapid economic decline as structural adjustment policies redistributed national resources. Employment rates declined and several months of salary arrears became the norm for those who still had a job.

At the end of the decade, international aid was conditioned on democratic progress for the first time, elections were reluctantly held and Kolingba lost power to Ange-Félix Patassé.

Patassé, the first northerner to assume executive power in CAR, struggled to reform a mono-ethnic and defiant army that quickly mutinied. His administration was characterized by a strengthening of clientelistic tendencies and a significant decrease in domestic revenues. By the mid-1990s, civil conflict had escalated into organized rebellion and war as it never had before. Armed groups proliferated along with three attempted coups, one in 1996 to 1997 and two in 2001, and a rebellion by the chief of staff, Bozizé, in 2001. Regional politics played a significant role in state manipulation and conflict during this time. The force that supported Bozizé's violent take over was seven-eighths Chadian. They raped and murdered along their way to and from Bangui, as did rebels from the Democratic Republic of the Congo, which Patassé had called on to defend his presidency. These crimes, and the complicity of the government in them, reinforced the population's latent mistrust of foreigners and the government.

Despite promising that he would not stand for election, Bozizé quickly changed his plans. In the 2005 presidential election, he won with 64.6% of the vote. Throughout the decade of Bozizé's rule, structural problems remained and serious security problems developed. Three major rebellions emerged in the north of the country, which were quickly followed by peacebuilding (e.g., inclusive dialog processes, peace agreements and disarmament, demobilization and reintegration (DDR) programs) and state-building (e.g., democratic elections) initiatives. These were duly endorsed in form rather than in spirit by the government and rebel parties who worked the processes to their advantage.

When Bozizé won the 2011 election with a two-thirds majority in the first round, international partners remained quiet, despite massive misconduct and rigging, because Bozizé still seemed the "least bad option" for state stability. However, unrest grew in many quarters. A broad alliance of rebel groups, called Séléka, dominated by Muslim forces including Chadian and Sudanese

fighters, formed in late 2012 and conquered Bangui in March 2013, despite interim peace accords. Séléka ousted Bozizé and installed the country's first Muslim president, Michel Djotodia. In 2013, Djotodia's Séléka ruthlessly raped, murdered and killed mostly non-Muslims in Bangui and across the country. In response, brutal revenge killings of Muslims by self-defense groups (Anti-Balaka) and former security forces began. The violence during this time was unprecedented in Central African history and had a devastating impact on the country's fragile economy.

The country suffered a sharp decline in its Human Development Index and the economy shrank by 37%. The economy, largely informal and dependent on natural resources, remains extremely fragile. More than 800,000 people were displaced. In January 2014, Djotodia was forced to step down and an interim president, Catherine Samba-Panza, was appointed. During this transition period, a new constitution was approved and peaceful legislative elections were held.

In February 2016, presidential elections were held and independent presidential candidate Faustin-Archange Touadera was elected with 63% of the vote. Unfortunately, the return to democracy has not changed the security situation – violence and displacement continued throughout 2017 and 2018, including in previously stable areas. U.N. peacekeeping missions continue to be the only actor seeking to enforce law and order. At the end of 2018, one in five Central Africans was displaced.

Driven by criminal, economic or political interests, armed groups continue to assert control over 70% of the country. These groups include Anti-Balaka militias, the Union for Peace (Union pour la paix, UPC), the Popular Front for the Renaissance of Central Africa (Front populaire pour la renaissance de la Centrafrique, FPRC), the Democratic Front of the Central African People (Front démocratique du peuple centrafricain, FDPC), Revolution and Justice (Révolution et Justice, RJ), Return, Reclamation and Rehabilitation (Retour, Réclamation et Réhabilitation, the 3Rs) and multiple former Séléka factions.

At the end of Touadera's third year in power, gang violence continues to be common in Bangui, state institutions are ineffective, state authority is nonexistent and humanitarian response plans lack funding.

The BTI combines text analysis and numerical assessments. The score for each question is provided below its respective title. The scale ranges from 1 (worst) to 10 (best).

Transformation Status

I. Political Transformation

1 | Stateness

The state has hardly ever had a monopoly on the use of force in CAR. In many ways, CAR epitomizes an artificial state. It has been the subject of massive interventions by foreign traders and slavers overtime. More recently, its former colonial ruler, France, and neighboring countries, Chad, Sudan and to a certain extent the Democratic Republic of Congo, took advantage of its weak state to significantly influence state administration, elections and economic activities. CAR's security forces have rarely been able to fully control the territory. They did little to protect the regime of Patassé from being toppled by Bozizé in 2003 and they were unable to protect Bozizé's government from the coup staged by the Séléka rebels in March 2013. Today, its borders are mostly uncontrolled and functional state administration is minimal outside of the capital, Bangui. The lack of necessary infrastructure and human capital renders vast portions of the country ungovernable. Various rebel movements and militias retain significant authority across about 70% of the thinly populated territory. In particular, the central and eastern parts of the country have become hubs for violence, due to the presence of former Seleka factions and incursions by heavily armed Chadian and Sudanese herders and poachers.

National defense and security forces (e.g., the army, police and gendarmerie) currently receive training from the European Union, Russia, the U.N. and France. But despite the arrival of new arms, uniforms and transportation, deployments to the countryside are slow, tedious and still dependent on support from MINSUCA.

On the surface, the existence of the nation-state is paramount. Neither the government nor the international community question the concept of supporting a nation-state in CAR. Yet, since the beginning of the state in CAR, different population groups have competed for hegemony and denied civil rights to others. No ruling power has ever been able to deliver public goods (e.g., security, education and infrastructure) in a substantial manner. Worse, because successive ruling powers (whether colonial or sovereign) have not ensured public safety and order outside of major cities and have

Question
Score

Monopoly on the
use of force

2

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State identity

3

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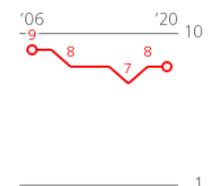


achieved only a weak control over the country, guarantees of basic civil rights for entire population groups have been minimal at best. Indeed, the state has often been complicit in creating insecurity and securing power through violence (e.g., concessionary brutality, violent coup d'états, extensive impunity for perpetrators of violence). For decades, the state has silently manipulated citizenship based on ethnicity. Even before the most recent crisis, those with Muslim names had difficulty getting birth certificates and state identity cards. It should be noted, however, that decades of uncontrolled migration from Chad and Sudan into the eastern parts of the country paired with a weak state capacity to monitor its borders have contributed to create the myth of the Muslim as foreigner. The most recent crisis reached a historic extreme when the state lost all control during Anti-Balaka and Séléka violence in 2013 and 2014. In the aftermath of this violence, the citizenship of many Muslim Central Africans was questioned and, in some cases, revoked. The situation remains unclear for many internally displaced persons and refugees. However, paradoxically, the concept of a functioning nation-state is a deeply rooted ideal for Central Africans, and direct relationships with the state have provided a fundamental source of dignity for Central Africans for decades. In CAR, the state's persistent lack of legitimacy over time is irrelevant, but its existence is essential.

In December 2015, a new constitution replaced the transitional charter enacted by Michel Djotodia in early 2013. This new constitution and other relevant texts are profoundly secular in nature. However, since Bozizé's administration, religious affiliation has grown in importance for access to power at all levels of society. Bozizé, an adept of the Christianisme Céleste sect, and Michel Djotodia, a Muslim from the Vakaga prefecture bordering Chad and Sudan, both openly displayed their religious affiliation and favored those of their religion. The most recent crisis has been wrongly labeled a religious crisis pitting Christians against Muslims. However, the cause is not religious. Religion is just central to group identities in CAR. Social biases have not fundamentally affected the state's legal and institutional frameworks or its secular orientation but they have generated a climate where religion is de facto a clear distinction between people. Christian-Muslim tensions are built on a sense of exclusion from economic gains made by Muslims who dominate many commercial activities (livestock in particular) and mining sectors (e.g., diamonds and gold) in CAR. This is further exacerbated by latent (and at times open) anti-Chadian resentment, simmering for more than a decade due to Chad's collusion in national politics. In CAR, religious dogmas have more influence over economic and social relationships than legal order and political institutions.

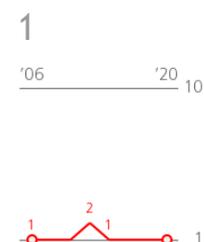
No interference of religious dogmas

8



The reach of the state in CAR beyond the capital and its surroundings has always been problematic. Formally, the territory is divided into 16 provinces (prefectures). The further from Bangui, the weaker state administration is due to a lack of basic infrastructure and services (e.g., communication, education, health care, electricity and water) and poor security for state officials. Currently, the state's legal, financial and security functions are nearly non-existent outside the capital. Any civil service is linked to direct donor support for each function. For example, the United Nations focuses on security issues; bilateral donors focus on elections and judicial functions; the European Union, the AU and the World Bank support infrastructure development; the IMF focuses on finance; and various international NGOs address health care and food security issues. Where rebel groups hold power, they only reluctantly allow state representatives to take office. Thus, government administration is non-existent in most of the country. In rebel-controlled provinces where state representatives are present, they can hardly perform any of their duties without the U.N.'s protection.

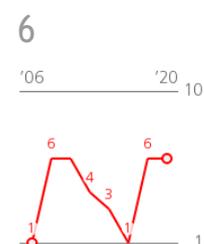
Basic administration



2 | Political Participation

The last national elections in 2016, which ushered in the CAR's first elected government in over three years, passed relatively smoothly, helping to underpin the administration's credibility.

