

The Role of Foreign Assistance in Conflict Prevention

Conference Report
January 8, 2001



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Executive Summary

On January 8, 2001, the United States Agency for International Development and the Woodrow Wilson International Center for Scholars jointly sponsored a conference in Washington DC entitled, *The Role of Foreign Assistance in Conflict Prevention*. Participating were over 80 experts from USAID, the State Department, the National Intelligence Council, Congressional staff, academic institutions, the business community, and non-profit organizations.

This conference followed an internal USAID workshop on conflict prevention held in June 2000 and a small group session with Congressional Hill staffers, USAID employees, and members of the Woodrow Wilson Center in December 2000. The purpose of the January conference was to shape a new vision for foreign assistance by developing a long-term strategy keyed to conflict prevention and building capable societies. This new perspective involves rethinking our traditional concepts of national security to embrace a broader spectrum of political, economic, and social issues (often with a transnational character) that will have a direct impact on the core needs of the American people. The new vision also involves changing how traditional development assistance programs are formulated and substantially enhancing collaboration and coordination within and among governmental and nongovernmental foreign aid providers.

Several key themes emerged from the discussion:

Recognize the importance of conflict prevention. Despite numerous initiatives, US Government agencies have been slow to incorporate conflict prevention in their planning process. In order to quench fires before they become unmanageable, an early warning system needs to be developed to alert policymakers to key areas of potential conflict. Development strategies for a particular country or region need to be based on an analysis of the root causes – as well as the drivers and inhibitors – of conflict.

Expand the definition of national security. Traditionally, policymakers have viewed foreign assistance through a narrow, national security interest lens. This approach ignores long-term problems such as demographic pressures, environmental threats, and economic concerns. It also fails to account for the increasingly transnational nature of these problems, as well as the newly emerging multinational actors who are capable of exploiting these vulnerabilities at the expense of the United States.

Construct capable states. The development of key political and economic institutions serves as a panacea to combat the new set of post Cold War uncertainties. Institution building occurs through fostering democratic governance, which empowers citizens and provides checks and balances on power. The development and maintenance of stable market economies is also a key prerequisite for institution building.

Build local capacity. Rather than engage in a top-down, “downstream” form of institution-building developed and managed by outsiders, the new vision embraces “upstream” implementation by local actors. Through an upstream approach, citizens can learn self-governance, with outside assistance playing a facilitating role.

Engage multiple actors. In order to implement the new vision of institution building to combat transnational problems, the skills and expertise of multiple actors will be needed. USAID’s core capabilities should be reinforced by, and synchronized with, the work of others in the United States Government (the State Department, the Defense Department, the Intelligence Community, Congress) and the private sector (businesses, private voluntary organizations, nongovernmental organizations). All of these organizations need to be involved at various stages in the design and implementation of the new foreign assistance vision.

Develop better mechanisms for collaboration. Because of the expanded number of actors needed to implement the new foreign assistance vision, a new system for inter-agency collaboration will be needed. The distinctive cultures of the agencies currently involved in foreign assistance should be encouraged to promote greater information sharing, increase coordination, and allocate tasks more efficiently in order to avoid duplication and conserve precious foreign aid resources.

The conference was organized around the following themes: the rationale for changing current approaches to development assistance, American priorities post-Cold War and the new conflict prevention paradigm, the root causes of conflict and the need to build capable states, coordinating a more effective crises response capacity within the US Government, new challenges for development assistance, and emerging threats and dimensions of instability in the twenty-first century and the resulting need for a more integrated response capacity. This paper summarizes the presentations and highlights key themes that emerged from the proceedings, offering some concluding remarks and strategies for the future. The papers presented at the conference are included as appendices.

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Session I: The Rationale for Change and a Vision for the Future

The human species demands, at minimum, a certain quality of life. Human rights should be protected, pluralism advocated, oppression avoided, and children given a chance to live life to the fullest. To the extent that many countries cannot yet do this, the international community should reach out in friendship to help. The international community has two roles in promoting this quality of life:

- Putting out fires when they are just starting.
- Building capacity to help others deal with problems in non-violent ways.

The international community needs attitudes, insights, institutions, and resources to implement a farsighted, proactive approach of assistance, cooperation, and education for countries in trouble. Many will welcome such an approach, even if ambivalently. For the small number of countries that are intransigent toward outsiders, mired in hatred, and controlled by tyrants, the international community should continually seek to draw them into the community of nations, while containing and deterring as necessary with forceful means.

Foresight is necessary to prevent conflict. The international community should take the initiative to assist countries in acquiring the necessary attitudes, concepts, skills, and institutions for resolving internal and external conflict. It should be proactive in helping them build the political and economic institutions of democracy.

***Foresight is
necessary to
prevent conflict***

In offering such help, the international community will need to engage moderate, constructive, and pragmatic leaders who are committed to humane and democratic values.

While such leaders exist all over the world, their situation is often precarious. The international community can assist these leaders by providing a support network, which will, over the long run, help build institutions capable of meeting basic human needs and coping with conflicts that arise in the course of human interactions. It is important to realize that the world will never be conflict-free. Ways must be found to deal with conflict, short of mass violence.

Fulfilling the promise of democracy requires informed, proactive, and sustained efforts to prevent deadly conflict through just solutions and improved living conditions. There is a positive correlation between open market economies and democratic transitions. It is difficult to conceive of a long-term, flourishing market economy in the twenty-first century in the absence of a democratic political system because participation in the world economy requires openness in the flow of information, ideas, capital, technology, and people.

Civil society builds democracy by allowing the evolution of democratic values through non-violent conflict. Groups compete with each other and with the state for the power to carry out their specific agendas. Within the context of institutionalized

competition, tolerance and acceptance of opposition develop. Civil society provides the opportunity for coalitions of individuals to undertake innovative activities, e.g., in the service of equal opportunity or protection of human rights.

