

Issues Before the UN's High-Level Panel—

Development, Poverty, and Security

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Airlie Center
Warrenton, Virginia

The Challenges

On November 4, 2003, United Nations Secretary-General Kofi Annan announced the creation of a High-Level Panel on Threats, Challenges, and Change to assess the principal threats to international peace and security in the 21st century and to recommend changes to improve the effectiveness of international institutions like the United Nations in responding to those threats. The panel consists of 16 eminent international figures and is scheduled to release its report in December 2004. The Stanley Foundation and the United Nations Foundation, working in partnership, have convened groups of prominent scholars and practitioners to sharpen the issues for the secretary-general's panel. On May 10-11, 2004, the two foundations brought together experts at the Airlie Center in Warrenton, Virginia, to focus on the links between poverty and security; the utility of development as a tool for conflict prevention; and the appropriate role of the United Nations in addressing the linkages between development, poverty, and security.

In recent years a tremendous amount of research has emerged that demonstrates linkages between poverty and the insecurity experienced by large swathes of the developing world. Some have viewed underdevelopment as a risk factor for violent conflict. The research of Paul Collier of the World Bank, for example, shows that low-income countries face a risk of internal conflict around 15 times that of countries in the Organisation for Economic Co-operation and Development.¹ To be sure, this literature is hotly contested. Others point to economic disparity—particularly along ethnic, geographic, or political lines—rather than absolute poverty levels as a better indicator of the likelihood of conflict. And some have argued that while poverty can contribute to instability, it does not in and of itself constitute a “threat to peace and international security.”

The question of what constitutes a security threat is central to the mandate of the high-level panel. The potential outbreak, spread, or escalation of violent conflict is not the only threat associated with underdevelopment. The conditions of poverty can, in and of themselves, be seen as a threat.

Indeed, one's perception of immediate threat is very different depending on one's location and situation. The government (or citizens) of the Central African Republic, for instance, is not as likely as the United States to consider weapons of mass destruction a palpable threat. But poverty and the associated limitations on health and life possibilities are certainly uppermost concerns for government and citizens alike. This “human security” perspective can be seen most clearly in the mortality and life expectancy statistics for the world's poorest countries. An international organization such as the United Nations, whose mandate is the *collective* security of the community of nations, must address the scourge of poverty.

Beyond this generalized interdependence, industrialized powers worried about terrorism should be concerned about narrowing the gap between rich and poor. It is by now understood that poverty is not a “root cause” of terrorism in any simple, direct way. However, recent experience tells us there are certain conditions favorable to terrorists and their cause, including a lack of economic opportunity, underemployment, and isolation as well as a lack of strong governing

¹ Paul Collier et al., *Breaking the Conflict Trap: Civil War and Development Policy* (Washington: World Bank, 2003), p. 5.

institutions. The failure of globalization in the short run to deliver broad-based benefits to large parts of the developing world contributes to the picture painted by militants of the wealthier nations as self-centered. Given then that poverty has myriad implications for the security of nations and individuals:

- What is the role for development in reducing poverty and preventing violent conflict?
- What should the guiding principles be for the international donor community as they approach the nexus of development and security?
- Virtually all parts of the UN system, in one way or another, are engaged in promoting well-being and ameliorating the effects of conflict. What is the United Nations' appropriate role in addressing the connection between development, poverty, and security?
- What are the institutional ramifications for the UN system?

The participants' discussions centered around three broad themes:

- The linkages between poverty and development and its implications for international peace and security.
- The utility of development as a tool for conflict prevention.
- The institutional implications of the development/security nexus for the deliberations of the high-level panel and the future of the United Nations more broadly.

Development as a Tool for Conflict Prevention

In much of the developing world, there is a *coincidence* of poverty and insecurity. The participants expressed the difficulty of drawing precise linkages between poverty and insecurity, arguing that the question is largely an open one among those in the development community. The consensus view was that there is a *coincidence* of poverty and conflict. Participants questioned the utility of wading into "chicken and egg" debates about the precise causality and interconnections. One participant questioned the usefulness of focusing exclusively on the poverty argument, making the case that the world's most conflicted states are "a pretty rich witches' brew," where poverty, weak governance institutions, rich natural resource endowments, and religious or ethnic tensions can all play leading roles in inciting conflict. In West Africa, the most poverty-stricken states are not necessarily the most conflict-ridden: Nigeria, for example, is fairly wealthy yet continues to possess a latent tendency for conflict.

