

BTI 2016 | Central African Republic Country Report

Status Index	1-10	2.89	# 122 of 129	
Political Transformation	1-10	3.20	# 115 of 129	➔
Economic Transformation	1-10	2.57	# 123 of 129	⬇️
Management Index	1-10	4.28	# 86 of 129	
	scale	score	rank	trend

This report is part of the Bertelsmann Stiftung's Transformation Index (BTI) 2016. It covers the period from 1 February 2013 to 31 January 2015. The BTI assesses the transformation toward democracy and a market economy as well as the quality of political management in 129 countries. More on the BTI at <http://www.bti-project.org>.

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Key Indicators

Population	M	4.8	HDI	0.341	GDP p.c., PPP \$	594.2
Pop. growth ¹	% p.a.	2.0	HDI rank of 187	185	Gini Index	56.2
Life expectancy	years	50.1	UN Education Index	0.318	Poverty ³	% 82.3
Urban population	%	39.8	Gender inequality ²	0.654	Aid per capita \$	40.2

Sources (as of October 2015): The World Bank, World Development Indicators 2015 | UNDP, Human Development Report 2014. Footnotes: (1) Average annual growth rate. (2) Gender Inequality Index (GII). (3) Percentage of population living on less than \$3.10 a day at 2011 international prices.

Executive Summary

The Central African Republic (CAR) could be for a long time considered as a forgotten crisis country, generating little international attention. This changed at least partly over the observation period. The small landlocked country is one of the poorest in the world. Since mutinies in 1996/97, the CAR has been affected by a recurrent military-political crisis and a gradual collapse of the state. Successive outbreaks of violence and consequent attempts to restore stability have led to distrust, both within the elite and between ethno-religious groups. The last episode of violence was arguably the most destructive one. A good part of the territory witnessed severe attacks as the rebels progressed toward the capital Bangui (compared with less severe violence in prior episodes). The final assault of the rebels followed by the violent change of regime in March 2013 marked only the start of more widespread confrontations between largely autonomous local actors and foreign elements who formed parts of the Séléka militia. Those had enormously negative effects on politics, society and the economy. An already feeble state was further weakened: In almost every respect (and related indexes), the CAR now ranks toward the bottom of worldwide indicator lists. The country suffered a strong decline in its Human Development Index and the economy shrank by 35%. More than 800,000 people were forced to leave their homes; about half of them are living in refugee camps in the border zones of neighboring countries, the other half as internally displaced persons in the CAR itself. Attempts to foster inclusiveness in government affairs were superficially successful: The current prime minister is a Muslim, the president a Christian. Freedom of expression is the civil liberty least infringed. However, many people faced sexual violence and loss of property over the period under observation. Large parts of the population are traumatized and have lost the means to support themselves. The transition calendar revised in late 2014 foresees elections in summer 2015 and a return to some normality. The current transitional government and legislative council had difficulty delivering tangible public goods and lacked legitimacy. But, for the first time, the CAR has a transitional government headed by a neutral figure and not the author of the coup d'état. This augurs well for upcoming elections and the reconciliation forum. Without humanitarian assistance and the growing engagement of the

international community via French, EU and, most importantly, U.N. peacekeeping missions, it would have been impossible to lower tensions between groups, tensions that, in some cases, predate colonization. The scope of well-known structural problems and of immediate pressing needs is such that a still greater international awareness is needed. The authority vacuum in the CAR has negative repercussions throughout a region that already has to deal with equally severe challenges in the east (the South Sudan crisis) and the west (the Boko Haram rebellion, which reached parts of northern Cameroon).

History and Characteristics of Transformation

After formal independence in 1960, the Central African Republic remained heavily dependent on outside, particularly French, influences with regard to economics and domestic and foreign policy. A first coup led by Gen. Jean-Bédél Bokassa took place in 1965; he later declared himself emperor for life and was ousted by a French commando in 1979 following grave human rights violations. A short multiparty interlude was terminated by a second coup that brought Gen. André Kolingba to power in 1981 (†2010). He established a one-party system with some competitive elements, but for a long time refused to accept meaningful democratization.

The process of economic transformation first became relevant after France's withdrawal from segments of the state administration in the mid-1990s. Kolingba only belatedly and upon international pressure accepted the principle of free elections. In the first round of the 1993 elections, Kolingba came in fourth and subsequently tried to modify the electoral code as well as alter the composition of the Supreme Court. However, all major donor countries strongly opposed this step. In the second round, Ange-Félix Patassé (†2011) was elected president in a largely free and transparent election. Patassé, the first northerner to assume this function in the CAR, had difficulties asserting his authority over the state apparatus. He immediately abandoned the elite consensus of the transition phase by sidelining his main rivals and began a campaign of exclusion against the members of the old regime.

Like Kolingba, who had "tribalized" the security sector and the semipublic companies as the first president, Patassé favored those from his homeland in the northwest, continuing the ethnicization and regionalism of the army. A new constitution was adopted by referendum. However, behind this facade, serious defects were developing in the political arena. From an economic perspective, the increasing amount of unpaid salaries owed to state workers - up to 36 months' worth - was the clearest sign of failure. Without the various interventions of peacekeeping and other troops, Patassé would not have survived, in political terms, three mutinies in 1996/97, two attempted coups in 2001, or the rebellion of the chief of staff (Bozizé) in late 2001/02. Finally, Bangui fell into the hands of the Bozizé rebels (the so-called Liberators) in March 2003. The population in vast stretches of the most densely populated western and northern part of the territory paid a heavy price in the armed conflicts.

After his violent takeover, Bozizé at first announced that he would not stand for elections but quickly changed his plans. In the run-off to presidential elections in 2005, Bozizé faced Mouvement de Libération du Peuple Centrafricain (MLPC) candidate and former Prime Minister Ziguélé, who, in the end, won 35.4% of the vote, as against 64.6% for the incumbent. Some irregularities were reported. Structural problems remained and serious security problems developed immediately within the entire northern part of the territory (Bozizé originates from the west). Some key towns in the northeast fell under rebel control in October 2006 and were regained only with massive military assistance by France and the Communauté Économique et Monétaire de l'Afrique Centrale (CEMAC). In 2008, a so-called inclusive political dialogue could be held, but it was not the basis for a more consensual management of state affairs. Elections in 2011 were the least transparent yet and signaled a further decline of established political parties. Bozizé was re-elected with a two-thirds majority in the first round, and his supporters gained a very large dominance in Parliament; only the two main opposition parties gained seats, one each. But unrest grew in many quarters. A broad alliance of rebel groups (Séléka), dominated by Muslim forces including several Chadians and Sudanese fighters, formed in late 2012 and launched attacks that came ever closer to the capital. An interim peace accord did not hold and Séléka finally conquered Bangui in March 2013, ousting Bozizé and installing the first Muslim president, Michel Djotodia.

Faced with splits in Séléka and with strong pressure from outside, Djotodia gave in to a transition calendar with interim institutions. The inability of Séléka to maintain law and order upon seizing power, and the ruthlessness of their troops, which engaged in a series of unprecedented looting and killing in Bangui and the countryside, laid the ground for a broad-based reaction that emerged in the form of self-defense groups, also known as anti-Balaka. Because the Séléka violence (including the pillage and burning of churches) mostly targeted non-Muslims, the latter launched revenge attacks against Muslims that were particularly violent because of the support the anti-Balaka got from disbanded former security forces. The conflict took a turn that was wrongly labeled religious. In reality, a great part of the non-Muslim local population considered the Séléka coup a foreign-based (particularly Chadian) attempt to control the country and its resources. In January 2014, Djotodia was forced to step down. Catherine Samba-Panza, a civil society representative, took over as the first female (interim) president. A U.N. peacekeeping mission replaced a regional mission in mid-2014, but still faced difficulties in restoring order. 2013/14 was the most difficult period since independence, characterized by a dramatic economic decline and humanitarian disaster.