The most useful means of promoting lasting democracy include:

- The provision of technical assistance and financial aid to establish the necessary processes and institutions.
- Education of the public about free societies, i.e., democracy, democratic institutions, and markets.
- Fair elections at both the national and local level.
- The establishment of national and local legislative bodies.
- The creation of a rule of law embodied in an explicit and legal framework, including a constitution, an independent judiciary, and the protection of individual human rights and minority rights.
- Oversight institutions for public accountability.
- Political and public administration of a professional nature.
- Civilian institutional capacities to deal with security questions.
- Mechanisms to deal with conflict that are perceived as fair.
- Encouragement of the formation of political parties with no attempt to favor one party over the another so long as they are all in the democratic family.

***Financial assistance
must be sustained
over many years***

To make the above tasks feasible, the international democratic community needs to establish special funds for economic assistance to be given to countries struggling to ensure their democratic future. It is vital that this financial assistance be

sustained over an extended period of years, as the democracy building process is complicated. There is more to lasting democracy than one successful election.

An early warning system needs to be developed to identify countries, especially democracies, that are slipping into crisis, and ensure timely international intervention. The embassies of established democratic nations could serve as a focal point in each emerging democracy for intellectual, technical, and moral support.

Kofi Annan, when speaking to the World Bank in 1999, said that inclusive democracy is a form of non-violent conflict prevention, underlining the importance of ensuring formation of the right form of democracy. A system with checks and balances is required to prevent the emergence of the highly destabilizing “winner takes all” approach. Annan concluded by saying, “If war is the worst enemy of development, healthy and balanced development is the best form of conflict prevention.”

Building democratic societies with market economies is a clear path to structural prevention.

Successful development entails building local capacity and promoting competent governance, which over time will provide the essential enabling environment. All of this will require sustained international development cooperation, including NGOs, UN agencies, government aid agencies, private firms, and educational and research institutions. The international community is best suited to provide the essential ingredients for indigenous development: knowledge (generated by research and development), skills (generated by education and training), and freedom (generated by democratic institutions). Building democratic societies with market economies in a technically competent and ethically sound way is a clear path to structural prevention.

Session II: The New Paradigm on the Role of Foreign Assistance and US Priorities in the Post-Cold War Millennium: Re-defining US Needs and Understanding the Role of Development Assistance in Conflict Prevention

A vision with no plan is an aspiration with no reality. The United States lacks an early warning alert system of potential conflict. The current system focuses on traditional threats that can be addressed through military means. A different approach is needed to redefine threats in terms of the core needs of the American public. This allows one to better anticipate and respond to emerging threats. The interests-based approach is only concerned with the present; it reflects, not drives, strategies. A need-based approach, on the other hand, endures.

Core US needs rather than national interests should ground foreign policy. They are:

- A safe and secure home land.
- A dynamic economic engine capable of generating new wealth.
- Strong friends and allies.
- Predictable relations with others.

Redefine US national security in terms of the core needs of the American public

Conflict poses a danger to our core needs because we do not have a national plan of where the United States would like to be in 2020. Most analysts would agree that the United States would like to find that it continues to enjoy a position of global pre-eminence within such spheres as economics, politics, and the military. Most would also agree that it is desirable to see a greater number of democracies and market economies in the world. Such a world would have an inclusive and functional interlocking network of legal regimes, an improved global capacity to handle the world's problems, and be in the position that nuclear war was unthinkable. A plan needs to be created and strategies determined on how to achieve these aims.

The United States cannot have an isolationist policy; it needs to reach out to friends and allies. Friends and allies can help the United States diffuse the situations, share information, and be partially or fully engaged in implementing solutions. The United States cannot be mired in uncertainties. It is a choice the United States makes whether 80,000 people being massacred requires the United States to act or not.

The potential for violent conflict is omnipresent, but no conflict explodes without warning signs. "Threat" is a term of art and not a good mechanism to alert the United States to the dangers future conflict may cause.

Strategies to prevent deadly conflict need to be developed with the understanding that that violence is preventable and internal warfare is a problem of governance because

people choose war. Solving the practical problems of the role of development assistance in conflict prevention is not as important, at this stage, as creating a new vision of how USAID can be a key player in creating capable states and, in turn, preventing conflict.

Capable states are characterized by:

- Representative governance based on rule of law.
- Market economic activity.
- Thriving civil society.
- Security, well being and justice available to all citizens.
- The ability to manage internal and external affairs peacefully.

Assistance in the creation of ‘capable’ states, such as was given to Europe following World War II under the terms of the Marshall Plan, is essential. The outside help provided by the Marshall Plan was indispensable to the successful reemergence of Europe from shattering warfare. Today, such assistance is equally essential for countries struggling to break free of the chronic conditions that inhibit growth.

***The key is
building
capable states***

The intersection of these characteristics of “capable states” holds the key to prevention. Security without well being or justice is repression; well being without security or justice is precarious. Justice without security or well being is not possible. The characteristics’ interrelatedness will not only make people better

off, but also inhibit the tendency to resort to violence to manage differences and cope with change.

USAID’s responsibility is structural engagement: creating an environment of lawfulness through democratic practices and market economies, which in turn create stable countries. Through strategies of structural engagement, development assistance can encourage states to adopt pluralism and find non-aggressive ways of accommodating differences.

Prevention is a “push-package” wherein democratic institutions and ideals are planted in a nation state. Countries, however, often do not know how to “pull” or respond to democratization. It is important to mentor newly democratizing states and remain with them over an extended period of time, in order to ensure the successful implementation of a healthy democracy. A vital component of the “pull” package is instilling the belief that formal institutions cannot be created without developing a corresponding set of values.