Free and fair elections



Faustin-Archange Touadera won the 2016 democratic presidential election with 67% of the vote, while his opponent, Anicet-George Dologuele, won 33% of the vote. While a recount was demanded by Dologuele's supporters, the Constitutional Court's ruling was not popularly challenged. Prime Minister Sarandjii named a 23-member cabinet in April 2016, with a reshuffle in September 2017. The 140-seat National Assembly (lower house, directly elected) was convened in May 2016. The newly created Senate (upper house, indirectly elected) is not yet operational.

Universal suffrage and secret ballots are guaranteed by the constitution. In general, several political parties (with disregard for their level of popular representation) are allowed to run and political posts are filled according to election outcomes. Currently, the National Assembly is highly fragmented (out of 140 seats 60 are held by independents), but managed to oust its Muslim president, Karim Mekassoua, in October 2018 by a narrow margin. Muslim rebel groups reacted by giving government officials an ultimatum to leave areas under their control within 48 hours or face death. While Mekassoua is expected to contest his removal in the (ineffective) courts, a new president was elected shortly after. These types of sectarian threats, as well as questions about the impartiality of the electoral management bodies, jeopardize the fairness of each new election.

Elections rely heavily on financial and logistical support from external actors to increase impartiality and assure access to isolated population (election materials are

often distributed and results collected by helicopter). Funding is not yet secured for planned 2021 elections.

Complicating matters in the 2016 election were the number of displaced or unregistered voters, and sensitive questions of who qualifies as a Central African citizen, something that is unlikely to change by 2021.

Democratically elected leaders have limited power to govern, which however does not directly result from traditionally important veto players like the security forces.

Despite not being member of a political party, President Touadera managed to secure the support of various parties and groups in the National Assembly, creating a de-facto presidential majority. Efforts by the parliamentary speaker to reinforce legislative powers also need to be taken into account in a country where parliament is generally submissive to the executive. Touadera's big win in early 2016 lent popular credibility to his administration during its first year. But his popularity has waned since then, as voters are increasingly frustrated with the continued insecurity and instability of the country. In addition to the territorial control exerted by armed groups over vast stretches of the country (which is detrimental to stateness), external actors still play a significant role in influencing political decision-making beyond electoral outcomes.

For the last 20 years, association and assembly rights have been guaranteed by law. The new constitution upholds these rights under Article 12: "all citizens have the right to freely create associations, groups, companies and public utilities, as long as they are in line with the law" (author's translation). There is also a law on political parties and associations. Demonstrations since 2013 have often turned violent and either degenerated into intergroup violence or attacks on peacekeepers. This is due to a fairly high degree of politicization of civil society groups, which can often be manipulated by political actors to incite violence. Outside of Bangui, across rural CAR, de facto authorities (rebels and militia groups) restrict (often violently) the free association and assembly protected by the constitution. However, the U.S. Department of State reported that the constitutionally guaranteed rights of freedom of assembly were generally respected in 2017.

Freedom of expression is generally guaranteed by law in CAR, but has often been limited in practice. During the last two review periods, the fragile security situation imposed substantial restrictions on media. The existing media remain remarkably critical of government action, with a few vocal newspapers circulating regularly in Bangui. Radio is the most important source of information; the only source for most of the population. Radio services are provided inter alia by Radio Ndeke Luka and the government's Radio Centrafrique, and confessional radios. Internet services have become important sources of information for urban Central Africans and the diaspora. Most important are Sangonet, Centrafrique Presse and Centrafrique Libre. Facebook, WhatsApp and Instagram are also increasingly popular forums for information

Effective power to govern

4

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Association / assembly rights

6

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Freedom of expression

6

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sharing and communication. As for press agencies, Agence Centrafrique Presse (ACAP) and La Nouvelle Centrafrique are the most important. Despite this rather impressive array of organizations, press freedom has strongly declined in international rankings. Since 2016, CAR has dropped two points on Reporters Without Borders' Freedom of Expression Index, to 112 out of 180 countries. (In 2013 and 2012, CAR was ranked 65 out of 197 and 62 out of 179 countries, respectively). Similar to the freedom of assembly, the current security context restricts freedom of expression, as attacks on the media continue and journalists' security is far from guaranteed. The quality of media is low, as poor living conditions render journalists vulnerable to payouts and subjective reporting. This is particularly true for the written press, which has been increasingly used by political entrepreneurs as a weapon against their rivals. As for social networks, they have sometimes lent themselves to hate speech and dissemination of rumors. Outside of Bangui, expressions of dissent from prevailing de facto power structures are not tolerated. International NGOs have seen increased hostility toward them in the press, with the spreading of fake news.

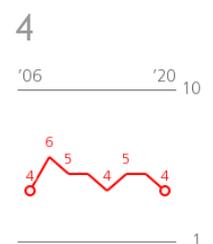
The newly created Haut conseil de la communication has yet to demonstrate its impartiality, in particular in its ability to prevent or manage instances of hate speech and incitements to violence.

3 | Rule of Law

CAR has had a presidential system since independence (with a brief monarchical interlude during Bokassa's administration), and its new constitution continues to ensure separation of the powers. Indeed, the new constitution includes the addition of an upper house in parliament which could further strengthen legislative functions of the state once the Senate is opened. Since the National Assembly (lower house of parliament) took over from the National Transitional Authority in early May 2016, there have been various instances of serious scrutiny of the government's actions. Over the last two years, this has caused a rift between the government and parliament that culminated in a vote in late 2018 to remove Karim Mekassoua, the Muslim president of the National Assembly. Touadera is largely seen to have manipulated this vote in the face of strong international and national opposition.

Since then, parliament is said to be in favor of the president and the government, which were in need of a parliament's majority to approve critical mining and defense contracts. The judiciary cannot correct the lack of separation of powers giving its own weaknesses (the Supreme Court confirmed Touadera's election victory when this was challenged by the opposition).

Separation of powers



The judiciary, historically understaffed and weak, was extremely weakened by the years of turmoil that followed the 2013 crisis. Judges, prosecutors and lawyers are always in short supply and professionalism is low. Impunity at all levels of society is the norm, in particular for elites. Presidents are expected to dole out punishments, not the courts. The judiciary also suffers from structural weaknesses with the police and gendarmerie forces, especially their inability to effectively investigate cases and secure evidence. The U.N. peacekeeping mission MINSUCA works with the police and gendarmerie forces to strengthen their ability to investigate, with a special focus on crimes against women and children. A Special Criminal Court was promulgated in 2015 to investigate war crimes and crimes against humanity committed on the territory of CAR since 2003 and to prosecute the perpetrators. It held its inaugural session in October 2018 after many delays due to organizational and funding issues. In November 2018, the decade-old International Criminal Court made its first extradition when ex-militia leader Alfred Yekatom was brought to the Hague on accusations of murder, torture and attacking civilians, dating back to late 2013 and early 2014. Shortly after, Patrice-Edouard Ngaïssona, a militia commander, was arrested in France and handed over to the ICC, facing the same accusations.

Concessionary politics, rooted in colonial practices, are engrained in CAR's state apparatus. Professor Stephen W. Smith of Duke University defines these concessionary politics as legal arrangements that allow national sources of income to be temporarily diverted for use by non-national interests in exchange for compensation. In CAR, this creates a "paradox of scarcity" in which the ruling elite are able to enrich themselves despite the state's poverty. The degree to which officeholders break the law and are not adequately prosecuted varies from administration to administration and crisis to crisis. During times of crisis, the rich get richer with impunity. However, as crises fade and international pressure to control misappropriation of revenues increases, so too does public criticism and prosecution of corruption. Currently, international oversight is high, and aid is tied to good governance, which should hamper concessionary politics. However, given the continued weak state of the judiciary and CAR's "post-crisis-fragile-state" status, most corruption will be dealt with outside of the judicial system.

Civil rights are guaranteed by the constitution in principle. However, the state and rebel groups repeatedly violate them, particularly fundamental rights to life and personal security. Sexual violence has greatly increased. For some groups in some parts of the country, civil rights are systematically violated. Despite recent progress in the establishment of the Special Criminal Court and seating of the new National Assembly, de jure protection of civil rights for the entire population continues to be hindered by the weak judicial system and culture of impunity for the elite.

Tensions between ethnic and religious groups, mostly between Christians and Muslims, partially extend to their civil rights. According to the U.S. State Department, the Muslim ethnic group of the Mbororo faced occasional discrimination

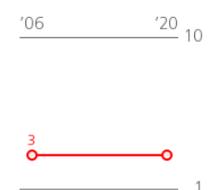
Independent judiciary

3



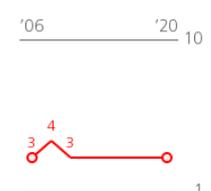
Prosecution of office abuse

3



Civil rights

3



with regard to government services and protections because they are perceived as foreigners.

4 | Stability of Democratic Institutions

History seems to repeat itself each decade in CAR (1972, 1981, 1993, 2003, 2013), and each “post-crisis” scenario includes significant uncertainty regarding the democratic nature of CAR’s political system. While the constitution has always protected a republican political system with democratic institutions (except for a short period between 1976 – 1981), the country’s instability, concessionary politics and a culture of impunity delegitimizes its democratic institutions. Nevertheless, a plethora of democratic institutions exist and the state remains the largest employer in the country. Indeed, as is often the case across Africa, inclusion in the democratic system determines social status and entitlements that are fundamental to Central African culture (see State Identity above). At the end of Touadera’s third year in power, little faith remains in CAR’s democratic institutions. Trajectories of self-enrichment by government ministers and officeholders continue to be the norm.