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 had a monopoly on the use of force in the CAR. In many ways, the CAR epitomizes an artificial state. Its borders are mostly uncontrolled and state administration is insufficiently present in vast parts of the country. For decades, it has been the subject of massive interventions by its former colonial ruler, France, and more recently by its neighbor, Chad. The government presence is less visible outside the capital. The lack of necessary infrastructure renders parts of the country accessible only by helicopter, while vast stretches of the eastern part of the country are extremely sparsely populated and open to the incursions of rebel groups like the Lord's Resistance Army (LRA), originating in Uganda. The CAR's security forces were at no point in history able to fully control the territory and borders of the state. 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, with the breakdown of the national army (FACA), various rebel movements and militias have more authority than the state in some parts of the country. The interim institutions have little authority and rely completely on the services of the three different peacekeeping missions on the ground (U.N. mission MINUSCA, the French Sangaris, and EUFOR) to keep up some order in selected areas of the country.

One major factor has often prevented ordinary citizens from accepting the organs of the state: The different governments since independence did not deliver public goods in a substantial manner, neither in the field of education nor in health or infrastructure. Worse, because the government cannot ensure public safety and order, and because it has achieved only a weak penetration of the territory, it cannot guarantee basic citizenship rights for entire population groups. This general picture has worsened significantly since March 2013, when the mostly Muslim Séléka rebels took power and soon went on a campaign of looting and killing, largely targeting the non-Muslim majority of the country. In a concerted action, a non-Muslim self-defense militia,

Question
Score

Monopoly on the
use of force

2

State identity

3

called anti-Balaka, launched a popular revenge action that went well beyond the proclaimed objective of stopping the Séléka violence. Particularly, the manhunt on Mbororo and Muslims in Bangui and the western part of the country attests to this. In 2014, several truck convoys carried a majority of the Muslim residents out of the capital toward neighboring Cameroon and Chad. Some secondary cities like Bossangoa were left by the Muslim community after severe attacks. Other smaller minorities (e.g., Pygmies) are simply disregarded. Contestation of the nation-state reached an historic extreme, in June 2014, when the ex-Séléka leaders announced the country's partition on the grounds that Muslims were discriminated against. Although this claim never gained substantial traction in the country, it nonetheless constituted a new form of political grievance by armed groups in the CAR. Additionally, widespread arms circulation, rampant roadblocks and racketeering all affect the capability of the state to protect its citizens. With only interim institutions in place, the legitimacy of the state is currently challenged more strongly than ever. This is less true with respect to the nation-state and citizenship as such.

Michel Djotodia suspended the constitution as one of his first acts when he took power in March 2013. Shortly thereafter, a transitional charter was enacted that provides for some guidance. The state as such is profoundly secular according to all relevant texts. However, two of the recent presidents (Bozizé, an adept of the Christianisme Céleste sect and Michel Djotodia, a Muslim from the Vakaga prefecture bordering Chad and Sudan) have openly displayed their religious affiliation without questioning the country's secular orientation. The crisis in the CAR has often been labeled a religious conflict. However, none of the armed groups has ever fought for the integrity of its religious beliefs. The religious overtones refer to the religious identities of the conflict parties. Targeted killings on both sides have amounted to ethno-religious cleansing, according to the final report of the U.N. Commission of Enquiry. The exacerbation of anti-Muslim tensions was rather built on the latent (and at times open) anti-Chadian resentment simmering for more than a decade in Bangui. Chad's takeover of the country's security apparatus since Bozizé's 2003 coup made it a perfect scapegoat for the population's resentments against Muslims, northerners and foreigners.

The state in the CAR was always deficient to the extent that its reach beyond the capital and its surroundings was problematic. Formally, the territory is divided into 16 provinces ('préfectures'). Some of the provincial capitals are clearly not under full government control due to the weak state of transport infrastructure, particularly during the rainy season. The violent conflict in the country and the de facto control of the eastern part by the Séléka have worsened the situation. Currently, it proves difficult to install new prefects in the eastern préfectures; some of the prefects installed during 2014 in an official ceremony immediately boarded the plane back to Bangui. A re-establishment of formal territorial administration would be a precondition for a functioning state, but nothing more. Since 2001, rebel attacks in

No interference of religious dogmas

7

Basic administration

1

vast stretches of the territory have stymied chances for the executive to implement state policies. What makes things worse in the CAR is that rebel-controlled spaces fall even further behind due to the destruction of existing, however limited, administrative structures. Basic socioeconomic services are provided by humanitarian aid agencies - or not at all. Security is upheld either by peacekeepers or self-help groups but not by the state.

2 | Political Participation

After the violent overthrow of President Bozizé, transitional institutions were installed under the supervision of the Economic Community of Central African States (ECCAS). Elections are planned for summer 2015, but strong security and logistical risks persist and may render the transition calendar unrealistic. Elections in the past were only partly free, with the exception of the last ones in 2011; these were particularly contested and deemed unsatisfactory by the majority of observers. For the last 10 years, elections in the CAR have relied on strong logistical support from external actors; as a good part of the countryside is not accessible by road, election materials have to be distributed partly by helicopter, and the same goes for the collection of results. A medium standard could be attained in 2015, with the help of international peacekeepers. For the first time in several years, post-coup elections in the CAR will be organized by an interim government whose president is not going to run. This could provide the new authorities with increased legitimacy should these elections be free and fair.

Free and fair
elections

1

Political decision-makers under the transition are not democratically elected. Both Michel Djotodia and his successor Catherine Samba-Panza were elected by the Transitional National Council, the interim parliament in Bangui, appointed by Djotodia. Although strongly contested by some groups for allegedly weak legitimacy, the Transitional National Council (TNC) has nevertheless been able to examine the new constitution bill and play its role of watchdog against the government. In the past, elected governments were not always able to govern large parts of the territory. Today, the situation may have turned worse, with incapacity replaced by outright contestation: Locally, the persistence of Séléka factions and anti-Balaka militias will decide whether or not elected authorities have the power to govern.

Effective power to
govern

1

For the last 20 years, association and assembly rights have been guaranteed by law, but not always in practice. The current transition arrangement put in place with the support of the regional and international community in January 2014 is, however, unique. For the first time in the country's history, the transitional head of state is not the head of the coup d'état and is not allowed to run in the next presidential election. This opens new opportunities for political participation beyond traditional avenues. The interim government does not restrict political rights, but the volatile security situation has a quite strong liberty-restricting effect - now more strongly in secondary

Association /
assembly rights

6

cities than in the capital. A good number of demonstrations in Bangui in 2013/14 turned violent and either degenerated into intergroup violence or attacks on peacekeepers. Some civil-society groups have become more vocal again since mid-2014. Historically, some lawyers' associations and the Organisation des Femmes Centrafricaines (OFCA) were important in promoting the pro-democracy movement in the 1990s. Human rights associations are again becoming important and the Organisation des Femmes Juristes will probably see an advantage from having its former chief presiding over the country's transition.