Structural prevention efforts should be addressed using two guiding principles:

- Ending freedom from fear and want is best achieved via democratic self-governance.
- Outside help such as development assistance can only provide the margin of victory.

Good leadership is essential to the successful implementation of democracy because of the second principle. The United States can only assist marginally; the actual implementation largely depends on the people themselves. It is vital for citizens to be a part of the democracy building process so that they can “own” the resulting institutions and have a stake in the ultimate outcome.

Outside help can only provide the margin of victory

Development assistance is an essential, distinctive component of US foreign policy, one that serves core US needs. It does so in ways that reconcile the twin goals of strengthening the position of the United States in the world and improving the situation of all states in the international system. By pursuing strategies that help create capable states, development aid will more constructively work toward strengthening emerging nations and, in the process, help create markets, reduce threats, promote self-reliance and adherence to rule-based regimes, and prevent the emergence of mass violence.

USAID can not only assist in meeting the core needs of the United States but can help secure its own future by assuming the interagency lead in structural prevention. The agency’s competence is attested to by its field knowledge as well as its technical and operational expertise. Indeed, USAID stands alone among all US foreign policy agencies because of its long-term focus on global problems, and its capacity to join forces with other agencies in order to better address these problems.

Session III: Addressing the Root Causes of Conflict and Building the Basis for Cooperative Order and Free Societies

A. Addressing the Root Causes of Conflict

Conflict prevention depends upon the construction of civil societies in which people appreciate the positions of others. Appreciation is achieved through appropriate patterns of interaction. For the United States (or the international community) to successfully promote societies in which this acceptance exists, a new paradigm should be adopted. Current development strategies rely upon outdated models that equate power with control and that hold an institutionally focused view of the world. Behavior, driven by individual or communal perceptions of the world, will only be changed if perceptions are changed; people will not act differently until they think differently. The new paradigm, encapsulated by the concept of relationships, should be an expansion of, rather than a break with, the current model. This new model should also include a defined process of interaction that promotes citizens as political actors who will maintain a sustained presence, and thereby exert popular power.

*Perceptions
influence
action*

If development work is to be effective, the adoption of this new paradigm is essential. With the advent of a new administration and a new understanding of the global arena (i.e., post-Cold War politics), the development community has the perfect opportunity to shift its perspective and strategy. The existing model, the politics-power paradigm, offers an institutionally based view of the world and focuses on politics as the seat of power. In this model, power is equated with control. Interaction thus becomes a strategic chess game, where each side attempts to outmaneuver the other, rather than a cooperative effort to solve problems and address issues. A paradigm change is mandatory if development strategies are to be altered; perceptions influence action. A new paradigm will evoke new approaches to development work and conflict prevention.

Rather than completely abandoning the power-politics paradigm, the present paradigm should be enlarged to incorporate the dual manifestations of power: power as control and power as the collective will of the people. Citizens are political actors. The challenge for the future thus becomes, how can citizens become empowered to assume this role and exercise their sustained presence to exert popular power?

Relationships are the fundamental concept guiding the new paradigm. The five components of relationships are:

- Identity – things that cause people to kill (e.g. race, ethnicity, religion)
- Interests – desires
- Power – as control and as popular power
- Misperceptions and perceptions
- Patterns of interaction

Crucial to the new paradigm are processes of interaction. Specifically, the new paradigm is an inquiry into how processes of interaction work (i.e., what happens when people interact) and why they fail. Relationships provide unique insight into how people interact and, when dissected, can be used as an operational tool to analyze conflicts. The ability of the five-point relationship model to examine potential conflicts is predicated on the following two facts:

- Group relations are a continual process of political interactions.
- Interactions are multi-level processes that change over time.

The use of relationships as an operational tool has the ability to inform two different aspects of conflict prevention:

- Diagnostic—an examination of the five components of relationships will permit the analyst and the mediator to discover the core, the “who, why, what, and how,” of a conflict.
- Practical—the analysis of a conflict’s core enables a mediator to teach groups to interact differently, thereby changing the adversarial nature of the interaction into one

Indigenous ownership of the process is critical

that is more amicable, or at least to an interaction where both parties understand the other group’s position. Fundamental to the successful evolution from adversarial to non-adversarial group interactions is indigenous ownership of the process. Successful techniques of interaction cannot be exported; they should be formulated by those involved in the interaction.

Processes of interaction must have established rules to enable individuals to interact peacefully. These rules, or techniques, cannot be dictated by outsiders. The process of creating the rules that guide interaction serves a dual purpose:

- It enables the feuding parties to sit together and discuss their problems. Through discussion, former adversaries develop a basic trust upon which they are able to build voluntary cooperation and a new future. The ability of feuding parties to sit and discuss their grievances enables the community to heal together and to put the past behind them. This is especially true after violent episodes (e.g., community discussions in Rwanda following the genocide). Although outsiders have a minimal role to play in processes of interactions, they can play a vital role as mediator and stimulator during the dialogue over past injustices and injuries.
- It lays the foundation for democracy—people learn different ways of interacting, thereby providing new forms of expression and alternative plausible resolutions (i.e., non-violent solutions) and can realize the power that they, as individuals, have.

Any discussion of the patterns of interaction, especially one in which the ability to change those patterns is debated, rightly begs two questions:

- Are all issues negotiable?
- Should all conflicts be stopped?