All relevant actors in the political system (government bodies, political parties, and civic organizations), are generally committed to the state’s democratic institutions and processes. Nevertheless, progress since the election of President Touadera has been slow, and public approval of Touadera’s government remains tied to his capacity to restore peace in the countryside and move forward with the slow process of disarmament, demobilization, rehabilitation and reintegration (DDRR).

While representatives of the Séléka (which was officially disbanded in 2014) and Anti-Balaka militias signed a peace agreement in early 2015, this did not improve the security situation. During the period under review, security continued to deteriorate. Several peace agreements were negotiated, some were signed, but none had any lasting effect. Rebel groups became increasingly fragmented and criminalized. This splintering of groups and their continued banditry jeopardizes the legitimacy of any state institution as well as the DDRR process and may well be a product of these promissory politics. After a 10-day negotiation in Khartoum presided over by the African Union, peace talks ended with the signing of an agreement in January 2019 that still needs to be implemented amid skepticism about the political will of the signatories. National and international mediators continue to bear responsibility not only for short-term stabilization, but also for the preservation of chances for democratization in the medium term.

Performance of democratic institutions

2

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Commitment to democratic institutions

3

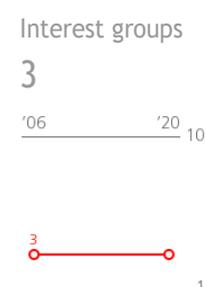
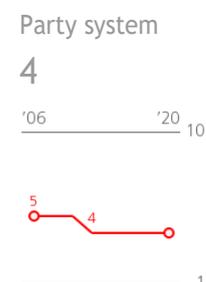
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5 | Political and Social Integration

In general, the party system has proven to be quite unstable, thanks to its shallow roots in society and high voter volatility. The 2011 elections marked the apex of a steady disintegration process of a (at-times) semi-functional party system. A comparison of election outcomes (1993, 1998-99, 2005, 2011) shows that the once-dominant Mouvement de Libération du Peuple Centrafricain (MLPC) constantly lost influence. At the end of 2014, the Rassemblement Démocratique Centrafricain (RDC), in which the Kolingba family still has strong influence, seemed staged for a revival while Bozizé's Kwa Na Kwa party was losing its clientelistic "glue" and seemed unlikely to survive his era. The fragmentation of political parties in 2013 – more than 50 just prior to the last crisis – was significant. These parties seem more the private appendages of opportunistic politicians seeking personal entitlements than a plurality of representatives for the masses. Indeed, civilian political parties have never been particularly robust due to their own incapacities, and a history in which traditional institutions representing distinct populations were repeatedly destroyed during colonial and pre-colonial times. No civilian party has been able to represent the interests of marginalized minorities, and most suffered severe internal crises. In parallel, "cheap diplomacy" has favored the participation of politico-military leaders in all dialog processes since 1998 with peace negotiations and agreements providing rebel movements and warlords with undue political weight. These inclusionary practices, and the promises and entitlements that accompany them, reinforced clientelism, and exacerbated feelings of exclusion that led in part to the rise of Séléka and the continued proliferation of armed groups today. The most recent elections in 2015 and 2016 further destabilized the party system; an independent president was elected and 41% of seats in the National Assembly are held by independents. For the first time in CAR's recent history, there is no dominant party that emanates from the president. However, given the country's political culture, it is unclear how this relative "independence" can constitute a chance for a re-alignment of political loyalties toward greater ideological convergence. The ousting of the parliament's speaker by a parliamentary group close to the president suggests it is new wine in old bottles.

Most layers of society have no clear representation in formalized interest groups. Important social interests, especially those of the rural population, youth and women, are underrepresented in public debate. The trade union movement, particularly of the public sector, was always comparatively strong in Bangui and contributed to the democratic transition in 1993. Some salary arrears for civil servants, particularly those in parastatal companies (SOCATU, SOCATEL, mayors' offices and hospitals) persisted in 2015 and 2016, despite the democratic transition and direct budget support for salaries from the European Union and France, and trade unions were vocal in pushing for payment. It can be said that in CAR, interest groups follow money and power. For example, as funding for human rights, social cohesion and rural revival



ballooned after the most recent crisis, so too did the number of national NGOs active on the ground (represented by the semi-active Conseil Inter-Organisations Non-Gouvernementales en Centrafrique). The crisis has also given rise to a range of civil society organizations that are more political mobilization tools than representative of social interests. The year 2018 was also marked by regular demonstrations of retired FACA soldiers requesting their unpaid salaries. Because they threatened to use force in order to be heard and also because of manipulation attempts by political entrepreneurs, the government had to take special measures. Outside Bangui, rebel groups have historically acted as the most viable interest groups for those who are ignored by the state, gaining their power and money through violence and banditry in the stateless countryside. Ethnic minorities have never managed to organize themselves into powerful interest groups that are included in political processes. Instead many found their power and voice in economic activities, particularly the Mbororo minority (a sub-group of Fulani). The crisis has given some visibility to religious organizations and personalities representing religious groups in a social conflict that took an unexpected religious turn. The Platform of Religious Confessions (Plateforme des Confessions Religieuses) has been vocal and active in maintaining social cohesion. It comprises the Islamic Conference of CAR, Alliance des évangéliques en Centrafrique and the Catholic Church (the only organization present across the entire country).

One may speculate about the political preferences of a largely traumatized population after a civil war. In the absence of survey data, one would still believe that democratic norms are approved by a majority of the population, but probably not by minorities that never felt represented. Arguably, this is the case for the Mbororo and Muslim minority.

No survey data is available but the local consultations held prior to the Bangui Forum in 2015 clearly indicate citizen's approval of democratic ideals. They however complain that democracy was never really given a chance in CAR.

Social capital in CAR has always been weak. Since the 11th century, the area now known as CAR has been buffeted by numerous migrations, conflicts and raids. The regional slave trade and violent Arab raids on local populations, which was followed by forced work and conflict in the colonial period, exacerbated the already socially and geographically isolated indigenous populations of CAR (of which there are dozens). This history of incursion put significant social and economic power in the hands of foreigners, beginning a long trend of distrust between population groups that came to a head during the current crisis. Social capital is so weak in CAR that, during the 2013 to 2014 violence, family members in multi-ethnic or multi-religious families turned against each other. Muslim wives turned in Christian husbands to the Séléka, and Gbaya fathers turned over their Goula-Gbaya children to the Anti-Balaka. The CAR government and the international community have avidly pursued social cohesion programs since the last crisis. Humanitarian aid for these programs outpaces

Approval of
democracy

n/a

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Social capital

2

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aid for water, hygiene, health care and education. However, a prerequisite for social cohesion is a basic level of trust between people, which has rarely existed in CAR. The most resilient and long-standing examples of social cohesion in CAR exist paradoxically in market relations (e.g., the cattle trade and pharmaceuticals). In these relationships, scarcity of resources often supersedes ethnic and religious prejudices and allows for cooperation between warring groups. This was evidenced in the rapid rebound of the cattle trade and beef market immediately following the 2013 to 2014 crisis. The number of cattle coming through the official slaughterhouse in Bangui decreased by 80% between 2013 and 2014. However, in the second half of 2014, the official number of cattle slaughtered in Bangui increased nearly tenfold, having increased to pre-crisis levels during the period under review. Numbers of cattle slaughtered on the black market were estimated to be four times higher and showed more consistent activity across time. This value chain requires significant collaboration between multi-ethnic and multi-religious actors: more than a dozen facilitate the trade of an animal. Microeconomic relationships, such as those seen in cattle trade, provide forums for frank dialog and generate interdependency between warring parties, which augments social capital. In stateless, isolated CAR they seem the ultimate tool for recovery and economic growth, today and historically, peacefully or through strife.

II. Economic Transformation

6 | Level of Socioeconomic Development

All relevant indicators of socioeconomic development in CAR show a very bad standing, and systematically the country ranks among the ten worst performers. The Human Development Index (2017) ranked CAR at 188 out of 189 countries. The index value of 0.367 shows a very slight improvement from 2015 (0.362), but remains equivalent to 2012 levels. Abject widespread poverty is characteristic of CAR. GDP per capita (PPP) was \$726 in 2017, \$100 less than in 2008. In 2017, 83.1% of the population lived on less than \$3.20 per day. Urban inhabitants, and particularly those in Bangui, have historically been better off than people in the countryside. Concessionary politics creates massive inequality between those with formal relations to the state and those without (see Prosecution of Office Abuse above). This explains CAR's high 56.3 Gini coefficient, making it the 5th most unequal country in the world (of those ranked in 2008, most recent statistics). In 2017, the Gender Inequality Index found CAR at the bottom of the list (5th most unequal) with a value of 0.673. High primary school enrollment (96%) was due in part to nearly 20 years of significant donor funding for education (infrastructure, teachers). No recent statistics are available to show the devastation of the recent crisis on enrollment rates,

Question
Score

Socioeconomic
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as many schools were looted, destroyed closed or used as shelters for internally displaced people or even as headquarters for rebel groups in remote areas. According to the FAO, the subsistence economy provided a livelihood for nearly 75% of the population in 2012. Since then, the non-monetary economy has only grown, as hunting, foraging and subsistence farming remain primary livelihood types.