Freedom of expression is generally guaranteed in CAR but has often been limited by successive governments. During the reporting period, the fragile security situation imposed substantial restrictions on media. The existing media remain remarkably critical of government action, but few newspapers circulate. Radio is the most important source of information. Internet services have become important sources of information for the diaspora, though they partly follow party lines. Most important are Sangonet, Centrafrique Presse and Centrafrique Libre. Radio services are provided inter alia by Radio Ndeke Luka and the government's Radio Centrafrique. 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. Reporters sans Frontières ranks CAR 109 out of 180 (in 2013 it was at 65 out of 197; in 2012, 62 out of 179). The current score may be low due to the real restrictions of reporting during the war and its immediate aftermath. However, the gradual deployment of peacekeeping forces in the countryside has improved the situation.

Freedom of
expression

7

3 | Rule of Law

The current situation renders any assessment difficult. After the suspension of the constitution, a transitional constitutional charter was quickly elaborated in the first half of 2013 and promulgated on 18 July 2013. It still foresees a separation of powers. CAR has always had a presidential system and the appearances are not strongly different in early 2015. But the transitional parliament (see below) had to elect the transitional head of state. With the launch of a second transition in January 2014, the interim parliament gained some traction and tried on several occasions to scrutinize government actions. The interim government, headed by a prime minister chosen by the transitional head of state, is theoretically answering to the Conseil National de Transition (CNT) as interim legislative assembly. In practice, both main institutions are hampered in exercising their powers. In the current transition arrangement, the International Contact Group also plays an important role as representative of the international community that supports CAR's transition.

Separation of
powers

5

The judiciary, historically understaffed and weak, was further weakened by months of turmoil in 2013. Several prosecutors and judges were killed in Bangui. Judges, prosecutors and lawyers are in short supply and professionalism is low. In controlling legislative elections, the Constitutional Court sometimes invalidated individual results at the constituency level and ordered new elections. The Constitutional Court, by its composition, was seen as highly partial (pro-Bozizé) and was consequently dissolved by Djotodia. However, the transitional Constitutional Court has the important responsibility of validating the results of founding elections planned for summer 2015. The deployment of a U.N. peacekeeping mission under Chapter VII of the U.N. Charter has bolstered the weak judiciary and helped restore courts and tribunals across the country. Also, the planned creation of a special tribunal in charge of the prosecution of serious crimes will go a long way toward ending impunity in a country where the use of force has been the only way to get and maintain political power.

Independent
judiciary

3

State officeholders have much less leeway in using state revenue for personal gain than they did under the Bozizé regime - partly because there was a dramatic decline in state revenues, partly because there is intense international oversight of the interim institutions. One allegation of misappropriation by the government, concerning an Angolan grant (summer 2014), was not convincingly elucidated. Misappropriation of revenues through illegal exploitation of natural resources (diamonds and gold) is not properly identified and prosecuted. However, in the government's defense, prosecution is a difficult task under the current circumstances due to the weak state of the judiciary.

Prosecution of
office abuse

3

Civil rights are guaranteed by the constitution in principle. However, the state failed to protect civil liberties in the reporting period, particularly fundamental rights to life and physical integrity. More than 800,000 people (out of a population of 4.6 million), either internally displaced or living in refugee camps, had to flee for their lives. Sexual violence has strongly augmented. For some groups in some parts of the country, civil rights are systematically violated. This applies to Muslim inhabitants in many cities of the western half of the country, and to the nomadic Mbororo minority (equally Muslim, part of the larger Fulbe/Peul/Fulani ethnic group) in the countryside.

Civil rights

3

4 | Stability of Democratic Institutions

The interim institutions established in 2013 saw one major shake-up, when Cathérine Samba-Panza replaced warlord and Séléka head Michel Djotodia, who was forced to step down. This move was more or less decided by external actors, though it was popular with a large majority of the population. The interim institutions are not elected, they lack legitimacy and they are highly ineffective. Most presidents since independence, elected or not, had a strong tendency to centralize and personalize power, thereby entrenching the tradition of a captured state under the rule of a “big man.” The first female president symbolizes a certain break with that tradition, though her choice of Prime Minister Mahamat Kamoun (the first Muslim in that position) in August 2014 was criticized for not being the result of broad consultations. This appointment also signaled a certain appropriation of the political process by the interim president, who refused to appoint a prime minister imposed by the international community.

Performance of
democratic
institutions
2

Formally, all major stakeholders accept democratic institutions and particularly elections as the appropriate way to choose representatives. However, the low standard of fairness and correctness of the last elections (in 2011) is indicative of the lack of democratic commitment by some elites. It is highly unlikely that the former Séléka alliance, now split up in three major components, will accept an elected government that does not include its representatives - at least when it comes to ruling territory under its control. Séléka - or its three main components, apparently eager to transform into political parties - will theoretically rely on the support of the Muslim minority, which probably does not exceed 15% of the population. Doubts about the political will to play the game according to the rules of democracy develop from there. The power of ex-Séléka forces lies solely on their control of most of the eastern part of the country, where it may become difficult to hold elections at all (as planned for summer 2015). The anti-Balaka militias are even less homogenous and disciplined, and may also pose problems when it comes to the implementation of the election calendar. By contrast, the military is again under restructuring and remains weak. The recently launched dialogue process met with a fair degree of enthusiasm in areas where it was held. The ex-Séléka branch under Djotodia and Nourredine Adam's control (FRPC) has so far prevented popular consultations from being held in the center and the northeastern provinces they control. However, international forces (MINUSCA and Sangaris) have not shied away from using force to restore state authority in some places, as evidenced in Bria in early 2015. In contrast to previous dialogue processes that were mostly organized in Bangui in form of an elite pact, the current one is structured from the bottom up and involves a wide majority of the population in provinces. This augurs fairly well for a genuine democratization process, and the opposition of the FRPC to this is a sign of its unease with a process that would eventually lead to its loss of political clout. National and international mediators bear responsibility not only for short-term stabilization, but also for the preservation of chances for democratization in the medium term.

Commitment to
democratic
institutions
3

5 | Political and Social Integration

In general, the party system has proven to be quite unstable, thanks to its shallow roots in society. The 2011 elections marked the apex of a steady disintegration process of a once quite 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. However, ex-Prime Minister Martin Ziguélé looks prepared to launch a comeback of this historic party. The Rassemblement Démocratique Centrafricain (RDC), in which the Kolingba party still has strong influence, may also be headed for a revival. Bozizé's Kwa Na Kwa party was the clear winner in 2011, but seems to lack the organizational strength and ideological underpinning to survive the Bozizé era. Other parties have suffered major setbacks and the rise of "independent" MPs was a sign of the personalization and patrimonialization of politics. The party system was moderately fragmented and also moderately polarized, with MLPC and RDC having old roots: Both were the governing parties under former presidents (Patassé and Kolingba, both dead). The outcomes of upcoming elections are probably the most difficult to anticipate in the recent history of the country because the incumbent is not running, which removes a great deal of conflict of interest. Civilian political parties have suffered enormously over time, partly due to their own incapacities, partly to problematic international mediation efforts. No civilian party was able to represent the interests of marginalized minorities, and most suffered severe internal crises. President Bozizé managed to replace party affiliation with pure patronage; his own Kwa Na Kwa party was just a clientelistic network and attracted many ambitious personalities. But "cheap diplomacy" is also partly responsible for the loss of importance of political parties: All dialogue processes since 1998 (in 2003 and 2008), well attended by the political class, have favored the participation of politico-military leaders. Peace negotiations and agreements again saw rebel movements and warlords gaining political weight. A new round of such negotiations are planned for early 2015 (see above), but this time around the odds seem to be different as non-state armed groups do not control the transition process. The current transition under international oversight definitely has a unique chance to rebuild a functioning party system. Some new, smaller parties may also stand a chance to play a positive role in the future.