While the answers to these questions involve complex issues ranging from personal beliefs to codified definitions of national interests, several things should be kept in mind:

- Hate and fear - not actual material constraints - are the common barrier to the successful resolution of a conflict. Relationships can change definitions to broaden the paradigm, thereby allowing groups to settle their disputes without resorting to violence.
- Conflict is not necessarily bad or detrimental. All deadly conflict should be ended, however, as it is injurious to the society in which it is occurring. Furthermore, most present violent conflicts are old conflicts that have been waged for years; war has become a business. It is imperative to invest in capable societies to prevent further outbreaks of violence and to rehabilitate societies that have been destroyed by interminable conflicts.

Crucial to the success of the reformation of patterns of interaction is that there be no time constraints on the process. Funding from sympathetic donors should reflect the protracted nature of interaction and dialogue to encourage sustained dialogue. Time limits jeopardize the success of a project.

Invest in capable societies to prevent violence

The United States and USAID are encouraged to adopt this new paradigm to deal with conflict. The fundamental goal continues to be stopping violent conflict before it erupts, but success demands a change in how conflict is perceived and what strategies are best suited to combat it. The three most

basic and immediate actions undertaken by the United States should be the following:

- US organizations should support grassroots organizations that enable change.
- US citizens should be encouraged to function as political actors; providing leadership in a non-threatening manner usually limits resentment toward and threats against US entities and interests.
- US entities should encourage sustained dialogue and should demonstrate this commitment by adopting new donor behavior (e.g., funding long-term projects). The present US aversion toward funding long-term projects needs to be addressed and reversed.

B. Building the Basis for Cooperative Order and Free Societies

Voluntary cooperative behavior begets societies without violent conflict. Therefore, USAID, in its development role in various countries, should engage a new model of local development with local direction, rather than rely on “upstream” determination. Since World War II, the United States has become increasingly centralized. This centralization process has become tied to control and power. Due to the appearance of mass communication (i.e., the Internet) and large-scale activism (i.e., NGOs), individuals have discovered their capacity for self-governance. The notion that power is principally linked to the state needs to be reworked to include the reality that people have the capacity to govern themselves. The fundamental question for development agencies then becomes, how do they make it happen?

Development strategies should not be dictated “top-down” but “bottom-up”

Traditional mechanisms for development, especially USAID’s congressionally designated funds, employ a top-down flow of both money and determination. This is in stark contrast to the advent of local awareness that individuals

have not only the right to, but also the ability for, self-determination. Effective development approaches will require a revamped understanding of, and strategies for, development work.

Cooperative behavior is principally composed of the following components:

- **A constituting processes which allows individuals to congregate, discuss, and arrive at a consensus.** Constituting processes are local constitutional processes that generate a commitment to a communally determined set of core values and goals; they assign rights, duties, and responsibilities. Participating in constituting processes enables citizens to act as citizens rather than in the limited role of vote caster and consumer. A citizen who participates in constituting processes is partaking in the development of a democracy.
- **Linking character and institutions.** People view opportunities as a result of the institutions under which they live. To change the way people think of opportunity, it is imperative that their environments be modified.
- **Focusing on enabling environments.** The current system of incentives in US foreign assistance – as well as in developing countries - often impedes the implementation of self-governing communities. Implementing positive institutional incentives to create proactive change is imperative if USAID is to help communities realize effective self-governance. Blind acceptance of state level governments is no longer acceptable; it is imperative that US institutions move toward building systems of governance that are able to effectively address local and regional issues.
- **Local knowledge and practice should be built into policy.** Local knowledge is founded upon years of experience, interaction, and trust. It cannot be mastered overnight by a foreign assistance worker. Assignments lasting between three and four years are not sufficient for development assistance personnel to master and become effective in local systems.

- **Small is not always ideal.** Larger systems are also vital; the issue is to know which type of system is necessary and how to preserve local autonomy and self-governance when integrating into a larger network.
- **Creating a new public administration that is practical, democratically centered, and indigenous is imperative.** The new public administration needs to assist in the development of citizens as citizens and the construction of self-governing communities. NGOs can play a vital role in the creation of a new public administration. They are often able to effectively address citizens' needs through mechanisms that are not provided by the government. It is imperative that NGOs be aware of the repercussions of their activities and presence. NGOs must not appropriate local power, but rather aid in the creation of self-governing communities.

Successful cooperative behavior must be indigenous and not excessively dependent upon external funds. “Blueprint” thinking (i.e., one plan determined to be adequate for all similar problems) is dangerous and counterproductive. Such thinking denies the uniqueness of each individual community and their respective issues.

The concept of cooperative behavior can be employed to evaluate the disintegration of societies and their subsequent solutions. In Rwanda, for example, did the government employ violence to maintain a semblance of control over natural social self-governing boundaries? Was the right to self-governance a critical part of the settlement process?

People who own their institutions are less likely to resort to violence

The ultimate goal guiding the installation and support of cooperative behavior is the eventual transition of a weak government devoid of political authority into a nation with a strong system of governance. A country, however, is not just the existence of a government. Rather, a national identity, forged through dialogue and popular participation in the creation of institutions, is mandatory for the existence of a nation. Once people “own” the national institutions, they will be more inclined to resolve conflicts within these established boundaries, rather than resort to violence. The real challenge is how to institute these fundamental changes.

To overcome the resistance to change, the following initiatives should be considered:

- Stimulating sustained national debate on US foreign policy to better define itself.
- Restructuring USAID’s reward structure to encourage local capacity for self-governance.
- Supporting research on self-governance to augment current knowledge on how self-governing systems function.
- Establishing a USAID leadership institute to train local leaders and USAID workers on the intricacies of self-governance.