Economic indicators		2015	2016	2017	2018
GDP	\$ M	1709.2	1844.7	2167.5	2379.7
GDP growth	%	4.6	5.0	4.5	4.3
Inflation (CPI)	%	37.1	-	-	-
Unemployment	%	6.8	6.6	6.4	6.5
Foreign direct investment	% of GDP	0.2	0.4	0.3	0.8
Export growth	%	10.0	-5.8	25.6	-
Import growth	%	10.4	7.5	2.8	-
Current account balance	\$ M	-	-	-	-
Public debt	% of GDP	59.8	53.9	50.3	49.9
External debt	\$ M	682.4	688.2	729.5	778.9
Total debt service	\$ M	17.6	25.3	24.4	19.9
Net lending/borrowing	% of GDP	-1.4	1.8	-	-
Tax revenue	% of GDP	5.8	6.9	-	-
Government consumption	% of GDP	7.1	6.9	7.2	-
Public education spending	% of GDP	-	-	-	-
Public health spending	% of GDP	0.6	0.6	-	-
R&D expenditure	% of GDP	-	-	-	-
Military expenditure	% of GDP	1.7	1.5	1.4	1.4

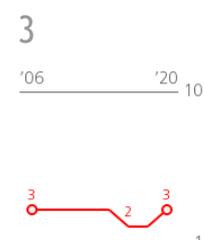
Sources (as of December 2019): The World Bank, World Development Indicators | International Monetary Fund (IMF), World Economic Outlook | Stockholm International Peace Research Institute (SIPRI), Military Expenditure Database.

7 | Organization of the Market and Competition

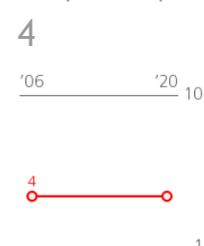
High levels of insecurity and the poor state of the national road network continue to have a devastating impact on the country's fragile economy. The urban centers, in particular Bangui, have seen a rise in market-based competition all due to the continued influx of international organizations. The few new private companies that started business during the review period all cater to the international clients, in particular, real estate and restaurants. The country's forestry and ecotourism resources cover some 34 million hectares. In 2017, the exploitation of these forestry resources accounted for about 40% of export earnings. In addition, the country has substantial mineral resources such as diamonds, gold and uranium, iron and copper. However, only diamonds are mined by an artisanal sector and account for about 35% of export earnings, thanks to the partial lifting of the Kimberley Process embargo. In partnership with the IMF, the then-government resumed fiscal reforms that had been interrupted by the 2013 coup and the ensuing conflict. In November 2018, the fund completed its fifth review of the CAR's performance under the three-year, \$189 million extended credit facility (ECF) program that was approved in mid-2016 (and has been augmented twice since then). The IMF expressed its broad approval of the government's fiscal management and new revenue-enhancing measures, which should help to encourage other foreign partners to engage with the country. Nonetheless, concerns remain about the high risk of debt distress, as well as the persistently poor security conditions – including in key diamond-exporting areas. According to the Doing Business 2019 report, it takes 10 procedures, 22 days and costs of 143.4% of gross national income (GNI) per capita with a required minimum capital of 40.7% of GNI per capita to start a business, placing the Central African Republic at 183 out of 190 countries in the Starting a Business subindex.

Central African Republic is a member of CEMAC (Economic and Monetary Community of Central Africa) and adopted the community's regional competition regime. But there is no formal national authority or merger control regulation. In CAR, competition regulations are difficult to enforce, and the formation of monopolies and oligopolies is only occasionally regulated. This is particularly visible in some areas of the service sector (telecommunications, banking). But monopolistic distortions of the market are certainly not rated particularly important by the government or the local donor community, as few investors show an interest and some essential goods are not provided at all.

Market organization



Competition policy



The economy has always struggled due to the country's isolated geographic position (landlocked with minimal transportation infrastructure). Freedom of trade further declined with the onset of the latest episode of violence. CAR's membership in CEMAC does lead to some common trade rules, which could help raise standards if implemented. The difficult state of road infrastructure together with insecurity along the main supply road from Cameroon, render the costs of foreign trade relatively expensive. Resumption of legal diamond exports from CAR's "compliant zones" in July 2016 has improved the trade balance. The government traditionally tried to generate income through tariff revenues, but this has proved challenging. With the majority of the country under the control of rebel groups, such policies are not implemented and security cannot be guaranteed. According to the World Bank's Doing Business report (2019), CAR has stepped up from a rank of 186 (2015) to 183 out of 189 countries. The country's Most Favored Nation applied tariff rate averaged 18% in 2017.

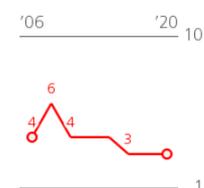
Parallel to its selective integration into the world market, CAR is and has been well-integrated into the global, shadow markets for small arms, poached animals and animal products (ivory, horns) and gold and diamonds, despite various embargoes. Rebel groups easily cross the border with stolen goods. In non-compliant zones (such as the eastern part of CAR), the diamond trade is controlled by Séléka groups that smuggle stones through various channels to Sudan, Cameroon and the DRC. Herders, many of whom come well-armed from Chad and Sudan, are often accused of smuggling illegal products out of the country either unilaterally or in collusion with various rebel groups. This further complicates attempts at reconciliation between various ethnic and religious groups.

Solid actual information on the banking sector is hardly available in the public domain. However, CAR's membership in CEMAC and ECCAS anchors the country to international banking standards, despite its small economy. CAR has the smallest financial sector in the entire CEMAC region. The most recent information lists four commercial banks, two savings banks and two micro-finance institutions. Theoretically, the supervision of the banking sector is well regulated in the framework of the CEMAC institutions. Legal underpinnings for the banking system and capital market exist, under the supervision and control of the Commission Bancaire de l'Afrique Centrale (COBAC), which is associated with the Bank of Central African States (Banque des États de l'Afrique Centrale), but the market is poorly differentiated and offers scant opportunities for domestic investors particularly in the current context. Banking sector support or reform does not hold a visible place in the president's platform nor in the National Recovery and Peacebuilding Plan (PNRCP).

Statistical data confirms the rather weak performance of the banking sector: Non-performing loans were 23.2% in 2017. The same year, the capital to assets ratio stood at 19.5%.

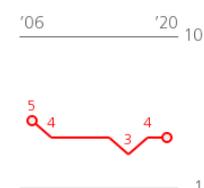
Liberalization of foreign trade

3



Banking system

4



8 | Monetary and fiscal stability

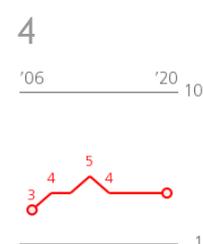
Monetary policy is managed by the regional central bank, Banque des États de l’Afrique Centrale (BEAC), which prioritizes controlling inflation and maintaining the Central African franc’s peg to the euro (655,657 CFA = €1). The BEAC took measures to support structural adjustments in its member countries, after global oil prices plunged in 2014 to 2016, leading to a sharp rise in statutory advances and a rapid drawdown of foreign-exchange reserves. In response, the BEAC raised its main policy rate in March 2017 by 50 basis points to 2.95%. In 2018, the BEAC tightened its monetary policy to 3.5% at its October monetary policy meeting. Despite the tightening of the BEAC’s monetary policy, inflation was an estimated 3.9% in 2018, down from 4.1% in 2017. Although inflation at these levels remains low compared with the highs of 2014 to 2015, it is well above the convergence rate of 3% set by CEMAC, as the country’s still relatively poor transport infrastructure (especially roads), ongoing insecurity and volatile agricultural output continue to support domestic inflationary pressures. The fiscal balance improved to an estimated surplus of 1.0% of GDP, from a deficit of 1.5% in 2017. The current account deficit improved to an estimated 8.3% of GDP in 2018 from 9.4% in 2017, thanks to improvements in the trade balance. The effective real exchange rate was 127.0 in 2017.

Public finances remain in deficit as ongoing instability continues to constrain fiscal performance. In 2018, parliament failed to approve increases in taxes on forestry and diamond exports. The implementation of other 2018 tax measures has been delayed. The government remain heavily reliant on donor income, although actual aid disbursements have been somewhat limited until the government can demonstrate real improvements in fiscal management, as well as progress on implementing the country’s five-year National Recovery and Peacebuilding Plan (2017 – 21), which was drafted jointly with these donors. The government has started to repay arrears to small and medium-sized enterprises and has reduced domestic arrears to pension funds. Arrears on external debt service accumulated toward the end of 2017, but these are under negotiation and may be partly cancelled – as has occurred several times before. Overall, the fiscal deficit is expected to decrease from an estimated 2.1% of GDP in 2018 to 1.7% of GDP in 2020, as revenue-enhancing measures are gradually implemented. In 2017, the public debt/GDP ratio was 38.8%.

Monetary stability



Fiscal stability



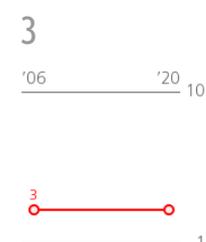
9 | Private Property

Private property in urban areas is guaranteed on paper but cannot be safeguarded because the rule of law is so weak. Outside of urban areas, the government owns all land, although customary rights to usage are common. According to relevant World Bank indicators, registering property takes a long time for foreign investors (75 days) and contract enforcement in Bangui's Commercial Court can take up to 660 days. However, this is hardly the most pressing problem when it comes to private property. The most essential property rights were harmed by the catastrophic events in 2013 – 2014, as the government was unable to protect its citizens or their assets during (or after) the last conflict. According to Office of Coordination of Humanitarian Affairs, in late 2018, 2.9 million people (more than half of the country's population) was in need of humanitarian assistance, an increase from late 2017 when 2.2 million people needed assistance. At the end of 2018, the number of Central African refugees had grown to 514,000 from 452,000 in March 2015, while the number of internally displaced persons had grown to 648,000 compared to 470,000 in October 2014.

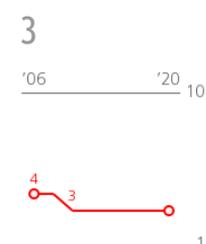
The few returnees come back to find their homes occupied and have no recourse to recover them. This is especially the case with the Muslim land and property owners. International NGOs, such as the Norwegian Refugee Council, have developed programs to aid returnees in advocating for their rights to regain their properties.

