

***The Challenge of Exiting from Fragility***

***Featuring: DMD Shinohara***

Thursday, October 10<sup>th</sup>, 11:00am – 12:15pm, Jack Morton Auditorium, George Washington University

Countries in fragile situations face unique challenges. Common features of fragile states are institutions that are seen to be weak and lack legitimacy, as well as a fractious political setting, which elevates the risk of violence. Fragilities impose large costs and hardships on local populations that can spill over to neighboring countries, directly through conflict, but also through economic linkages. Implementing effective policies in fragile states therefore requires a systematic consideration of the ethnic, political, economic, and social environment. Because conditions in fragile states are by definition unstable, economic and political reforms need to be tailored to countries' circumstances and focused on quick wins. Since 2011, the IMF has adopted a new approach based on the above considerations with emphasis on mitigating vulnerabilities and recognizing institutional weaknesses and resource and capacity constraints in the formulation of conditionality. Against the above background, this seminar will take stock of ongoing challenges in dealing with fragile states and on the role of the Fund.

*Panelists:*

**Naoyuki Shinohara**, International Monetary Fund Deputy Managing Director

**Aggrey Tisa Sabuni**, Minister, Ministry of Finance, Commerce, Investment, and Economic Planning, Republic of South Sudan

**Abdusalam Omer**, Governor, Central Bank of Somalia

**Mark Bowman**, General Director, Humanitarian, Security, Conflict and International Finance, Department for International Development

**Kristalina Georgieva**, Commissioner for International Cooperation, Humanitarian Aid and Crisis Response, European Commission

*Moderator:* **Clare Lockhart**, Institute for State Effectiveness