Session IV: Coordinating a More Effective Conflict Prevention and Crises Response Capacity within the US Government

A. The Role of the Department of Defense and the Increasing Need for Inter-Agency Interaction

A great divide currently exists between the civilian and military worlds. While intervention in non-strategic areas has been primarily the task of civilian agencies, the military has substantial experience with conflict prevention, although at the “downstream” end of the process of deterioration, as well as greater resources and implementation power. However, differences in institutional language and methods of operation, as well as traditional turfism, continue to obstruct civilian-military interactions.

Five years ago, the national military strategy tasked the regional CINCs (Commanders in Chief) with "shaping" their theater environments. This new mission, which is a quasi-diplomatic, non-combat one, sparked debate within the government and military about expanding the Defense Department's role in foreign affairs.

The military has substantial experience with conflict prevention

The regional CINCs firmly believe in the need for a better interagency dialogue and a more well-planned interagency approach to regional problems. The CINCs, sometimes in conflict with the Pentagon leadership, have tried to better coordinate their efforts with the State Department and other civilian agencies. When DoD realized how vast their programs had become, they ordered each CINC to produce a classified report, or "Theater Engagement Plan," detailing their activities in each country. The accounting prompted a debate within DoD, with some CINCs advocating that the plans be distributed to Congress, which funds their "peacetime engagement" activities, to stimulate consensus building. Others argued for restricted distribution to preserve institutional prerogatives and flexibility.

Another debate emerged regarding the appropriate role of the military in non-traditional missions such as international humanitarian crisis, the drug war, counter-terrorism, HIV/AIDS, and nation-building deployments. The military has taken over major responsibilities in these areas largely by default due to its significant resources. However,

The Balkans: A Test of Civil-Military Cooperation on Conflict Prevention

Civilian-military coordination on issues such as security faced a major challenge in the war-torn Balkans, where the problem of police primacy emerged. While the United Nations police solved problems of violent conflict, they were unwilling to deal with underground organized crime and inadequate to the task of accomplishing such a goal. Cash-strapped members were either late in providing trained civilian police, or unable to provide personnel due to pressing domestic issues.

Yet there were exceptions, such as UNPREDEP in Macedonia, where a small military contingent (roughly 1,100 troops from the United States and several Nordic countries) understood its mission and implemented a reasonably-defined provided by civilian-led political mission (consisting of a 200-member staff). The program's success led UNPREDEP to be characterized as “the exception that proves the rule.”

Advisor to the CINCs and, perhaps, to add an economic advisor. Other improvements include more effective Congressional and State Department input in planning engagement activities.

If the United States military is to become involved in nontraditional security issues related to conflict prevention, such as the democratization process, several strategies need to be developed:

- Transition mechanisms, and the monetary support to accompany them, need to be established to coordinate effective transitions from military to civilian authorities.
- Development of effective leadership is essential for a successful transition.
- Coordination between NGOs and the military should be enhanced.
- Increased recognition that development is not a succession of individual projects but a means toward a greater end.
- A greater understanding that the military's role need not be limited to intervention or no intervention.

B. The Changing Role of the Civilian-Military Relations

On the issue of democratization, the United States has traditionally engaged in “push” packages where viable plans for democratization and development assistance were presented to those states in crisis mode. While such ideas have merit, countries often do not know how to “pull” the appropriate expertise and resources from the donor

Effective civilian-military communications are essential

organizations. The challenge for the new civil-military conflict prevention vision is to recognize that democracy is a combination of economic, human, and social development.

Increased dialogue amongst the broad array of organizations involved will result in changed thinking for participants and a greater understanding concerning the need for change. It will also stimulate a need for “pull”. Therefore, encouraging more dialogue and interaction on the ground could help define and refine the process.

These civilian-military relations were put to the test in Kosovo. The military was well equipped, knew how to implement its goals, and was able to move in and establish dominance. The experience generated several valuable “lessons learned”:

- Civilian organizations involved in the process of nation building need to emulate the military's organizational expertise and its ability to function as part of a cohesive multinational force. They also need access to comparable resources and to develop clearly stated missions.
- The actual relinquishing of military control to civilians is always the most difficult aspect of any project. In Kosovo, the lag between UNMIK/USAID's acquiring funding for project management and the readiness of the military to give up control took as long as eight months. The lack of leadership and coordination with the local leaders was a problem; in many cases no responsible individual was available to turn

the project over to. When a lack of leadership was identified (as there was for the coordination of infrastructure), KFOR filled the void as they saw fit.

- Effective communication between the EU, UN, UNHCR, and OSCE was important to the mission's success. From the beginning there were daily meetings between KFOR, UN officials, and the Special Representative of the Secretary General. While these organizations had effective communications amongst themselves, information did not always pass down to the municipal level.
- KFOR, at times, got too involved in local politics, which was a mistake. Military forces should confine the relations with local leaders to matters of security and international civilian leaders must rapidly establish their leadership in political, economic, and social matters.
- Disagreements over objectives produced conflict among foreign assistance groups. First, there was a lack of alignment of objectives. Second, there was confusion over conflicting objectives between the various NGO's agendas and the USAID agenda. NGO agendas often conflicted or contradicted the UN's objectives. Even within the United Nations, there was a lack of agreement on how to implement Security Council Resolution 1244. Frustration also arose when there was no authority to amend the earmarked money to match the changing needs as dictated by the environment.
- The goals of the military and those of other agencies, primarily those with the funds to carry out the process of state building, did not always coincide. Clear delineation of responsibilities and agreed areas of cooperation are essential to success before a military intervention.
- KFOR needed to develop a holistic view of security. Though the international police capacity was better than the Bosnia case, disorganized police were often engaged to fight organized crime. Such problems need to be tackled with a vision that involved cohesion, organization, and discipline.