According to the 2019 World Bank's Doing Business Report, CAR ranks 183rd out of 190 countries. However, private enterprise activities have improved during the period under review. Diamond exports, which resumed in 2016 after a 2013 ban due to exporters' financing of armed groups, continue to support some economic activity. Services continue to recover and to rebuild infrastructure destroyed in the civil war, albeit slowly. Agricultural production (timber, bamboo, cotton and coffee are the CAR's main agricultural exports) – which accounts for more than 40% of GDP – benefits from the government's recent investment in the sector, although this remains constrained by ongoing insecurity. Although the presence of an elected government helps to unlock donor funding and support a modest rise in private and public consumption, security conditions deteriorated in 2017 and remained persistently poor in 2018. The business environment remains risky and state and economic institutions are fragile. Legal safeguards are also deficient. Foreign companies which were present in the country before the 2013 crises remain mostly in place (Air France, Bolloré, Catel, Orange, Total, Vilgarin). The year 2018 was also marked by the emergence of some Russian companies that mostly operate under local legal status (Lobaye Invest). Shadow economies remain significantly more lucrative than the formal private sector. In comparison to some neighboring countries, the government has never been a particularly vigorous economic actor and does not compete with private companies.

Property rights



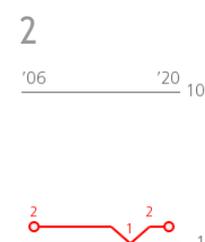
Private enterprise



10 | Welfare Regime

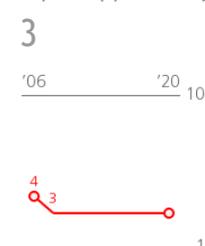
Average life expectancy at birth has steadily grown to 52.9 years in 2018 (from 50.7 years in 2015 and 44.6 years in 2003). Some health data indicate progress during the Bozizé era, but one wonders whether this is attributable to the government's policies (CAR attained only one Millennium Development Goal, number 6 on the fight against HIV/AIDS, malaria and other communicable diseases). Since 2010, HIV infection rates have dropped 23% and AIDS-related deaths have decreased by 3%, according to UNAIDS. This is lower than in all neighboring countries. But the death toll from malaria quadrupled between 2014 and 2017, according to the WHO. Health care infrastructure is particularly rudimentary with 0.8 health care workers per 1000 people pre-crisis; public expenditure on health care rarely exceeded 2% of GDP (2.1% in 2015). Formalized traditional and self-help mechanisms are very weak in CAR, given the lack of social capital within and between social groups due to repeating cycles of crisis. These weak systems were further weakened during the recent crisis (see Social Capital above). Church organizations remain the strongest social safety net in CAR today, as they care for the elderly, provide education, health care and encourage entrepreneurial activities. However, their ability to provide support is limited since churches and their staff have been targeted in attacks because they provide shelter for targeted groups. With the number of persons in need of humanitarian assistance constantly on the rise (from 2.2 million in 2014 to 2.9 million in 2018), the surge in international funding for CAR has created a multiplicity of NGOs on the ground, but no sustained improvements in access to a social safety net. These NGOs are currently the exclusive providers of social safety net benefits – in the form of cash-for-work opportunities, health care, education and capacity building – and are likely to remain so for some time to come.

Social safety nets



The constitution reaffirms CAR's commitment to prevent all types of discrimination against women, indigenous and tribal people. It also guarantees equality based on race, ethnic origin, region, sex, religion, political affiliation and social position. However, as is the case with so many legal provisions in CAR, enforcement is impossible. The literacy rate of adult women declined from 35% in 2000 to 24% in 2010, according to the most recent World Bank statistics. Four countries rank below CAR in the Gender Inequality Index (value 0.673). During the political transition after the last conflict, it seemed that women were going to begin taking a bigger part in public life than in most neighboring countries. Women formed 20% of the CNT (Conseil National de Transition), while a woman was also elected interim president of the CAR. However, the representation of women in the current National Assembly (installed May 2016) fell to 8.5%, lower than in Chad, Sudan, South Sudan and Cameroon. At the end of 2018, only six of 34 government ministers were women. Two of these six occupied key positions, namely Minister of Defense and Minister of Foreign Affairs.

Equal opportunity



Sexual violence against women drew significant attention during the period under review due to multiple cases of sexual assault by various actors, including peacekeepers (leading to the withdrawal from CAR of all Republic of Congo peacekeepers in June 2017). Discrimination against African non-citizens, particularly those from Chad, Sudan or Sahelian countries, is endemic in CAR due to the significant resources these populations often control through trade. Because these non-citizens tend to be Muslim, many Central African-born Muslims (primarily Mbororos) are discriminated against, not because of their religion but because of their association with foreigners who are, in the opinion of indigenous Central Africans, pillaging their country. Indeed, for many decades, first-generation Central Africans with foreign-sounding names often register their children with the authorities with Christian or French-sounding names to avoid discrimination at school and work.

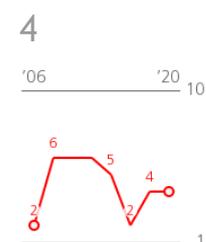
11 | Economic Performance

The economy suffered enormously during the most recent civil war: GDP contracted an unprecedented 37% from \$2.2 billion in 2012 to \$1.6 billion in 2013, but is now experiencing a slow recovery (\$1.95 billion in 2017). Real GDP grew by an estimated 4.3% in 2018, up from 4.0% in 2017, led by the primary sector through a strengthening of logging, agriculture and mining. Growth per capita (in constant local currency) was 2.9% in 2017 and much more stable, given a somewhat less precarious security environment. Inflation figures were not available for recent years.

Economic growth depends largely on political stability, continued reform, improved performance of the forestry sector and public investment under the National Development Plan. Low economic diversification and heavy dependence on foreign aid (more than 40% of the budget) and oil products leave the economy vulnerable to external shocks.

CAR has the lowest per capita GDP of all countries under scrutiny by the World Bank (\$726 PPP in 2017), which represents just under a 5% increase from the previous year. The faltering economy does not provide for any incentives to attract foreign direct investment, which was only 0.9% of GDP in 2017 (as compared to 3.2% pre-conflict, albeit a slight improvement from 0.4% in 2015). During the period under review, public debt continued its downward trend to 38.8% of GDP and the current account deficit at the beginning of 2017 looked better than envisaged at 9.2% of GDP. The state's tax revenues were meager pre-crisis (9.4% of GDP in 2012). However, the IMF estimates that tax revenue should increase due to the modernization of tax and customs administration tools implemented through the IMF Extended Credit Facility (ECF) now in its third year. Legal exports of diamonds from "compliant zones" in July 2016 had a small positive effect on government revenues as well (see Market Organization). Unemployment statistics are unreliable, showing steady rates between 2012 and 2014 (6.3% 2012 – 2014), despite a massive economic contraction

Output strength



in these years. World Bank data shows an unemployment increase in 2017 to 6%, most likely due to insecurity in previously stable areas of the country. The most recent statistics indicate that gross capital formation is equal to 17% of GDP, showing a consistent annual increase since a low point of 9% in 2013. The consistent increase in investment could be due to the expanding war economy that has paralleled persistent insecurity. In December 2018, the IMF completed its fifth review of the ECF and agreed to a disbursement of \$31.6 million based on satisfactory performance, despite a challenging security environment and humanitarian context.

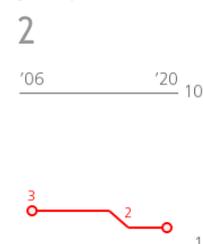
12 | Sustainability

Environmental performance in CAR has gone from bad to worse. In 2014, CAR ranked 119 out of 178 countries in the Environmental Performance Index, but fell each year to 171 out of 180 countries in 2017. Environmental laws are often contradictory and are rarely enforced. A review of the Code de la Faune is under way, financed and driven by international actors trying to strengthen the country's legal framework. Since independence, biodiversity in CAR has rapidly decreased. Wildlife reserves in the north and east of the country have been slowly emptied of animals by domestic and foreign poachers. Only three reserves are still functioning, one in the southwest, one in the north and one in the eastern part of the country. Both are under significant pressure from armed groups (rebels, poachers, Anti-Balaka, foreign herders). In 2018, the Wildlife and Forestry Ministry signed two significant private-public partnerships with two foreign organizations for long-term management of two parks and their functional territory. The humanitarian crisis is such that refugees and internally displaced people are unable to have any significant consideration for the environment. Prior to the crisis, forest production (primarily timber) exports revenues amounted to nearly 5% of GDP and the timber sector was the largest employer after public service. The 1990 forestry law is progressive in its environmental and social protections (e.g., no creaming, quantitative limits on logging to promote natural regeneration and involvement of indigenous populations in management), but enforcement is extremely weak and companies often self-regulate.

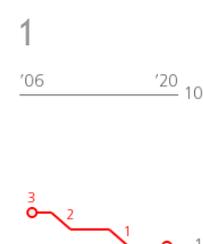
Literacy rates remained at 2015 levels (37%) during the period under review and are a direct result government neglect of educational investment. Furthermore, women are clearly discriminated against: 2015 statistics show only 24.4% of adult women are literate.

CAR performs poorly in the U.N. Education Index with a value of 0.341 in 2017 (and little improvement previously). According to World Bank documents, primary education enrollment has been low and stagnant since 2000 at 73%, and recurrent conflicts have led to high drop-out rates (26%) and low completion rates (31%). Government financing for primary education plummeted from 28% of public expenditures in 1996 to 14% in 2005 (latest figures). Despite significant support for

Environmental
policy



Education policy /
R&D



education from donor partners over the last 20 years (World Bank, IMF, European Commission, African Development Bank and China), low levels of education remain endemic in CAR, and significantly restrict economic growth and stability.