Development is more than development assistance. There was a consensus view that development needs to be broadly defined as more than just official development assistance (ODA). Several participants underscored the limitations of ODA to make a difference on its own. Participants noted the importance of considering policies toward trade and market access, debt relief, sanctions, foreign direct investment, and security sector reform as central components of development. Compartmentalization was repeatedly cited as one of the shortcomings of donor

behavior in the past (e.g., the tendency to give aid while undermining free trade by supporting agricultural subsidies and other forms of trade-distorting domestic support).

Make development part of the solution rather than part of the problem. One participant argued that the much more serious challenge is not convincing people of the development/security linkage, but rather motivating countries to take action: to make development make a difference. Short time horizons and a lack of easily quantifiable results reduce the incentive for donors to invest in development as a long-term preventive measure. For the high-profile, often conflict-ridden countries, donors often make pledges they have no intention of keeping and approve resolutions they do not plan on honoring. One participant invoked concepts from the social sciences and stressed the importance of using “commitment devices” to spur donor countries to make greater investments in development. When governments do not live up to their commitments, there need to be real costs associated with their failure to meet pledges toward targets such as ODA flows or to achieve the Millennium Development Goals.

Investing in knowledge is critical to “good development.” Conference participants emphasized the importance of investing in both human and institutional knowledge for development. One participant argued that no one really understands the precise links between conflict and development, but that to some extent this does not matter. Development professionals, if they listen and pay attention, can predict what is likely to unfold on the ground. The problem is that the development community does not do a good job investing in knowledge to understand the complexities of particular local situations, encouraging flexibility to adapt to rapidly changing circumstances, or investing in coordination so that all actors are pulling in the same direction. One participant argued that 10 percent of all development assistance should be earmarked for knowledge-building and dialogue. Many participants voiced their support for this kind of “ground-truthing” in the formulation of development policy. In this context, the usefulness of Bernard Wood’s work, undertaken on behalf of the United Nations Development Programme, was discussed.² Wood breaks the conflict cycle into six stages, and for each stage he points out the risks and contingencies that must be considered and the ethical choices that must be made by the development community along the way.

Implications and Recommendations for the United Nations

Create an effective intergovernmental body for making the political decisions that impact development and security. If poverty and underdevelopment are deemed threats to peace and international security, the next obvious question is, What is the appropriate UN body to take the political lead on these matters? Indeed, the setting of strategic direction and supervision of international efforts concerning relief, development, reconstruction, and governance was seen as the special competency of the United Nations. The political councils of the United Nations can provide much needed leadership, particularly over complex relief and development operations in crisis countries.

Four options were discussed by the participants: (1) continuing to pile all major issues and problems onto the Security Council—whose composition also needs to change to reflect factors such

² Bernard Wood, “Development Dimensions of Conflict Prevention and Peace-Building,” United Nations Development Programme, June 2001.

as gross domestic product, contribution to global public goods, population, etc.; (2) gradually reforming the Economic and Social Council (ECOSOC) to make it more effective and giving it primary responsibility for intergovernmental decision making on development and security; (3) eliminating ECOSOC, reforming the UN Charter, and starting anew with an economic and security council that is larger than the Security Council but smaller than ECOSOC in its current formation³; and (4) expanding the Group of Eight (G-8) to include the countries of the G-20, allowing developing countries like Colombia, India, Indonesia, and Nigeria that are powers within their regions to play a major decision-making role in development/security considerations, eliminating the current perceived monopoly of the Western nations.⁴ Participants also talked about the particular need for a mechanism for countries in need of a transitional administration from the outside. The analogy is often drawn to the Trusteeship Council, though participants felt that that institution itself would not be appropriate.