Party system
4

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. Given that salary arrears for civil servants were a strong mobilizing and uniting factor, and that in 2015 new arrears are expected, one can expect a bigger role for the trade unions again. NGOs aiming at better respect for human rights are active on the ground. The Organisation des Femmes Centrafricaines

Interest groups
3

(OFCA) is trying to give women a voice in the post-conflict situation. There exists an umbrella organization for NGOs that has been called upon to sit in transitional bodies, the Conseil Inter-Organisations Non-Gouvernementales en Centrafrique (CIONGCA). Ethnic minorities have never managed to organize themselves into powerful interest groups. However, the crisis has given some visibility to some religious organizations and personalities representing religious groups in a social conflict that took an unexpected religious turn. The 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.

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 Muslim minority.

Approval of
democracy
n/a

Distrust between population groups, particularly between Muslims and Christians, has grown in the course of the last episodes of violence. During the Séléka march to Bangui and the subsequent short-lived rule of Michel Djotodia, the first-ever Muslim to rule CAR, the looting, killing and harassment by armed groups against non-Muslims has generated a deep hatred against a minority that had always been suspected of being of foreign extraction. After Djotodia's rule, angst changed sides and Muslims feared for their life when self-defense groups called anti-Balaka harassed everybody exhibiting the "wrong" religious orientation. It will be difficult to recreate trust in some of the capital's neighborhoods and in secondary cities, particularly those close to the frontline between territories still controlled by Séléka and the rest. This comes on top of the generally low trust among the population after numerous violent episodes since 2001 pitted ethnic groups against each other. Thousands of people were repeatedly forced to take refuge. Social capital is believed to be low throughout the country. But it may still vary strongly between localities with a rather homogenous population and little recent experience of armed confrontations on the one hand, and the numerous hot-spots of direct confrontation and heterogenous population on the other. CAR was historically, before colonization, a hunting ground for slaves, pitting Muslims against so-called pagans. Areas of intense slave trade are believed to retain a legacy of low social trust. This pattern may have been reinforced by the most recent period of violent clashes between identity groups. Trust results from trustworthiness and can be rebuilt only slowly by repeated interaction following informal or formal rules. The current interruption of many market relations (e.g., the cattle trade) is a true problem in this respect.

Social capital
2

II. Economic Transformation

6 | Level of Socioeconomic Development

Question
Score

Socioeconomic
barriers

1

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 (2013) shows CAR at rank 185 out of 187. The index values of 0.341 has declined over the years and is now back at 2008 levels. Abject widespread poverty is a characteristic of CAR; according to somewhat dated figures (2008), 80% of the population lives on less than \$2 a day. It is highly implausible that this ratio could have improved over the last tumultuous period. Inhabitants of Bangui were generally better off than people in the countryside. But the years 2013/14 created many hardships in the capital, and many people lost relatives and property. Only a tiny elite was able to siphon off some rents. This explains the strong inequalities documented by the Gini coefficient, which stands at a high 56.3 (according to the last available data, from 2008). The GII documents a more acceptable rank of 144, taking into account the difficult situation typical of post-conflict countries (value 0.654). The World Bank finds that women represent 47.3% of the entire labor force. While the gross enrollment ratio, according to the most recent data, stands at an acceptable level of 95.6% for primary education, the ratio for secondary education plunges to 17.8%, and falls to 2.8% for tertiary education. Those figures may not reflect the effects of the recent crisis, in which many schools were looted, closed and/or used as shelters for internally displaced people. It is highly probable that such data will get worse over time.

Economic indicators		2005	2010	2013	2014
GDP	\$ M	1350.3	1986.0	1544.6	1782.9
GDP growth	%	0.9	3.0	-36.0	1.0
Inflation (CPI)	%	2.9	1.5	1.5	-
Unemployment	%	7.0	6.9	7.6	-
Foreign direct investment	% of GDP	0.7	3.1	0.1	-
Export growth	%	-4.6	9.2	-29.4	-24.6
Import growth	%	12.7	14.4	-25.1	54.6
Current account balance	\$ M	-	-	-	-

Economic indicators		2005	2010	2013	2014
Public debt	% of GDP	108.8	32.3	52.3	47.6
External debt	\$ M	1033.0	614.2	574.4	-
Total debt service	\$ M	6.9	2.6	6.8	-
Cash surplus or deficit	% of GDP	-	-9.0	-	-
Tax revenue	% of GDP	-	9.1	-	-
Government consumption	% of GDP	10.4	8.2	10.1	7.6
Public expnd. on education	% of GDP	1.6	1.2	-	-
Public expnd. on health	% of GDP	2.2	2.0	2.0	-
R&D expenditure	% of GDP	-	-	-	-
Military expenditure	% of GDP	1.1	2.6	-	-

Sources (as of October 2015): The World Bank, World Development Indicators 2015 | International Monetary Fund (IMF), World Economic Outlook, October 2015 | Stockholm International Peace Research Institute (SIPRI), Military Expenditure Database 2015.

7 | Organization of the Market and Competition

The high levels of insecurity that followed Séléka's violent seizure of power have had a devastating impact on the country's fragile economy. The picture worsened with the demise of Michel Djotodia and the manhunt against Muslims who used to control various sectors of the local economy (diamonds, gold, cattle). As a result, many local markets broke down in 2013/14 or are now grossly distorted by the interference of armed groups that steal goods or tax traders arbitrarily. In particular, the cattle trade that involves the Mbororo minority does not exist anymore. Stolen cattle have been smuggled and sold over the border in Cameroon. The state is a minor actor in this field. Only few international investors have shown interest in establishing themselves in Bangui, and the few who have were mostly disappointed. Since early 2013, the general investment climate has again dramatically deteriorated in the context of the new civil war and its still violent aftermath. This translates into a bad ranking in the Index of Economic Freedom published by the Heritage Foundation (2014: 161 out of 178). There is little confidence with private investors that their expenses could be amortized quickly and generate sufficient returns.

Market-based
competition

2

The lack of competition may foster a de facto monopolistic situation locally, but this is not related to the government's unwillingness to intervene. Regulations do exist to some extent, but they cannot be enforced. It would also be nonsensical to impose onerous regulations on the few private operators in the formal economy.

Anti-monopoly
policy
4

Detailed information on the anti-monopoly institutional framework (e.g., laws and other regulations) are largely unavailable for CAR.

The economy has always struggled with its geographic position as a landlocked and barely accessible country. Freedom of trade has further declined with the onset of the latest episode of violence. The government had traditionally tried to generate income by tariff revenues, but this has proved challenging in the increasingly strong informal context in which customs now operate. This does not make legal trade easier; according to the World Bank's Doing Business report (2015), CAR has declined from a disastrous rank of 185 to 186 out of 189 in the "trade across borders" sub-indicator. Rebel groups cross the border much more easily with stolen goods to sell them outside CAR; the diamond trade in the eastern part of the country is controlled by Séléka groups that smuggle products through various channels including Sudan but also Cameroon and the DRC. It can be argued that the economy is only very selectively integrated into the world market. The worldwide shadow markets on small arms, poached animals, gold and diamonds have gained traction due to the crisis, and also due to various embargoes (U.N. Resolutions 2127 and 2134) and restrictions (suspension from the Kimberley Process). On the positive side, CAR's membership in CEMAC leads to some common trade rules, which could help raise standards if implemented.