No quantitative data on research and development in CAR exists, but qualitative and experiential data suggests that only Bangui University holds a minimal capacity for social and scientific research, while quality is extremely variable depending on the level of funding and availability of the few national experts now heavily solicited by the humanitarian community and the United Nations. In the primary sector (agriculture), R&D has repeatedly experienced significant setbacks as infrastructure and capacity are rebuilt during periods of stability and then destroyed during subsequent conflicts. IMF funding, made available through the ECF to restore functionality to public sector agencies, was expected to yield a slight improvement in R&D and education, but this has not materialized.

Governance

I. Level of Difficulty

Structural constraints in CAR severely restrict governance capacity. The country is landlocked, with only one terrestrial, one aerial and one aquatic transport corridor. CAR's equally unstable neighbors include Chad, Sudan's Darfur province, South Sudan, the Democratic Republic of Congo and northern Cameroon (given Boko Haram's expansion and tensions in the capital Yaoundé). Chad, once a conflict country, has intervened in different ways in CAR (acting as kingmaker for Bozizé, peacekeeper and a discrete supporter of Séléka). Chad is a strongly problematic neighbor. These conflicts spill over due to porous national boundaries, as vast unpopulated regions of CAR (particularly in the north and east) remain havens for perpetrators of violence. Extensive surface water networks make communication in rural areas extremely difficult, and neither telecommunication nor transport infrastructure has been able to successfully provide access to the countryside. A country roughly the size of France, CAR only has 1,300 km of paved roads, while an additional 20,000 km of unpaved roads are subject to annual closure during the rainy seasons (four to six months of the year). This challenging geographical context compounds the historical challenges of a traditionally weak state: basic administration for economic (markets) and social (education, health care) structures does not exist; home-grown violence surges every ten years; and the state lacks a monopoly on the use of force. Recent observers of CAR may believe these current structural constraints to be a temporary characteristic of a post-conflict scenario, which are likely to change. However, CAR's history exemplifies fragility and the difficulty of transformation in the face of decades of socioeconomic conditions that have left its population extremely poor, fearful and untrusting of the state.

Traditions of civil society in CAR are weak due to low levels of social trust stemming from a history of violent conquest across the countryside by armed traders, slavers, brutal concessionary companies, militias, bandits and rebel groups. Today, CAR's isolated rural society, where so much of the protracted turmoil is happening, changes their civil society representation rapidly depending on the power dynamics of local armed groups and international funding for civil society. Fundamental relationships between people, however, stay strong (e.g., in livestock trade). The landscape of voluntary organizations is meager, and the most important of these are trade unions and church organizations (see Interest Groups above). There is a long-term presence

Structural
constraints

10



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Civil society
traditions

8



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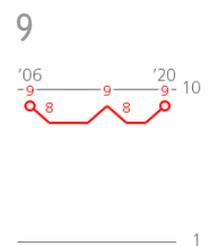
of public engagement, but not for civic reasons. The government has been the largest employer since independence, and integration into the state provides important social status and entitlements. Civic engagement hinges not so much on a desire to contribute, but a desire to claim entitlements, not be ignored and ultimately survive the volatility of life in CAR.

A recent trend within some vocal civil society organizations is their politicization and use by political entrepreneurs, mostly from opposition parties. Under the guise of civil or human rights, some organizations mobilize for political reasons and are even sometimes led by active politicians (Federation centrafricaine des droits de l'home led by Joseph Bindoumi, a former defense minister).

In the period under review, intermittent and intense violence continued across the country. President Touadera's reign started in a lull; violence dropped somewhat and armed groups waited to see what the new president was going to do. The lull did not last long. Before the end of 2016, violence picked back up with the city of Bambari at its epicenter, where UPC (a faction of Séléka rebels led by Ali Darassa) had its headquarters. The city of Bambari is a critical point on trade routes between Bangui and natural resources and mines (gold and diamonds) in the north. The UPC faced multiple attacks from other armed groups seeking to control this trade. In February 2017, MINSUCA launched an attack on Bambari in order to retake control of the city, to force the UPC to move out and to reduce tensions with other rebel groups. The attack resulted in many casualties, 20,000 internally displaced persons and the movement of various rebel factions (the UPC, Anti-Balaka and others) east toward Alindao, Kembe and Bria. Violence followed in the wake of this movement, in a region where MINSUCA had yet to establish a presence, but was counting upon the African Union Task Force mission (AUTRF) to push rebels back. However, the AUTRF's mandate (tracking the Lord's Resistance Army with the Ugandan Army) came to an end in April 2017 and it withdrew from CAR. This power vacuum was quickly filled. In May 2017, heavy fighting broke out in and around the town of Bangassou, causing the Muslim population to flee or to seek shelter in the local Catholic Church. Six international peacekeepers were killed in the violence and international humanitarian agencies withdrew from the region. The violence in the east continued throughout 2017, with the number of internally displaced persons rising. In October 2017, the UPC and the FPRC announced a "reconciliation," increasing their strength through coordinated tactics and the import of arms. At this point, the conflict turned again into a sectarian struggle between Muslims and Christians, reminiscent of the 2013 to 2014 crisis.

Overwhelmed by this re-escalation in fighting between Christian-majority "anti-Balaka" militias and Muslim-majority ex-Séléka groups, in December 2017, the CAR authorities requested a partial lift of the U.N. arms embargo (put in place in 2014 following the toppling of the government and ensuing breakdown of law and order). The U.N. then authorized a delivery of Russian light arms. Munitions were delivered

Conflict intensity



to two battalions (1,300 men) in a bid to strengthen the highly stretched resources of the Central African national army (known by its French acronym, FACA). Nine weapons shipments have arrived since January 2018. However, according to sanctions experts from the U.N., the move seems to have prompted rebels to increase their supply of high-powered assault weapons. Subsequently, Russian military instructors and 170 advisers arrived in the CAR to train the FACA and the presidential guard, as armed groups are quickly increased their military power. In the absence of the rule of law outside Bangui, they are the main source of employment and protection, making it easy to increase their ranks. Given the complex security picture, instability characterized by ever-changing alliances between armed groups financed by powerful foreigners is likely to continue. Attacks by armed groups continued and intensified throughout 2018.

However, the perspective of a signing of a peace agreement under the banner of the African Union eased tensions among armed groups toward the end of the year.

II. Governance Performance

14 | Steering Capability

Generally, the government tries to set strategic priorities, but often fails because of structural constraints. Even so, these priorities only partially conform to the goals of the market economy and liberal democracy. Despite the uniqueness in the level of violence and fragmentation of armed groups, during and after the most recent crisis, it seems the government's ability to set and maintain priorities mirrors that of previous conflicts. The political capacity to adopt a long-term perspective depends on the government's ability to balance competing interests, in particular those of the international community (particularly the multilateral institutions, France and increasingly Russia) and the opposition (e.g., militias, rebel groups and political opponents). Civil society organizations, political parties and parliamentarians are increasingly public in their expressions of disappointment.

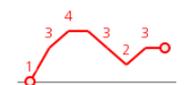
In October 2016, the new government approved and adopted a five-year National Recovery and Peacebuilding Plan (PNRCP). This plan focuses on three pillars: the restoration of peace, security and reconciliation; the renewal of the social contract between the state and the population; and the promotion of economic recovery and revival of productive sectors. Its elaboration was jointly financed by the European Union, United Nations and World Bank. Obstacles to achieving the PNRCP's priorities are familiar and substantial: the government does not have a monopoly over the use of force and peacekeeping support is inadequate. State identity is hindered by a historical inability to deliver public goods. CAR's economy needs a stable policy and security environment to thrive. However, during the period of review, little progress has been made that results in tangible changes on the ground.

Question
Score

Prioritization

3

'06 _____ '20 10



Implementation

3

'06 _____ '20 10

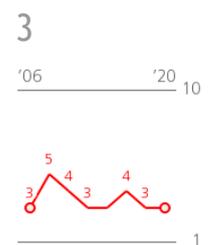


The root causes of CAR's problems are intricately intertwined. To some extent, the achievement of each pillar requires the simultaneous achievement of the others. For example, to renew the social contract between the state and the population, CAR needs peace and jobs, which in turn requires the rule of law and a strong democratic government. Despite the commitment of international donors, demonstrated again by France's minister of foreign affairs promising financial aid of €24 million in November 2018, CAR's development history shows that a national recovery policy (of which there have been multiple, financed by donors after each decennial crisis) with short-term support from donors is not sufficient to overcome structural and social obstacles. More than anything else, the country needs to experience a sustained period without violence to be able to fully implement a recovery plan.

This report has thus far repeatedly demonstrated the lack of policy learning, innovation and flexibility of the Central African government. Each decade since independence has brought a new conflict in CAR. While the details of each crisis period are different, the overall trends are the same, including: an inability or unwillingness of successive governments to respect democratic processes and work with the opposition; the inconsistent of donor support for fiscal reforms, DDRR, reconciliation and economic development; and a lack of institutional memory within the donor community coupled with poor governance within CAR that repeatedly produces ineffective policies. Monitoring and evaluation of past experiences is extremely difficult in CAR, as many government departments are unable to maintain proper archives. Statistics on which to base policy decisions are not reliable, as statistical agencies across all sectors have proven dysfunctional (except for a brief period in the 1970s). While knowledge and good practice exchanges are common within the public sector and the humanitarian community, outside models are often brought in as is and never fully adapted to the unique Central African context. One counterproductive example of policy learning in CAR is the ability of mid-level public servants to consistently remain low capacity, despite decades of funding to the contrary. It could be argued that this is willful, as the shadow benefits of remaining low capacity are personally lucrative. Each time CAR becomes somewhat stable and the international community increases pressure for improvements in democratic processes, a crisis evolves. CAR then claims "post-conflict" status, which brings with it an increase in outside funding, quick fixes and a relaxing of standards, which allows for an increase in personal entitlements.