Civil-military coordination in conflict prevention situations could be improved in several ways:

- All cases of intervention need to establish the primacy of civil authority (political, economic, social, and security). The primary responsibility of the military is to provide a safe and secure environment for democracy and market economy development. The role of the military is essential, but not sufficient.
- Nation building should not be a pejorative term. The core issue is institutional development/nation building, with emphasis on leadership development. Institutional development will not succeed without leaders.
- Success requires engagement at both the national and international level. Internal state building cannot be established independent of the international community. Emerging states need to be linked to the international community if they are to emerge as viable actors.
- Civilian support structures should better mirror those of the military. Civilian leaders should possess vision, responsibility, accountability, and authority. Until the civilian component develops the same capabilities with appropriate resources as the military,

true peacekeeping will not be achieved because political, economic, and social development is a civilian task.

- A cadre of civilian leaders should be developed, like the military does in its leadership development. The military has the advantage over its civilian counterparts in training expertise and related tools. But without a mission and vision, holding responsible authorities accountable is a haphazard endeavor. A task force to examine and develop this cadre of civilian leaders needs to be established immediately.

Session V: The Challenge for Development Assistance: How We Work in an Increasingly Unstable World of Pre- and Post-Conflict Transitions

In order to develop an effective system of conflict prevention, the underlying political, economic, and social forces that drive conflict need to be identified and understood.

There are three key components for any conflict prevention strategy:

- The outside realm (the international donor community).
- The inside realm (the country in need of assistance).
- Reconciliation of the outside and inside realms.

The impetus for change should come from indigenous actors

For effective conflict prevention, a new development assistance paradigm needs to be created. Under the terms of this paradigm, international donors and government representatives (the outside realm) would have input, but the main impetus for change would come from indigenous actors (the inside realm). Ideally, the indigenous perspective would be comprehensive and not preempted by international society.

To make the paradigm work, the following criteria must be understood:

- The task of assisting unstable states is extraordinarily difficult. By failing to recognize the magnitude of the task, well-intentioned donors may devote insufficient resources and find themselves participating in or engaging in recriminations when failure occurs.
- International actors need to adjust to the indigenous context. Discrepancies often arise between what the outside realm deems necessary and what the inside realm identifies as beneficial. Effective development assistance must focus on the latter. For example, even if the international community wishes to see quick elections, the inside realm must own the process if lasting results are to be achieved. The indigenous community may prefer to tackle instability challenges prior to holding its first elections.
- Development assistance programs suffer low priority behind political, humanitarian, and security efforts. Such assistance should be integrated into the transition phase following the conflict and the provision of emergency aid.

Implementing the new development assistance paradigm will require significant changes; conventional methods will not work in the new context. If the new paradigm is to be effective, the impetus for change must be maintained without assuming that progressive change will automatically occur. In attempting to reconcile the inside and outside realms, it is unlikely that the improvement needed in international performance will evolve readily. Therefore, while pressing for new policies agents of change should recognize that political and bureaucratic constraints will continue to persist and accept limitations on implementation.

The War-Torn Societies Project:

Adapting the Development Assistance Paradigm By Focusing On The Inside Realm

The War-Torn Societies Project (WSP) focuses on the internal perspective for multilateral aid and post-conflict transitions, working where current development strategies have been inadequate.

- WSP adopts a process of inclusive participatory local input, leading to programmatic collaborations within government, different ethnic groups, and civil society.
- It facilitates a locally staffed action research component to provide relevant data, analysis and substantive expertise to the collective decision-making effort.
- WSP is consistent with the paradigm in its adoption of a neutral position, providing for international support, but keeping the problem-solving impetus on the indigenous community.
- Once the process has taken root in both rehabilitation and reconciliation, WSP representatives withdraw but remain on-call to deal with potential future problems.

In the past, implementation of conflict prevention programs has been problematic. While the Carnegie Commission on Preventing Deadly Conflict recently generated considerable discussion on this issue, very little progress has been made to institutionalize a conflict prevention process with the US government. Few departments have a plan for preventive diplomacy or preventive action. Only 3 out of 100 of the State Department's Mission Performance Plans (MPPs) include vulnerability analyses, and none of these address the consequences. The European Union and the United Nations Secretary General have also been unable to institutionalize conflict prevention plans. A major obstacle is the difficulty of defining and focusing on what conflict prevention means specifically in application.

The difficulties associated with implementing a conflict prevention strategy are well illustrated by the Greater Horn of Africa Initiative (GHAI). Under GHAI there was too much focus on money, at the expense of the prism of prevention. "Stovepipe" reporting was also a problem, particularly in Ethiopia, as different groups (political, academic, USAID, defense community) reported on different elements of the problem. The main lesson of future international intervention is the importance of catching problems before they explode.

***Catch problems
before they
explode***

One possible reason for the lack of implementation of effective conflict prevention plans is governmental skepticism about the feasibility of conflict prevention. In addition, most government agencies do not place much faith in the ability of early warning systems to detect future conflict. Even among groups who

believe that early warning systems can predict conflict, many do not think such conflicts can be prevented. It essential that while keeping in mind the constraints, skeptics are not allowed to deter action, especially in cases where the conflict is likely to lead to deadly violence.

Definition of Roles Under the New Conflict Prevention Paradigm		
<u>Conflict Prevention</u>	<u>Structural</u>	<u>Operational</u>
Responsible Agencies	USAID, Congress	State, Embassies
Objective	Development	Political
Activities	Pre-conflict prevention	Conflict resolution
Impact	Long-term	Short-term
Perspective	Narrow	Broad
Rapidity of action	Slowness expected	Speed desired
Time horizon	Future capacity building	Present reality
Rigor of action	Adherence to process	Flexibility stressed
Orientation	Technical	Policy
Leadership	Local leadership developed	Outside Direction
Funding	DA – C/S – SEED	DRL – ESF

Both structural long-term prevention and operational short-term prevention are required in the new paradigm. The focus and methods of each are very different, and no one agency can be expected to fully meet the requirements of both. For successful conflict prevention, a formal division of labor should be established whereby USAID assumes the lead for long-term pre-conflict prevention problems. The State Department should take the lead for cases requiring short-term conflict, with technical reinforcement provided by USAID.