Liberalization of
foreign trade
3

Solid actual information on the banking sector is absent. CAR has the smallest financial sector in the entire CEMAC region. The most recent information (2012) lists four commercial banks, two savings banks and two micro-finance institutions. The ease of getting credit declined from 2013 to 2014, according to the World Bank's 2015 Doing Business report, by six ranks. 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. The risk to investment posed by violent crisis has spiked in this sector.

Banking system
3

8 | Currency and Price Stability

As a member of the CFA franc monetary union, CAR cannot pursue an independent policy on currency and foreign exchange rates. The currency is pegged to the euro, and the Bank of Central African States (BEAC) is the monitoring authority. The technical competence of the BEAC has helped to maintain a relatively low inflation rate almost every year. The decline in food production as a result of insecurity in the countryside, plus supply disruptions, resulted in shortages in key areas and in the modest acceleration of inflation (5.8% from 2011 to 2012). The World Bank's indication of a surprisingly low 1.5% inflation rate in 2013 stands in contrast to an earlier announcement by the government (6.6%). The outlook for 2014, according to the IMF, was much more critical: The scarcity of basic consumption goods would translate into a steady rise in prices, leading to a projected inflation rate of 11.6%. This is well above the convergence criterion adopted by CEMAC.

Anti-inflation /
forex policy

7

Improving the mobilization of domestic revenues and enhancing the quality of spending are major recommendations of the IMF in the current situation. The aim of corresponding measures is to limit the domestic primary balance to 5% of GDP in 2014 and 4.1% in 2015. The external debt figures have remained low since the major rescheduling of debts in 2007/08, with just \$551.8 million and \$547.3 million respectively (2012/11); the corresponding need to service external debt is equally low (\$4.4 million in 2012). On the other hand, CAR has meager reserves (\$158 million in 2012). The difficulty of generating tax income results, on the positive side, in very low current expenditures by the government for purchases of goods and services (7.7% of GDP).

Macrostability

4

9 | Private Property

Private property is guaranteed on paper but cannot be considered satisfactorily safeguarded because the rule of law is so weak. During the Bozizé regime, corruption was widespread and hit the private sector. Registering property takes a long time for foreign investors (75 days according to the relevant World Bank indicator). 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 2013/14; the government could not protect its citizens during the civil war (and beyond). According to U.N. sources in 2013, all 4.6 million CAR residents were affected by the conflict, not least because they lost their housing. About 1.6 million people were considered at that stage to be in need of assistance, including protection, food, healthcare, water, sanitation and shelter. By November 2013, the civil war had produced 400,000 IDPs, and this figure rose slightly in 2014.

Property rights

3

In principle, private enterprises are permitted and protected. However, the Heritage Foundation states that government distortions of the economy through subsidies and wage/price controls are aggravated by political instability that undermines the basic functioning of state institutions.

Private enterprise
3

Starting a business is very difficult, according to the Doing Business report - not so much for the time it takes to register (a modest 22 days), but for high capital requirements and direct costs involved. As a consequence, it is very difficult to attract any private investment, domestic or foreign. In comparison with some neighboring countries, the government has never been a particularly vigorous economic actor, and thus it is not a competitor to private companies. Neither the state nor anyone else was able to protect private property sufficiently during past crises. Even before the latest escalation, plundering was a common occurrence.

10 | Welfare Regime

According to the available figures (until 2012), the average life expectancy at birth has steadily grown to 49.5 years (from 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 will attain only one Millennium Development Goal, number 6 on the fight against HIV/AIDS, malaria and other communicable diseases). HIV infection rates dropped sharply, from 4.6% (2010) to 3.8% in the 15 - 49 age group, according to the World Bank in 2014; this is lower than in all neighboring states. But the death toll from malaria tripled between 2008 and 2012, according to the WHO. The health infrastructure is rudimentary and 0.8 health workers per 1000 people (data from 2009) is a particularly low figure. Public expenditure on health rarely exceeded 2% of GDP (1.9% in 2012). Self-help mechanisms and traditional healers may have supplemented public services in ordinary times, but such mechanisms also suffered during the war, with the level of social trust declining. In the absence of functioning state-sponsored social safety systems, there used to be equivalent safeguards offered through savings collected informally among grassroots associations or the solidarity of church congregations, at least in part of the territory. Whether this tradition has survived the 2013/14 crisis is difficult to tell. Internally displaced persons are in strong need of humanitarian assistance, not least food help. Most efforts in the field of health, but also other measures to combat poverty, will come exclusively and directly from external actors for the foreseeable future.

Social safety nets
1

Equal opportunity between men and women is difficult to guarantee, despite legal provisions against discrimination. In fact, the share of women within the literate adult population is declining (ratio of literate women to men in 2000: 68/100, in 2010: 55/100). Only 35% of the female population has a complete primary education. CAR ranks 144 of all countries in the Gender Inequality Index (value 0.654); this is still acceptable when compared to other post-conflict states. Women take a much bigger

Equal opportunity
3

part in public life than in most neighboring countries and play an important role in the peace process at all levels of society. The transitional legislative organ (Conseil National de Transition, CNT) comprises 26 women (out of 135 members in total). The (indirect) election of interim President Samba-Panza by the CNT was widely applauded, not least because it symbolized a break with the well-established Big Man culture. Women became victims of sexual violence during the last crisis period. There are reports that women were forced to marry Séléka commanders. Among the ethnic groups, mostly the Mbororo nomads are excluded in several ways from all sorts of opportunities including education; they were targeted and frequently indiscriminately killed by anti-Balaka forces in 2013 and 2014. For several decades, the Muslim minority has felt forms of discrimination. The brutal seizure of power by the mostly Muslim Séléka was accompanied by violent looting against non-Muslims. This afterwards resulted in the highest vulnerability of Muslims who were targeted by anti-Balaka, regardless of whether they were Séléka members or not; many mosques were destroyed in those two years. Muslim activists complain about the inferior status they are given officially, including the absence of Muslim holidays from the national calendar.

11 | Economic Performance

The economy has suffered enormously from the recent breakout of violence. GDP declined on an unprecedented scale from 2012 to 2013, from \$2,196.7 billion to \$1,583.2 billion (-36%). CAR has now the lowest per capita GDP recorded of all countries under scrutiny by the World Bank (\$603.6 in 2013), which represents a significant fall from the previous year (\$947.8). The faltering economy does not provide for any incentives to attract foreign direct investment, which stood in 2013 at 0.1% of GDP. Compared to such figures, public debt representing 50.1% of GDP looks modest. Inflation was low in 2013, falling to 1.5% from 5.8% the preceding year. The tax revenues of the state are meager, representing 9.3% of GDP in 2012. At the end of 2013, the transitional government provided a new revenue target of CFAfr 86 billion, only about one-third of the figure in the initial budget. According to the government, domestic revenue had fallen by 45% since the coup in March 2013. The decision by the Kimberley Process in mid-May to suspend diamond trading with the CAR, effective immediately, produced negative effects on government revenues. State revenues are much too low to cover running expenses, much less permit any meaningful public investment. The longstanding problem of salary arrears persists. Jobs in the formal sector were very rare already in peacetime, but the damage to the economy inflicted by the civil war will further reduce employment opportunities; unemployment data do not exist, but the low levels of private investment point to a very high rate.