Improve the United Nations' command and control capacity in the field. If the United Nations has a comparative advantage in setting strategic political and operational direction for relief and reconstruction, its representatives often also provide day-to-day leadership on the ground. Sometimes this takes the form of a senior diplomatic figure serving as the Special Representative of the Secretary-General (SRSG); in other settings a career expert who is a UN resident representative, resident coordinator, or humanitarian coordinator takes the lead in-country.

The very complexity of such operations usually demands carefully calibrated interventions, yet what the United Nations has at its disposal are only blunt instruments. UN representatives in the field should have the capacity to elaborate a country strategy and make precise interventions in a few catalytic sectors rather than spreading limited human and financial resources across a wide range of activities. A "super-empowered" SRSG could oversee a streamlined decision-making process in the field, have access to a flexible pot of discretionary resources and rapidly deployable staff, report to whatever political body is ultimately charged with oversight, and be held accountable with evaluation mechanisms that balance accountability with the ability to make midcourse corrections. One participant disagreed with this view, arguing that what is needed are not new command and control capabilities but more qualified SRSGs.⁵

Make new investments in multilateral security capacity. There was consensus that one of the preconditions for development, especially in post-conflict or post-transition environments, is

³ The idea of a new "economic and security council" to replace ECOSOC has been floated by the governments of Canada and France.

⁴ Canadian Prime Minister Paul Martin has advocated creating a permanent G-20 process at the heads-of-state level; the current G-20 process is restricted to finance ministers and central bank governors. According to Martin, such a group could be tasked with crafting common strategies on issues as diverse as transnational terrorism, HIV/AIDS and other global health issues, and international trade. See Address by Prime Minister Paul Martin at the Woodrow Wilson Center, Washington, DC, April 29, 2004, at <http://www.news.gc.ca/cfm/ccp/view/en/index.cfm?articleid=83929&>.

⁵ The Stanley Foundation held a conference entitled "Leadership of Post-Conflict Operations" that focused on this issue in April 2003. The report is available on the Web at <http://reports.stanleyfoundation.org>.

security and public safety. This includes not only the well-known problem of civilian police and justice systems for peace and stability operations but also freeing those in developing nations from petty and violent crime. Development efforts have become increasingly focused on health and education as the keys to both individual well-being and societal development and rightly so, but conference participants proposed that public safety should be given similar priority.

Of the approximately \$60 billion being spent on international development, only a small portion of this is being spent on improving the safety of the individual. Under the current framework, there are huge gaps in the provision of basic security ranging from a lack of rapidly deployable constabulary forces; civilian police; and rule of law professionals such as corrections officers, prosecutors, defense attorneys, and judges. There needs to be an international capacity to provide security—including the associated rule of law functions—when a public security vacuum exists.

Create a trust fund mechanism that gradually phases in resources for greater impact and sustainability. In post-conflict environments, there is usually an influx of assistance at the early stages of reconstruction, which then tapers off due to donor fatigue, changing priorities, or perceived improvement in the situation. Unfortunately, societies and institutions are often least able to productively use some forms of reconstruction aid when they are just emerging from traumatic conflict. One participant recommended that the United Nations establish a trust fund in post-conflict countries that would capture the “firehose of cash” that flows to recipient countries in the immediate aftermath of conflict and prevent an unrealistic “burn rate” of donor aid.

Strike a “grand bargain” between developed and developing countries. Several participants spoke about a “grand bargain” between developed and developing countries in which developed countries would commit to a set of policies desired by the developing countries and vice versa. One participant offered a concrete proposal for what a potential grand bargain might look like. Developing countries would agree to make concrete commitments to democracy, nonproliferation, and counterterrorism and to recognize the responsibility that goes with sovereignty. For their part, developed countries would commit to increasing ODA flows, market access, and debt relief; providing greater incentives for foreign direct investment; devoting greater resources to fighting infectious diseases; enhancing post-conflict reconstruction capacity; and dealing with conventional proliferation threats such as small arms. This commitment would be backed up by a Chapter VII Security Council resolution that would require countries to follow through on their commitments (lest they avoid being slapped with sanctions for their noncompliance). Some participants were skeptical of such an approach, arguing that the developed countries currently hold sufficient leverage to compel developing countries to take stronger steps on terrorism or nonproliferation in the absence of such a bargain. Other participants felt that the developed countries would balk at the cost of providing more assistance, offering broader and deeper debt relief, or completely opening up markets. One participant suggested pursuing a mutually agreed upon “global compact” rather than a grand bargain between developed and developing countries. This would have the advantage of validating the sentiment that threats felt by one party would be felt equally by the other.

