

# SUPPORTING INSTITUTIONAL RESILIENCE

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## ABSTRACT

COVID-19 calls attention to the importance of resilient institutions to navigate this and other crises and support a sustainable recovery in developed and developing countries. It is clear that more resilient institutions are needed in the context of a global pandemic, but it is less straightforward to translate that understanding into effective official development assistance strategies. This case study is a short reflection on what we know about building institutional resilience in contexts of development and what this means for development practitioners. It begins with a brief review of the theoretical underpinnings of institutional resilience before outlining what practitioners should consider and what actions they can take to promote it.

- Institutional resilience comprises capacity to deliver and enhance results over time, credibly, legitimately and adaptively; as well as the ability to manage shocks and change.
- To strengthen institutional resilience, development co-operation actors are encouraged to identify and build on local knowledge, experience and sources of resilience.
- Institutional resilience can be built by expanding and replicating local-level successes and by leveraging an institution's social capital to mediate state-society relations.

### What do we mean by institutional resilience?

A recent World Bank Independent Evaluation Group report defined resilience as a country's capacity to prevent, mitigate and/or respond effectively to shocks (World Bank, 2019<sup>[11]</sup>). But what do we mean when we talk about institutional resilience? It is widely understood that resilience is not an isolated characteristic or feature of institutions, but rather is the product or function of a virtuous cycle of institutional performance. It derives from institutional efficacy (or the ability to deliver and enhance results over time). This, in turn, engenders trust, legitimacy and credibility, which themselves constitute sources of resilience that act to further reinforce an institution's capabilities (Barma, Huybens and Vinuela, 2014<sup>[12]</sup>). "More than mere absorptive capacity or speed of recovery" (Aligicia and Tarko, 2014<sup>[13]</sup>), institutional resilience is thus the product of how an institution has evolved over time, its inclusivity or exclusivity, and its trust norms and networks (Adger, 2006<sup>[14]</sup>). State-society relations and expectations also underpin and generate institutional resilience, which also depends on innovation and creative socio-cultural adaptations that are only made possible by flexible and polycentric institutional processes (Aligicia and Tarko, 2014<sup>[13]</sup>).

This light touch review of theory shows that resilience is an aspect of institutional development that is not distinct from other features. Rather, it is interwoven with local history, cultural norms, performance, legitimacy and adaptability. The question then is what a heightened commitment to improve institutional resilience means for development co-operation actors.

### If we know what institutional resilience is, how do we achieve it?

Development practitioners are well-resourced when it comes to guidance on how institutions can be made more effective, inclusive and accountable. The literature says much less on the topic of institutional resilience and how development actors can produce it. As highlighted by the current crisis, institutions that perform well in times of stability can become deficient or collapse in times of crisis or can have difficulty recovering from a shock. This shows that promoting institutional resilience goes beyond institutional effectiveness, accountability and inclusion. It is a central development ambition, all the more so given that it is anticipated that COVID-19 is not an isolated event and could be followed by other health crises, climate shocks and digital disruptions, among others (Sitaraman, 2020<sup>[15]</sup>).

Four practical methods of institutional development are broadly considered to be useful for building institutional resilience. These are drawn from the literature and a broad based body of experience (Ostrom, 2005<sub>[6]</sub>; Barma, Huybens and Vinuela, 2014<sub>[2]</sub>; Andrews, Pritchett and Woolcock, 2017<sub>[7]</sub>) and can be summarised as follows:

■ **Identify and leverage domestic sources**

**of resilience.** Repeated exposure to crises can generate endogenous resilience. Rather than create new structures based on best practice, development partners would be well-advised to look for and support existing sources of resilience. In Liberia, the resilient community networks that were so critical to survival and protection during the 13-year civil conflict also enabled the country to mount an effective, community-led response (based on community-based surveillance teams) during the 2014 Ebola outbreak. Development actors then proceeded to build out Liberia's response around these systems. In short, where they exist, local sources of resilience need to be nurtured and strengthened.