Output strength
2

12 | Sustainability

CAR is ranked 119 out of 178 in the Environmental Performance Index (2014). Environmental laws are partly contradictory and cannot be enforced or implemented in practice. This is particularly obvious in wildlife preservation. Elephant hunting is in principle forbidden, but there are many exceptions. Private hunters can legally hunt elephants under some conditions. In the past, big safaris had been organized for wealthy individuals coming mostly from the Arab world. During the civil war, wild animals have been poached, sometimes in collusion with state officials. The World Wildlife Fund reported that, in May 2013, Séléka rebels killed 26 elephants in a kind of massacre. The humanitarian crisis is such that refugees and internally displaced people have no consideration at all for the environment. Timber exports may rise again after an improvement of the security situation; this contains some risk for further deforestation.

Environmental
policy
2

Recent figures on public expenditure in the education sector do not exist, but over the last decade, they never represented more than 1.6% of GDP. The low literacy rate of 36.8% is a direct result of this neglect, with women clearly discriminated against: Only 24.4% of adult women are literate. This may change only slowly. The ratio of female to male enrollment in public and private schools is 74.3 out of 100 in primary education, 51.3 out of 100 in secondary education and 36 out of 100 in higher education. Latest available figures indicate a rather high enrollment ratio, around 95%, but the war particularly hit schools that were closed frequently for over one year and frequently transformed into centers for humanitarian assistance. The effects of enduring violence on education will only be measurable after a lapse of time.

Education policy /
R&D
1

Transformation Management

I. Level of Difficulty

The level of difficulty in governing CAR is extremely high and certainly did not diminish during the observation period. The country is landlocked, devoid of infrastructure and surrounded by conflict countries (these include Sudan's Darfur province, South Sudan and DRC; northern Cameroon may develop into one should the the Boko Haram conflict expand). Chad, once a conflict country, has intervened in different ways in CAR (as kingmaker for Bozizé, as peacekeeper, as discrete support for Séléka); it is a strongly problematic neighbor. Since colonial times, difficult circumstances have prevailed: lack of basic market economy structures, poor education, homemade violent conflicts, inefficient administration of the state and the state's lack of a monopoly over the use of force. The condition of the country's interior - particularly the eastern part, with its very rudimentary infrastructure - contributes to this as well. In terms of structural socioeconomic conditions that shape the political process in the long term, the level of difficulty of transformation must be seen as relatively high. The citizens' experience with different postcolonial regimes is more or less consistently negative. Value systems are tainted by variations of traditional political cultures and institutions. Most communities previously observed rules of consensus. In contrast, colonial rule was ruthless and mostly driven by private business interests. CAR was in fact the least administered French colony; "compagnies concessionnaires" had no limits to the exploitation of the population, using the most brutal methods without providing any form of assistance. Two successful coups d'état, the repression under Bokassa, neocolonial intervention, three mutinies in 1996/97, a bloody coup attempt in 2001, two successful violent rebellions in 2002/03 and 201/13 all account for difficult experiences. Some factors - a multiparty system from 1979 to 1981 (while all neighboring countries were under authoritarian rule), one successful peaceful transition in 1993, and the holding of a so-called inclusive political dialogue in late 2008 to overcome the post-2003 crisis - account for the few positive episodes in recent history.

Structural
constraints
10

Traditions of civil society are weak. This may be related to the particularly low level of social trust that probably reached historic levels after Séléka's seizure of power. Some analysts trace this back to precolonial times when the territory of today's CAR was mostly a hunting ground for slave traders. Civil society engagement is equally weakly rooted in the country's history. During colonial times, there was no strong urban population to provide a basis for associational life. The landscape of voluntary organizations remains meager to this day. The most important of these are trade unions. Journalists play a positive role overall; the need for transparency and neutral information is particularly high in this dangerous phase of CAR's history, in which simple rumors about attacks or atrocities could trigger violent countermeasures by opposed communities and therefore could have deadly effects. However, financial constraints force media outlets to accept compromising arrangements that infringe on their professionalism. So-called traditional community structures are partly an extension of those imposed by the French; apparently they have also suffered from the inflow of rebels who sidelined traditional institutions of conflict mitigation, for example between settlers and cattle herders.

Civil society traditions

8

The observation period covers a phase of intense civil war followed by a protracted phase of intercommunal violence. In early 2015, tensions have been somewhat reduced, but less than the entire territory is at peace. A major ceasefire agreement was signed in Brazzaville on 23 July 2014, but not a full peace agreement. It may be difficult to obtain such a document. One highly problematic feature in this context is the lack of cohesion of the different armed movements. The Séléka alliance has split into three major factions, smaller groupings exist and there seems to be little binding power of decisions taken on the top-level for fighters on the ground. The anti-Balaka movement is even more decentralized; local militias may use the label, but would not obey orders from self-proclaimed leaders. Memories of severe human rights violations and episodes of ethnic cleansing are strongly present and heavily influence social behavior. In late 2014, about 410,000 IDPs and 420,000 refugees were reported by the UNHCR - nearly a fifth of the population and four times as much as after the last round of escalations (2008). A number of additional conflict risks persist: The Lord's Resistance Army (LRA) in the southeast of the country has not yet surrendered and may continue raiding villages. The cross-border raids of some smaller rebel movements active in both Chad and CAR may trigger violence including from official security forces of neighboring countries.

Conflict intensity

8

In 2014, the FDPC (Front démocratique du peuple centrafricain) of Abdoulaye Miskine at least twice attacked villages in Cameroon and took hostages in order to liberate its leader. Similarly, the new movement Révolution et Justice, based mostly in Paoua, periodically enters Chad in pursuit of some illegal business.

II. Management Performance

14 | Steering Capability

The current transitional institutions (i.e., the government and transitional council which serves as an interim parliament), lack popular legitimacy. By definition, they just fill a gap and have neither the capacity, nor the mandate to set strategic priorities. The government relies strongly on the support of external partners and the U.N. peacekeeping mission, with regard to both the crucial security dossier as well as economic policies. However, it does pursue both the goals of democracy (i.e., mostly elections) and economic progress to some extent.

Accordingly, the interim government is also largely unable to implement any policies, at least not on its own. As mentioned earlier in the report, it lacks the material resources and the authority over the entire territory to enforce its policies. International organizations and NGOs play an important role in all sectors and take care to involve the interim authorities, but this is largely a symbolic act. External actors' agendas sometimes clash with local authorities' objectives. Whereas transitional authorities would have preferred a slightly longer interim period in order to prepare free and fair elections, international actors - mostly guided by the will to exit the country as soon as possible - have been insisting on a transition that is as short as possible. Although understandable from a funding perspective, this insistence on deadlines could increase the technical obstacles of organizing transparent elections in CAR.