Implementing this vision and establishing the necessary division of labor will require significant changes in both agencies, specifically the corporate cultures of each. Inter-agency cooperation is essential under the new paradigm; a strategy needs to be developed to share information across agencies, as well as with academics and nongovernmental organizations.

Attention needs to be paid to developing better early warning systems. Mission Performance Plans can act as vehicles linking early warning with action. To be effective, these early warning systems need to be based on comprehensive analyses of the root causes of conflict.

More time needs to be devoted to institution building; 10-year and 15-year perspectives are necessary. It is important to remember that institution building is not just constructing buildings.

The business community is a potential partner

A challenge for the foreign affairs community will be to revamp the Foreign Assistance Act of 1961. Though the world has changed greatly since the 1950s, the Foreign Assistance Act has only been amended through plank or earmark. Generating the impetus for changing the Foreign Assistance Act of 1961 and National Security Act of 1947 will be difficult given other

legislative priorities (health care, taxes, etc.), but not impossible. One potential source of support is the American business community, which has a vested interest in global long-term stability.

Conflict prevention strategies can be strengthened by building an incentive system to reward conflict prevention, developing a system of metrics to assess the success of conflict prevention strategies, and channeling more resources into post-conflict reconstruction.

Session VI: Emerging Threats: New Dimensions of Instability and Violent Conflict and a More Integrated Prevention and Response Capacity

A. New Dimensions of Instability and Violent Conflict

The importance of creating a more effective conflict prevention paradigm is underscored by the alarming global trends forecast in the recent National Intelligence Council's report, *Global Trends 2015*. The following trends are not hard predictions, but a forecast of what is likely to happen if international, national, and nonstate actors fail to take action.

Demographic changes will include an overall population increase from 6.1 billion in 2000 to 7.2 billion in 2015, but at a decreasing rate (increasing by 1.3 percent in 2000, but by only 1 percent in 2015).

The gap between haves and have-nots will increase

The global economy is expected to grow, maintaining long-term dynamism. Emerging markets (especially in China and India) and the industrialized sector of developing countries will also maintain strong economic dynamism. However, the gap between the

haves and the have-nots will increase, even in rapidly growing countries. Poverty and regional differences will persist. Economies which are expected to fall behind include:

- Sub-Saharan Africa
- The Middle East
- Central Asia
- Some Latin American countries
- Parts of Southeastern Europe

In the area of health, developed countries will experience increased spending and major medical advances, which will fuel a biotechnological revolution. Noninfectious diseases will pose greater challenges than infectious diseases. Microbial resistance to antibiotics and population mobility will produce some health setbacks. In sharp contrast, developing countries will witness an increase in infectious diseases (AIDS, tuberculosis and malaria), reducing life expectancy and economic growth. Infectious diseases will also hamper democratization by weakening civil society and producing a power struggle for dwindling resources.

Severe water shortages will spark conflict

As for our natural resources and environment, food production levels will be sufficient to meet needs, but donors will be wary about providing aid to regions

where they may become involved in military conflict. Severe water shortages will spark conflict, especially in the Middle East. Environmental problems such as greenhouse gases, declining biodiversity, and reductions in arable land and tropical forests are likely to increase.

In the realm of science and technology, there will be rapid advances in information technology and biotechnology, which will stimulate major communication and biological revolutions. Most of these technologies, however, will only be available in the developed world and wealthier segments of the developing world. There is the potential for certain practices (genomic profiling and genetic modification, e.g., cloning) to spark cultural, religious, and political upheaval.

Globalization will challenge state authority

The international system will continue to see the nation state as the predominant unit of political, economic, and security affairs. Nation states will face challenges resulting from globalization and increasingly vocal and organized publics. Globalization (the free flow of information, capital, goods, services, people, and the diffusion of power) will challenge state authority and produce demands for increased international cooperation on transnational issues. State repression of communal minorities is likely to occur in countries with slow economic growth, concentrated executive power, and weak rule of law. Repression is likely to occur in:

- Sub-Saharan Africa
- Central and South Asia
- Parts of the Middle East
- Powerful states (Russia, India, China, Brazil)

Nonstate actors will become increasingly active, forcing the nation state to deal with multinational corporations, private volunteer organizations, and other nongovernmental organizations. Transnational criminal organizations from a variety of regions will challenge state authority by forming loose alliances with each other, various insurgent movements, and corrupt leaders of unstable, economically fragile states, as well as troubled banks and businesses. These criminal alliances will generate income from narcotics trafficking, alien smuggling, trafficking women and children, and the smuggling of toxic materials, hazardous waste, illicit arms, and military technology.

The United States will remain the strongest military power due to its information technology-driven “battlefield awareness” and its precision-guided weaponry.

Challenges will include:

- Asymmetric threats where state and nonstate opponents avoid a head-on challenge but exploit perceived weaknesses and employ “sidewise” technology to minimize US military strength.
- The threat posed by strategic weapons of mass destruction emanating from capable states (Russia, China, most likely North Korea, probably Iran, and possibly Iraq) as well as nonstate actors via unconventional delivery.
- Regional military threats from states with large military forces and a mix of Cold War and post-Cold War weapons.

Interstate conflict is less likely to occur, with the exception of regional rivalries in the Middle East and Asia (India-Pakistan, China-Taiwan). Internal conflicts will continue to spawn internal displacements (refugee flows, humanitarian emergencies). If such conflicts are not resolved, they are likely to spill over into interstate conflicts.