■ **Build on what already exists, replicating and scaling-up what works.**

It is also useful to scan the local context to identify so-called pockets of effectiveness, or cases of positive deviance, and then replicate and scale-up what is working for use in new situations. More often than not, these will be more durable and effective than solutions imported from elsewhere. During the post-independence crisis in Timor-Leste, when there was no functioning Ministry of Health and 75% of the country's infrastructure was damaged, health practitioners continued to work at a community level to deliver basic healthcare to the internally displaced and villagers. Once the ministry was created, the newly appointed health minister used these existing mechanisms as a foundation for Timor-Leste's new community health protocols, enabling the emergence of a health system considered by partners and citizens to be the most effective public

service in the country (Barma, Huybens and Vinuela, 2014<sub>[2]</sub>).

■ **Adopt local social norms and values where feasible**

as such cultural norms are enduring and typically designed to solve collective problems. When a post-independence crisis in Timor-Leste left tens of thousands of people internally displaced, the Ministry of Social Solidarity used local norms and practices for dispute resolution and community reconciliation. These helped the ministry successfully reintegrate some 150 000 internally displaced people over a 9- to 12-month period following the crisis (Barma, Huybens and Vinuela, 2014<sub>[2]</sub>). Another example is Maluku Province in eastern Indonesia, where natural resources are managed under a locally defined set of rules and regulations called *Sasi Sasi* that has been in place for over 400 years. It is embedded in the local culture, based on customary law and continues to perform well (Harkes and Novaczek, 2000<sub>[8]</sub>).

■ **Take advantage of institutions' social capital.**

Institutions that build relations with citizens and gain citizens' trust are ultimately more resilient. This suggests that in addition to looking at the functioning of an institution in and of itself, development actors need to consider its role in mediating state-society relations and the legitimacy or credibility it gained as a result. Following the 2010 Haiti earthquake and building on the cumulative effects of long-term political, technical and cultural institutional development and engagement, a local co-operative bank was able to continue providing services despite institutional collapse with the long-term support of a Canadian non-governmental organisation (Cruz et al., 2016<sub>[9]</sub>). At the other end of the spectrum, the complete lack of social capital of institutions in the Democratic Republic of the Congo seriously hampered efforts to contain the 2018-19 Ebola outbreak in eastern Congo (Dionne and Seay, 2019<sub>[10]</sub>).

This short synopsis of institutional resilience is not sufficient to draw firm conclusions. Nor are the approaches identified above either

exhaustive or comprehensive. Nonetheless, they do signal the importance of enabling endogenous forces and local agency to create more resilient institutions.

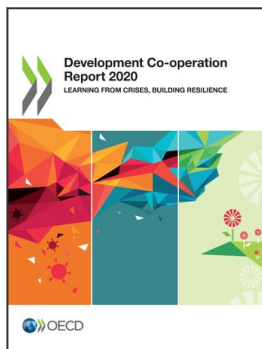
To conclude, what we know is that enabling institutional resilience involves building virtuous cycles of performance; identifying and drawing upon already existent local sources of resilience; and building on what works by replicating and scaling up. Institutional resilience is also about absorbing shocks, effectively navigating and adapting to uncharted territory in productive ways and, perhaps first and foremost, building

and leveraging bonds with community and society.

For development co-operation actors, promoting institutional resilience thus means staying the course over the long term and prioritising the use of local knowledge, experiences and resources. It also implies a decisive shift away from technocratic institutional blueprints and towards locally embedded, iterative interventions that promote institutional responsiveness and flexibility. For this, international assistance has a limited but important role to play.

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**From:**  
**Development Co-operation Report 2020**  
Learning from Crises, Building Resilience

**Access the complete publication at:**  
<https://doi.org/10.1787/f6d42aa5-en>

**Please cite this chapter as:**

Anderson, Catherine and Marc De Tollenaere (2020), "Supporting institutional resilience", in OECD, *Development Co-operation Report 2020: Learning from Crises, Building Resilience*, OECD Publishing, Paris.

DOI: <https://doi.org/10.1787/5f8f7af9-en>

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