Among the few examples of policy learning that have occurred in recent years is government's willingness to let the judiciary play a more important role in crisis resolution. Even though this is more the result of external and internal pressures, the government vowed to implement basic measures aimed at increasing accountability for war crimes and crimes against humanity through the judicial system. It is however too early to assess this shift in policy.

Policy learning

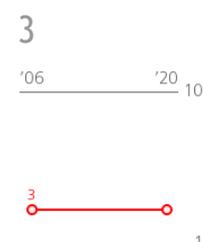


15 | Resource Efficiency

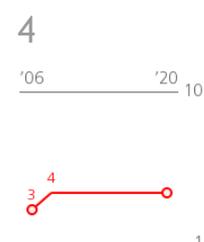
Since independence, CAR has been heavily dependent on external financing for basic state administration (which, as discussed above, has never been fully operational outside of Bangui). Inflows of aid are volatile and often depend on the newsworthiness of the context, while domestic revenue is one of the lowest in sub-Saharan Africa (9.2%) despite successive national policy plans. According to the most recent IMF country report, public sector wages accounted for 62% of public expenditure and 85% of domestic revenue in 2015 (does not include grants). The efficient use of human resources is extremely challenging in CAR for two reasons. First, the high social value placed on inclusion in public service (see State Identity) causes non-merit-based appointments, clientelism, delayed retirement, and duplicity and overlap of available jobs. Second, payment of government salaries in CAR is a universally accepted means of ensuring short-term stability in the country. France, the European Union, CEMAC countries, World Bank and IMF have repeatedly provided direct budget support for public sector wages in spite of poor management performance. Effective public administration is plagued by the persistent and inefficient use of human resources, as organizations are repeatedly reshuffled and decentralized across the country. Touadera's government has not yet managed to improve efficiencies in any of these areas.

The government in CAR struggles to balance trade-offs between different policy goals. This is particularly the case in their attempts to balance donor financed policy goals against domestically financed goals (which however is often because of unrealistic plans by international donors). For example, the PNRCP lays out a new “partnership for mutual accountability” to ensure effective implementation of the plan. The “architecture” of this plan follows standard international norms of coherent policy implementation: coordination and dialog mechanisms, financial instruments and monitoring, and evaluation. However, the PNRCP explicitly emphasizes that this architecture (and presumably the resources behind it) be used only for the implementation and achievement of the plan's expected results, not on the administrative problems of putting in place a complex institutional framework. This is a classic failure of coherent policy coordination in CAR; intense and repeated coordination of donor financed programs is separate from overall coordination of the state apparatus. This lack of coherent horizontal national policy coordination guarantees at best conflict, redundant policy objectives and confusion, and at worst increased negligence, corruption, concessionary politics and discontent among all stakeholders (e.g., opposition, international community and government).

Efficient use of assets

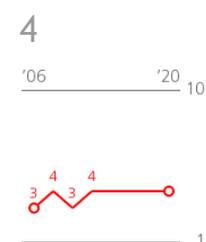


Policy coordination



The government in CAR is only partially willing and able to contain corruption. With limited political will, few resources and continued insecurity, the government will continue to have difficulty combatting administrative corruption as well as economic corruption (illicit trafficking of diamonds, gold and ivory). The few integrity mechanisms that exist focus on preventing misuse of external funding. As mentioned above (see Prosecution of Office Abuse and Policy Coordination), two parallel budgets and parallel coordination mechanisms exist in CAR, one for domestic revenues and one for external grants. Audits, media access to information, accountability of office holders and transparent procurement mechanisms are directly encouraged by grants or indirectly by government departments that benefit from grants. The same anti-corruption mechanisms are irregularly applied to domestic revenues, which condones a lack of transparency in domestic policy goals and preserves the political space for concessionary politics. Anti-corruption institutions have appeared and disappeared from the institutional framework over time, but have primarily served as an alibi for illicit government activity. Similarly, anti-corruption policies and programs do exist on paper. For example, good governance projects account for up to 50% of the budget for the second pillar of the new PNRCP (renewing the social contract between the state and the population) and CAR has ratified the U.N. Convention against Corruption. However, each successive national anti-corruption strategy has been unable to affect the culture of entitlements.

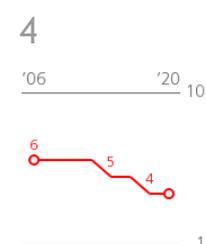
Anti-corruption policy



16 | Consensus-Building

Since independence, with the exception of the Bokassa period from 1965 to 1979, major political actors have agreed that strengthening democracy in CAR should be a key strategic, long-term goal. Even rebel groups and militias consistently pay lip service to the principles of democracy, rule of law, civil liberties and political rights, and express an intense desire for inclusion in CAR's democratic political establishment (see again State Identity). However, once inclusion in CAR's democratic system has been achieved, democratic ideals come second to personal enrichment. CAR's democratic institutions act as a means to personal enrichment, rather than primarily a means of accessing freedom, liberty or security.

Consensus on goals



Furthermore, if all major actors agree on democracy, they seem to disagree on how to achieve it. Whereas some minority groups (e.g., Muslims) favor numerical representation in government and public administration as a way of building consensus and achieving representation, other groups oppose this view by arguing that it is a reward for violence.

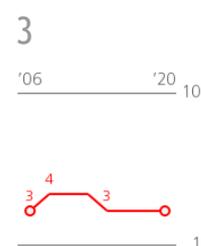
Similarly, on paper, consensus on a market economy as a strategic, long-term goal is evident. Political actors in CAR agree that economic decisions, and the pricing of goods and services should be guided solely by the aggregate interactions of the country's individual citizens and businesses with little government intervention or

central planning. However, in practice, the formal economy suffers from flagrant distortions caused by corruption, trafficking, the absence of the rule of law and a deep seated “cadeau” mentality. The formal economy is also dwarfed by the informal economy, which exists in all sectors and regions of the country and does not have a place in strategic decision-making. Furthermore, CAR is ranked close to the bottom of the Doing Business Index (183rd out of 189 countries in 2018) for a reason: the market is primarily guided by government decree, not the sum of decisions by rational economic actors. A functioning state may well be the precondition of a functioning market economy and ensures equality between actors. If this is true, a vibrant market economy is doomed by the distant prospects of a functional Central African state.

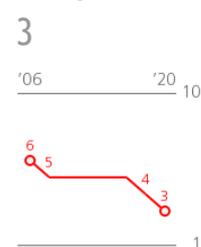
Reformers (i.e., those who advocate democratization) often change their rhetoric once in power. In their desire to reform, many so-called democratic actors (brought into power through elections) resort to anti-democratic practices (corruption, manipulation, civil rights abuses, disregard for the constitution). These tendencies along with the slow, often invisible, nature of political and economic change, quickly lead to a loss of the international support, which is required to counterbalance the power of the military, rebel groups and militias. At the end of the review period, rumors of coup d'état were growing in Bangui as discontent with the newly elected authorities as well as the U.N. force grew exponentially. Attempts at destabilizing the system by anti-democratic actors increased. Political maneuvering by some members of parliament, has also increased pressure on CAR's democratically elected authorities. Political actors who do not secure a lucrative position in government generally take their revenge by siding with armed groups in opposition to the government. This also increases pressure on the government to co-opt the majority of actors in the name of inclusivity.

The 2013 to 2014 crisis in CAR and the protracted violence that has occurred ever since are in part the result of the political leadership's inability to moderate the capacity for violence in rural areas and defuse intense, established frustrations over entitlements. CAR expert Louisa Lombard argues that in CAR violence is not a brief period of upheaval bounded by peace and the state's monopoly over the use of force. Rather, Lombard argues that violence is deeply rooted in the country's history and has consistently served as the best means for political elites to access entitlements. In particular, Central Africans from the north of the country, many of whom are Muslim, have consistently expressed their frustration over perceived injustices (e.g., discrimination in accessing education, employment and other basic services in the northeastern part of the country). Neither the international community nor the political leadership at the beginning of the last crisis were able to address these frustrations. The northerners' extensive sub-regional networks and control over significant resources gave them a strong platform to overthrow the country's leadership – which then led to frustration on the part of those previously in power. During the period under review, the pluralization of frustrations across the countryside (see Conflict Intensity) exemplifies the messiness of Central African

Anti-democratic actors



Cleavage / conflict management



violence, which does not always take a state-focused form and can therefore not be moderated by political leadership acting within nation-state norms. The biggest challenge to any moderation of cleavage-based conflicts is the persistent denial by the Bangui-based political elite of the legitimacy of northerners' and Muslims' grievances (and of those of other marginalized citizens). In that regard, many influential political actors have actually exacerbated cleavages for populist gains.

Historically strong civil society institutions (including traditional ethnic institutions) have been lacking. Integration of civil society institutions into policy deliberation, formulation and decision-making has taken a token form at best, often undertaken to satisfy the demands of international observers. In part, CAR's devastating colonial and pre-colonial past largely destroyed those traditional institutions that today could have provided a balance to the excesses of an overly strong presidential system. Nevertheless, a community of civil society organizations does exist. There are hundreds of registered organizations (no exact statistics available) in Bangui alone. Unfortunately, few of these groups are rooted in the communities they claim to serve. Moreover, the creation of a civil society organization has developed into yet another means of rent-seeking and claiming entitlements from the government and the international community. It should be noted that some civil-society groups also exacerbate cleavage-based conflicts and undermine CAR's democratic processes to put pressure on the government.