Potentially only one major item of political debate has led to an observable policy change. Interim President Samba-Panza replaced her first prime minister, Andre Nzapayeke, with Mahamat Kamoun, in August 2014. Kamoun is a civil servant of Muslim origin and also served Djotodia as an advisor. His appointment was therefore meant to appease the Séléka. However, Séléka leaders reacted angrily to not having been consulted, and they did not see the new prime minister as a sort of compensation for their loss of power only a few months after the conquest of Bangui. Kamoun heads a much more "political" government than the preceding "technocratic" administration. With good reason, Samba-Panza prioritized inclusiveness in forming the government, but possibly at the expense of technical competence. It is too early to judge the appropriateness of that major policy change. It is important to note that Kamoun's appointment flouted the will of the international community, which favored a more "political" candidate. The interim president took a bold step by

Question
Score

Prioritization
2

Implementation
3

Policy learning
4

ignoring this friendly suggestion and demonstrated an unexpected level of autonomy and policy learning. Her objective was to avoid a paralysis of the executive as had happened in the previous transitions headed respectively by Bozizé and Tiangaye, and by Djotodia and Tiangaye.

15 | Resource Efficiency

In its current condition, CAR remains not only heavily dependent on aid flows, but particularly humanitarian aid. For years, the country was an “aid orphan”; additionally, the inflows were extremely volatile in the new millennium. Reporting on its latest mission to Bangui in November 2014, the IMF stressed again the strong reliance on food and oil imports and the lagging performance of the exporting industries as factors making further balance of payments support necessary. Like in previous years, the mobilization of domestic revenues has remained a priority. The government has largely failed to ameliorate state revenues. In fact, CAR has one of the lowest domestic revenue-to-GDP ratios in sub-Saharan Africa (9.4%). This ratio would not allow investment in basic infrastructure and is barely enough to cover current expenditures. The IMF invited the transitional authorities *inter alia* to implement measures to strengthen public financial management by enhancing the monitoring of cash flow management, and further cleaning up the civil service roster and payroll. Given the rampant corruption and widespread nepotism under Bozizé, however, the balance may not be worse today than in 2012.

Efficient use of
assets
3

The members of the current transitional government were selected mostly for what they represent politically and not for their technocratic competence. Opposing camps are part of the government and conflicts of interest should be numerous, though they rarely appear openly. The coordination of government action is therefore a particularly difficult task. However, many crucial decisions are *de facto* prepared or influenced, partly also implemented, by external actors, particularly international organizations. The interim institutions formally make decisions, but have little room for maneuver.

Policy
coordination
4

The interim government is composed of different groupings, which hampers coordination, not least in the course of the transition. It was not the government itself but rather the Catholic Sant’Egidio community that succeeded in making a group that included four former prime ministers sign a declaration *inter alia* promising to help the government hold free elections and reconstruct the armed forces in late February 2015.

The Bozizé regime potentially was the most corrupt CAR has ever had. Accordingly, it would make sense for any new government to launch investigations into embezzlement by past governments. The interim government in January 2015 started such initiatives by asking French authorities to open investigations into a French mayor who allegedly received €30 million for mediating between Bozizé and the state-owned French uranium company Areva in the highly controversial sale of the Bakouma uranium mine. However, there are doubts whether a transitional government has the required unity and strength to forcefully undertake such investigations in many cases. Allegations of corruption have also been raised against the transitional government, though they appear comparatively modest. The Bozizé regime created anti-corruption institutions merely as an alibi. With very few resources and limited control over the country's territory, the government is trying to combat the illicit trafficking of diamonds, gold and coffee. But this proves to be difficult, as state administration does not function adequately. Most donors want to see such institutions work. However, only a newly elected government will have the authority to bring about the necessary change.

Anti-corruption
policy
4

16 | Consensus-Building

There is no doubt that the toppling of the Bozizé regime was unconstitutional, as it was immediately condemned by the African Union and international partners. However, there are strong doubts whether one could call that regime a democracy. The current interim government is obviously not popularly elected and has a caretaker function. Some important players, both within and outside the transitional institutions, may not believe in democracy, rule of law, civil liberties and political rights; this mostly applies to former rebel commanders and representatives of the anti-Balaka militias. However, most of those organizations say they are interested in forming political parties and engaging in a more civilized civic life. Rhetorically, all major players support democracy as a goal, but they frequently doubt the democratic credentials of opponents. Strong differences between political camps exist in terms of minority protection and representation. Up to the recent outbreak of violence, political representation of Muslims had never been an issue in CAR. It remains to be seen whether this will emerge in a new post-electoral dispensation.

Consensus on goals
5

CAR remains quite far from any ideal of a functioning market economy. The formal economy suffers from distortion by corruption, trafficking, the absence of rule of law over decades and overreliance on humanitarian assistance. Most reform-oriented politicians would first want to build a functioning state as the precondition of functioning markets. It is somewhat difficult to assess, but these reformers seem to at least partially believe in a market-based democracy.

Not all members of the current transitional government have strong democratic credentials, but the record is probably worse for rebel and militia leaders outside the government, who still command some influence. For example, coup leader and 2013/14 transitional President Michel Djotodia is on record not recognizing a peace agreement and a ceasefire agreement; he may still nourish political ambitions that are not compatible with democracy. The situation might be different for toppled President Bozizé, who is convinced that the dismal record of coup leader Djotodia has made him popular enough to win a free and fair election in CAR. Efforts by the current transitional government to exclude him from the reconciliation forum and eventually the upcoming elections give credence to this. Some leaders of civilian political parties have a clearly more convincing democratic track record. This applies, for example, to former Prime Ministers Martin Ziguélé of the MLPC and Anicet Dologuele of the newly established Central African Union for Renewal (URCA), but also to leaders of some smaller parties. Currently, the control of anti-democratic actors is undertaken by peacekeepers, and not the interim authorities. The political history of CAR is a succession of victories by non-democratic actors over reformer.

Anti-democratic
actors

3

The current crisis in CAR is partly the result of the incapacity of the political elite to listen to justified grievances of Muslims who have long complained about the dismal lack of basic infrastructure in the northeastern part of the country. Cleavage-based conflicts have fully escalated with and after the conquest of Bangui by the Séléka alliance. The growing salience of the religious cleavage between Muslim minority and Christian majority is now present at an everyday level. Though some manipulation of this dossier by elite members is evident, it is also obvious that many ordinary Central Africans themselves would see this confrontation as highly polarized and irreconcilable. Church leaders and imams mostly issue messages of moderation, and some are even strongly engaged in the peace process. When Omar Kobine Layama, the chairman of the Muslim community, was subject to intimidation and threats, Archbishop Nzapailanga offered the Muslim leader refuge in his home d. Together with the chairman of the evangelical churches, Nicolas Guerekoyame Gbangou, both men held a peace forum in January 2015. Nevertheless, the general atmosphere between communities is poisoned after many acts of violence and revenge attacks. President Samba-Panza tries to unite the elite behind her calendar with elections in 2015. While she was not able to prevent all escalations on a local level, and new kidnappings took place in January 2015, tensions have gone down significantly in the capital Bangui. The record of the transitional government in creating a peaceful atmosphere is at best mixed, but the intentions of the leadership look positive overall.

Cleavage /
conflict
management

5

Civil society organizations were integrated in the transitional authorities as members of both the government and the Conseil National de Transition (Transitional Legislative Assembly). Some prominent civil society organizations also signed the ceasefire agreement of Brazzaville on 23 July 2014. Most probably, civil society organizations will also play an important role in the new dialogue process starting in early 2015. This role, in stark contrast to the peace process of early 2013, might be due to the fact that the interim president is a former member of the civil society. Bozizé had clearly sidelined NGOs and others during the last years of his reign. The trade unions, powerful in the 1990s, may play a more important role again when they call strikes to protest salary arrears in the public sector.