Conclusion

A cursory glance at the headlines from the world's leading newspapers illustrates the development challenges posed by states that possess a combustible mix of poverty and insecurity, ranging from the struggling reconstruction in Afghanistan to the seemingly endless conflict in the Democratic Republic of the Congo or even the tenuous fragility of major regional actors like Pakistan or Indonesia. Though development alone is not a panacea for these heavily conflicted environments, it is certainly part of the solution. Yet our past experience tells us how difficult sustainable development can be, especially in conflict environments.

One participant noted a series of conundrums that plagues the development community's attempts to find lasting solutions to poverty and insecurity in conflicted environments. On the one hand, he said, the development community must have a sound political understanding of the environment in which it is mounting an intervention, yet it must be minimally interventionist; it must possess a long time horizon in its work, yet not lose sight of the importance of evaluating its progress early and often; it must be principled, yet flexible enough to adapt to changing circumstances on the ground. Development must have a close relationship to foreign policy while not being subservient to it. And finally, donors must continue giving aid—and perhaps expand their generosity—but need to push for significant reform of the “business of aid.”

These dilemmas cannot and will not be solved overnight, but the high-level panel presents an important window of opportunity to examine the United Nations' role in addressing the links between development, poverty, and security to resolve these dilemmas. The time is right—if not overdue—to articulate a vision for how the United Nations can update its institutions to tackle this emerging confluence of issues and by doing so galvanize both the developed and the developing countries to finally make good on longstanding commitments.

Participants

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The foundation works with a number of partners around the world, including public policy institutions, nongovernmental organizations, schools, media organizations, and others.

The foundation does not make grants.

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United Nations Foundation

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Created in 1998 with a \$1 billion gift from entrepreneur and philanthropist Ted Turner, the UN Foundation enables others to support UN causes and activities. Now in its seventh year, the UN Foundation champions new models of international partnership among the UN, private sector, non-governmental organizations (NGOs), and the foundation community.

The UN Foundation/Better World Fund have invested nearly \$730 million in grants to the UN and its agencies? \$104 million in 2003 alone. UN Foundation grants are designed to help the world's poorest and most vulnerable people as well as protect the most endangered environments.

In addition to being one of the largest non-governmental funders combating HIV/AIDS globally, the UN Foundation invests in UN agencies, funds, and programs in four areas:

- **Children's Health:** Working with major partners including the World Health Organization (WHO), Centers for Disease Control, United Nations Children's Fund (UNICEF), Rotary International, the Bill and Melinda Gates Foundation, Rockefeller Foundation, and the American Red Cross, the UN Foundation has awarded \$288 million towards the fight against polio and measles as well as other programs enabling children to reach their full potential.
- **Women and Population:** The UN Foundation actively supports the United Nations Population Fund, UNICEF, and WHO, which often work in collaboration to support the needs of adolescent girls. To date, the UN Foundation has awarded more than \$127 million to programs for girls and young women.
- **Environment/Climate Change:** The UN Foundation has invested in the preservation of 50 designated or potential World Heritage sites—the most important habitats for biodiversity conservation in the world—making us the largest private investor in this area. The UN Foundation also invests in renewable and efficient energy for developing countries. In addition, we support UN leadership in advancing the global climate change agenda. Grants awarded in this area total \$134 million.
- **Peace Security, and Human Rights:** Since 1988, the UN Foundation has awarded more than \$49 million in grants to prevent violent conflict, help rebuild war-torn societies, and respond to the needs of the most vulnerable of civilians—women and children. Examples of programs include demobilizing child soldiers, clearing minefields, and reducing the threat of small arms and light weapons.

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