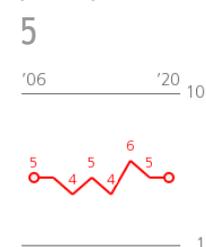
The prosecution of perpetrators of past injustices is slow and inadequate in CAR, and often only targets a handful of elite suspects. At the end of 2014, the International Criminal Court opened an investigation into the 2012 to 2014 violence in CAR. In 2018, the first two arrests were made (Yekatom and Ngaissona), while several other investigations are ongoing. In July 2015, the transitional authorities passed a law to set up a Special Criminal Court. However, progress toward operationalization of the court was very slow. In October 2018, the court held its inaugural session. Investigations are ongoing.

At the same time, with support from the international community, criminal trials have resumed in the Criminal Court in Bangui, often addressing, among others, crimes by the leaders of low-level, armed groups.

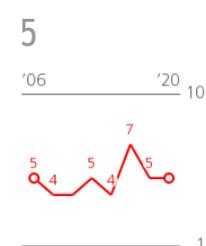
In June 2016, after eight years in the ICC system, Jean-Pierre Bemba was sentenced to 18 years in prison for failing to prevent his Congolese troops from committing crimes in CAR in 2001. But in January 2018, the ICC overturned his conviction.

The pluralized capacity for violence in CAR and a historically anchored tradition of impunity leaves little hope for justice on a large scale. Indeed, peaceful justice has rarely, if ever, been assured by Central Africans for Central Africans. As long as violence continues, national attempts at justice (and not international and more impartial ones) will be easily confused with revenge and violence will continue. The political leadership faces a similar challenge in bringing about reconciliation. A vocal

Civil society participation



Reconciliation



political will exists for reconciliation and social cohesion efforts. However, reconciliation would require the restoration of “friendly relations.” In CAR, such relationships have been historically short lived and superficial. While mutually beneficial relationships exist between people (such as those in trade or employment), social cohesion may be possible. However, CAR’s volatility and rampant poverty has prevented this cohesion from reaching a national scale. Short election and funding cycles will likely prevent substantial progress toward reconciliation as political and international attention will naturally shift elsewhere. The government appears willing to secure justice for serious crimes to achieve reconciliation, and it is supported by MINSUCA and most international partners (France, the United States and the European Union). The government signed a peace agreement with 14 rebel groups in January 2019, at the initiative of Russia and Sudan, though publicly championed by the African Union-backed mediation initiative. This agreement could be a step toward reconciliation, but it could equally just repeat the same conflict resolution mechanisms that have been applied in the country for decades without success.

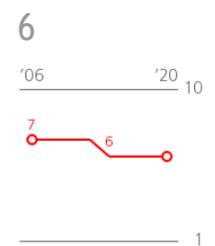
17 | International Cooperation

The government is potentially more dependent on international aid now than ever. Annual per capita aid jumped from \$50 in 2012 to \$108 in 2016 (latest figures). Humanitarian aid comprises 40% of CAR’s budget. Certainly, without decisive international support it would not be possible to make progress on national goals set jointly by the political leadership, international donors and U.N. agencies. The current roadmap (PNRCP) is very explicit regarding steps to reach its goals and the resources required to take those steps.

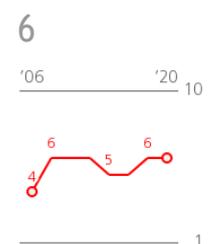
However, the extent to which these various strategies represent long-term goals for development is questionable, particularly the newest plan which focuses on post-conflict recovery. Furthermore, despite consensus on goals, international aid has only partially and temporarily been able to address fundamental obstacles to development (e.g., security, lack of basic services, transport and communication infrastructure). This is partly due to government failures, but also to international partners’ short-term interests.

On paper, CAR has ratified or concluded 186 different international conventions, charters and treaties, including the various Geneva conventions, U.N. Framework Convention on Climate Change, ILO core labor standards and various arms control treaties. However, as with its own laws, enforcement is extremely challenging. Ratification of the conventions often serves more as a way to leverage international funds for compliance than proof of a fundamental belief in a convention’s goals. Given the cyclical nature of conflicts in CAR, each new administration initially presents itself as credible as a means of achieving power. However, as progress toward goals stalls, credibility deteriorates. This was in evidence at the end of Touadera’s third year in power.

Effective use of support



Credibility



CAR was expected to, during the period of review, transition fully to a post-conflict context, with international partners beginning to shift their demands by expecting more rigorous monitoring, a need for transparency in procurement and the breadth of funding pre-requisites. Although some partners have indeed started to shift their demands and expectations, the country remains in an on-going conflict and struggles to meet those demands and expectations.

CAR is member of the Economic and Monetary Community of Central Africa (CEMAC), the African Union (AU) and other regional organizations. The government has actively supported regional integration, if primarily as another means of leveraging international funds for compliance.

However, it has been difficult, and this still holds for the period under review, to maintain good neighborly relations with its fragile neighbors.

For one, CAR's problematic neighbors have consistently exported their conflicts (and armed combatants) to CAR. This is true at least for Chad, Sudan, South Sudan and previously for the Democratic Republic of Congo. Furthermore, various neighboring administrations have directly supported or undermined CAR's political leadership. Congolese wars in the late 1990s also provided a platform for direct cooperation between Jean-Pierre Bemba and former President Patassé. Bemba's troops were at Patassé's disposal in exchange for use of CAR as an economic and military hub. Over the last two decades, Chad's Idriss Déby flip-flopped between directly supporting CAR's political leadership to supporting the rebels, sometimes simultaneously. He provided the troops for Bozizé's presidential guard and regional peacekeeping missions, yet supported Séléka's creation and sent troops to Bangui as Séléka approached to protect the retreat of his own citizens.

At the same time, neighboring countries have offered support (military, financial, training) to CAR. Regional cooperation in the Central African region is complex and characterized by rivalries and shifting alliances between governments.

Regional
cooperation

6

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Strategic Outlook

The key challenges facing the Central African Republic (CAR) include the country's history of violence, multiple structural constraints, an underperforming state apparatus and a very weak economy. Since the 11th century, the country and the region as a whole have experienced numerous migrations, conflicts and raids, such as the slave trade, Arab raids, forced labor, colonial conflict, violent coups d'états, rebellions and unfettered banditry. This history of betrayal and mistrust precludes unity and has created a society that provides little moral guidance to individuals. It has also created a culture of persistent violence and insecurity that works against attempts at peacebuilding and state-building.

Structural constraints in CAR severely restrict the political leadership's governance capacity. The country is landlocked, surrounded by unstable neighbors and has only 1,300 kilometers of paved roads. Extensive surface water networks cut off vast parts of the country for four to six months of the year. State legitimacy is severely weakened by a persistent inability to deliver public goods in a substantial manner and basic administration outside of Bangui remains thin.

Nevertheless, Central Africans' belief in the need for a functioning state is arguably the one aspect of the state that is not contentious. CAR's democratic institutions seem to act as a means to personal enrichment, rather than a means to achieve freedom, liberty and security. The state's persistent lack of legitimacy seems irrelevant to most Central Africans, although the state's existence as the primary source of entitlements and dignity is essential. In turn, the cultural acceptance of the state's illegitimacy consistently works against the rigid set of state ideals (re)introduced after each successive conflict in CAR.

State-building challenges are compounded by a very uneven population density. The sparsely populated northeast of the country has the least developed infrastructure, a situation that fuels the grievances of armed groups.

Similarly, the economy in CAR has rarely provided viable means for accessing entitlements. The private sector has always been weak, and what has existed has often been manipulated by concessionary politics such that there is little distinction between public and private.

CAR's history is a story of escalating cycles of violence driven by those who seek to fill a perceived or real power vacuum. During the period under review, Russia brilliantly demonstrated this. To confront these challenges, to establish peace nationwide and to prevent the recurrence of violent conflict in CAR, external actors must commit to long-term engagement for the foreseeable future.

The high levels of mistrust between people will take decades to reconcile, just as they have taken decades to open. However, strong social capital is a prerequisite to stability and consideration of long-standing examples of community resilience in CAR may provide a starting place from which to build unity. Microeconomic relationships along various value chains (cattle, gold, diamonds)

provide one such example because resource scarcity supersedes ethnic and religious prejudices and allows for cooperation between opposing groups. Policy reforms and international aid initiatives should identify people who act contrary to social norms and achieve positive results for themselves and their community (i.e., positive deviants), and for whom spikes in conflict do not substantially jeopardize their relationships with others.

The pros and cons of state-building deserve to be seriously analyzed for their relevance in CAR. Dialogue must consider the following questions: Is it possible to establish a traditional state that provides basic services to the entirety of its population and commands a monopoly over the use of force? Can domestic and international will power ever transcend election and funding cycles to create a balanced long-term policy perspective?

Short-term needs are clear: to meet the enormous humanitarian needs of the most vulnerable groups, to use the international legal system to combat impunity and to eradicate civil conflict across the country. Meeting these short-term needs provides an opportunity to secure transformative results. However, the long-term need to relieve the core structural, social, political and economic challenges in CAR requires slow, incremental improvements. International aid and peacebuilding must be restructured to prioritize these long-term needs. In particular, international aid to one of the poorest places in the world must begin to prioritize the dignity and status of people over the state ideal. If it does not do this, current modes of intervention will continue to complicate rather than resolve key challenges in CAR and the cycles of violence will continue.