Civil society participation
6

Past injustices, for example severe human rights violations during the 2001 coup attempt and its repression, were never adequately dealt with. There are strong risks that the even more dramatic events in 2013/14 will also not attract the necessary attention on a higher level. However, the current transitional government has taken unique steps in both addressing impunity and preparing a reconciliation forum. Following the recommendations of the U.N. Commission of Inquiry, the government has facilitated the future creation of a special tribunal in charge of prosecuting perpetrators of mass atrocities. The International Criminal Court (ICC) has started investigating war crimes and crimes against humanity at the invitation of the interim government. Regarding the dialogue process, president Samba-Panza has learned the lessons from her active participation in the dialogue in 2003 and has avoided the trap of an elite-based dialogue by opting for local consultation in all provinces. According to MINUSA figures, local consultations had taken place in 80% of the territory by the time of writing. The remaining 20% were held by former Séléka rebels, who prevent the consultations from taking place until the peacekeeping mission forces them to, as happened in Bria in early February 2015. It must be acknowledged, though, that distrust within the elite is extreme and needs to be tackled. The government engages in this. Reconciliation needs time and it is too early to judge the success and failure of the process.

Reconciliation
7

17 | International Cooperation

The government is potentially more dependent than ever on international aid; the latest figures for per capita aid showed a moderate level (\$50 annually in 2012). The European Union (Commission and member states together) is the largest donor of humanitarian assistance (more than €128 million in 2014). Only with decisive international support is it possible to achieve any of the major goals set jointly by the political leadership, donors and U.N. agencies. Quite regularly in the past, the government could not pay civil service wages without budget support from outside; this scenario is back again. This dependence resulted in a high propensity to accept

Effective use of support
6

any foreign engagement as long as it provided fresh income. Donors continue providing advice and do not spare their criticism (e.g., the IMF criticized the lack of transparency of oil taxation in late 2014).

The interim government is not a unified actor. Individual ministers and the transitional president have some personal credibility, while other ministers do not. The international community is waiting to have an elected president and an elected parliament with more inherent legitimacy and authority.

Credibility
5

Although the international community certainly prefers Samba-Panza to Djotodia, there is no full confidence in her. Samba-Panza found herself part of a group of African leaders who were excluded from the U.S.-Africa Leaders Summit in Washington in mid-2014, potentially because she was not popularly elected.

CAR is member of the Economic and Monetary Community of Central Africa (CEMAC), the African Union (AU) and other regional organizations. However, CAR has some problematic neighbors with whom the country maintains ambivalent relations. Some surrounding countries have exported their conflicts (and combatants) to CAR; this is true at least for Chad and Sudan (in previous times also DRC, and the LRA phenomenon has been inherited from Uganda). In the most recent crisis, CAR has also impacted its neighbors, most notably Cameroon and Chad, by creating a power vacuum and a refugee crisis. The subregional heads of state showed solidarity, not least by offering peacekeepers. Chad is the most notorious of CAR's difficult neighbors. It was at one point the Bozizé regime's major international supporter; but then Chadian President Idriss Déby changed sides and decisively (while discretely) helped the Séléka alliance to conquer Bangui. Chad was engaged in a subregional peacekeeping mission when Séléka took power, and when Bangui was in danger, in early 2013, it dispatched more troops. However, relations between Déby and Bozizé had already soured in 2012. This might explain why Chad finally refused to prevent the Séléka rebels from marching into Bangui. Chadian peacekeepers were never popular in Bangui; it was greeted with great relief when Déby announced the withdrawal of the Chadian contingent of the African-led International Support Mission to the Central African Republic (Mission internationale de soutien à la Centrafrique sous conduite africaine, MISCA) in April 2014. Border incidents with Cameroon, starting in 2011, continued in 2013. Followers of the arrested warlord Abdoulaye Miskine attacked Cameroonian villages in 2014 and took hostages. Cameroon finally agreed to liberate their leader as a result of mediation initiated by the Republic of Congo. In the southeast of CAR, a regional task force, mainly consisting of Ugandan troops aided by American special forces, has the goal of capturing Joseph Kony and terminating the LRA, which still operates on CAR territory. The authorities cooperate with the U.S.-supported task force, but Séléka has always demanded the retreat of Ugandan troops (most probably because they disturb the illegal trafficking of diamonds from the eastern half of CAR). A high-ranking LRA commander was captured by a Séléka faction and handed over to the task force,

Regional
cooperation
6

but apparently the promised reward was not transferred to the rebel faction, creating new irritations. If the US had paid this reward to the ex-Séléka, it would have funded an armed group, thereby violating U.N. Resolutions 2127 and 2136.

Strategic Outlook

Establishing peace nationwide and preventing the recurrence of violent conflict in CAR will necessitate short-term engagement plus a combination of radical reform policies. All this can only work based on the resolute engagement of external actors for not less than a decade.

The short-term needs are obvious: pacifying large chunks of the territory, thereby creating the conditions for holding elections, and meeting the enormous immediate humanitarian needs, particularly for the most vulnerable groups.

In the medium term, it may be necessary for the U.N. peacekeeping mission to increase its support of the newly elected authorities in terms of restoring state authority over remote territories (north and southeast). This can be achieved by closing the infrastructure gap (roads, schools, healthcare centers). This will go a long way toward creating a sense of belonging in parts of the country that feel alienated.

Economic, political, judicial and administrative reforms are needed to build a viable state in the medium-to long run.

In the economic field, it is imperative to develop productive agriculture (and potentially also a sustainable forestry policy) instead of entertaining high hopes for a future built on extractive mineral resources. At the same time, it is important to help the state regain control over diamond mining and export - illicit diamond smuggling is financing rebel forces and other militias. The persistent problem of meager state revenues is at the basis of the limited legitimacy of the state, which is incapable of providing substantial public goods: basic health, education and communication infrastructure.

Fighting corruption must start immediately after the election of new representatives. It has to include the transparent management of public finances.

Politically, the restoration of a stable party system (like what existed in the 1990s) is important. This outcome will only materialize if politico-military entrepreneurs are sidelined. The transformation of current rebel movements into political parties contains high risks if military command structures remain within those movements. However, the strong grievances of minorities, not least of the Muslim community, need to find expression in the political system, as the established older parties never cared about this.

Related to the political problem is the administrative one. Representative democracy never worked for the eastern half of the country, with most legislators moving to Bangui after their election and never returning to their constituencies. As a consequence, they were only rarely re-elected and the periphery remained isolated. Organizing elections in CAR is logistically challenging and has required strong peacekeeping missions and assistance by the French army, which has helped with

helicopters. The main obstacle here is the lack of infrastructure. It would be good if the country's elites could find a solution whereby the east benefits from special administration (eventually with more indirect forms of representation) as long as it is so disconnected from the capital. The aim would be to buy time to build up infrastructure in the east. Administrative personnel (préfets and sous-préfets) need basic equipment to operate. It will not be enough just to reinstall them on a countrywide scale, which appears already difficult in early 2015.

Human-rights violations dating from the bloody coup attempt and its repression in 2001 have been only very superficially addressed; the related process against Jean-Pierre Bemba in The Hague is still ongoing. Restorative justice is an empty word in CAR. However, there seems to be a new resolve by transitional authorities to address impunity, which is at the core of CAR's violent political history. The restoration of the judicial system, as initiated by the government with the support of international forces, is a necessary but not sufficient step. It will take time to build a functioning judiciary with sufficient judges, prosecutors, lawyers and acceptable prisons.