Asymmetric threats pose an emerging military challenge

Weak states spawning internal conflicts will threaten the stability of the increasingly global international system. The UN and other regional organizations will increasingly be called upon to manage internal conflicts as major states (concerned about domestic

stress, perception of success, a lack of political will, and tight resources) restrict their involvement. Terrorists and transnational networks will seek states with poor governance, communal tensions, weak economies, and porous borders. Regions particularly vulnerable to internal conflict include:

- Sub-Saharan Africa
- The Caucasus
- Central Asia
- Parts of Southeast Asia
- Central America and the Andean region

From this bleak forecast, some major conclusion emerge:

- **National policies will continue to matter.** Governments will have to invest more in technology and public education, and incorporate nonstate actors in order to succeed in 2015.
- **Both primitive and precision-guided weapons must be monitored.** The United States and other developed countries will be challenged to do this while leading a technological revolution.
- **International arrangements will be needed to solve complex transnational problems** (economic volatility, environmental degradation, resource competition, humanitarian emergencies, and conflict). Should these fail, the United States and other developed countries must broker solutions with nonstate actors.
- **Greater communication and collaboration must be established** between national security objectives and the domestic policy agenda, especially in inter-agency cooperation.

B. Responding to the Challenge : An Integrated Prevention & Response Capacity

There exists a shared, but poorly articulated, vision of the future of USAID, based on the idea of prevention as a policy of engagement. The focus is on building capable states and preventing conflict. The question is how to enact the vision. What is clear is the need for a buy-in by all agencies involved in foreign policy.

Conflict intervention must take into account the country's internal dynamics. The primary focus should be on what the people within the conflict area need and want.

Intervention efforts need to be designed with regard to the reality of the society, not reality as perceived by outsiders. Ultimately, prevention is development.

What is often lacking is an enabling environment. The United States can provide this essential enabling environment in which people can maximize their own potential and construct capable societies out of the wreckage of conflict and failed states. The foundation for these endeavors is the constituting process. USAID is ideally suited to provide space for indigenous community building but at present lacks the tools required to be involved in the constituting process.

Simultaneous stimulation on all societal levels is essential since no level functions independent of the rest. While realistically the United States cannot respond at every level, an all-encompassing vision is required to ensure that no elements are ignored. The critical need is to increase communication and cooperation between government agencies, transnational corporations, and NGOs regarding issues of conflict prevention.

USAID may not exist in the future, but some assistance agency will. It is vital that the vision created by USAID transcend any one agency.

Conclusions: Defining a Vision for US National Security Needs and Foreign Policy Framework for the Year 2020 & Creating a Supporting Foreign Assistance Strategy

January 23, 2001

This paper reflects the comments and issues raised during the conference on “The Role of Foreign Assistance in Conflict Prevention.”

Written by: Kate Semerad, Dick McCall, Jane Holl Lute, and Anita Sharma.

Introduction

In the relatively short time span between the end to the Cold War and the beginning of the new millennium, we have learned much that has challenged our basic assumptions about democracy building and the “magic” of the market place, the foundation upon which a less threatening and more stable world was supposed to have emerged. Little did we know, or expect, that the end of one era of world history would unleash forces heretofore frozen in time for nearly 45 years. These events precipitated the collapse of states such as the former Yugoslavia and led to ethnic, religious, and nationalistic turmoil plaguing many regions of the world. Even the former Soviet Union and southeastern Europe have not been immune to this upheaval.

Many of the problems facing the people of these countries and regions, such as disease, illiteracy, grinding poverty, environmental degradation, repression, and corruption stem from weak and oftentimes non-existent institutions. There has been an assumption that the existence of a state’s governmental apparatus alone, within clearly defined borders, constitutes a coherent and stable country. We are slowly coming to the realization that it does not. This reality forces us to re-evaluate many of our assumptions and to develop different analytical tools and frameworks to more effectively promote our national security needs globally. One thing is certain, crisis and conflict in many areas of the world will be with us well into the foreseeable future. The challenge will be the degree to which we are able to recognize the need, in collaboration with friends and allies, to organize ourselves more effectively to respond to this reality. A critical tool in responding to this challenge is the foreign assistance program.

US Security Needs and Interests in the New Millennium

New definition needs to be given to what constitutes US national security and the foreign policy framework within which our fundamental security interests are protected. Interests alone do not define adequately the long-term goals of US foreign policy. Interests can shift as circumstances change and new challenges emerge. On the other hand, there are enduring needs around which American interests have to be woven and articulated.

These include:

- A safe and secure homeland.
- A dynamic economic engine capable generating new wealth with the requisite trading system.
- Strong friends and allies.
- Predictable relations with others.

As evidenced by the recent CIA report, *Global Trends 2015*, future threats to the United States are multiple, varied, and complicated. These include the spread of infectious diseases such as HIV/AIDS, land degradation, severe water shortages, forced migration, and a growing terrorist threat. In reality, the world is changing fundamentally and more rapidly than most of us appreciate, accelerated by globalization that, in itself, may be a double-edged sword as the gap between haves and have-nots widens.

This new international environment has major consequences for how the United States defines its economic and security needs. We will continue to rely upon a strong military to respond to actors and nations that threaten US security interests and needs around the globe. However, military-based threats in the traditional sense may be the least of our worries.

This proposition has major consequences for how the United States defines its economic and security needs and how it formulates foreign policy. We no longer need, nor can we afford, to anchor US national security and foreign policy solely on the concept of military-based threats and traditional national security interests.

Simply stated, the prime imperative is to defend US borders against a much broader range of threats (not just missiles, but such things as terrorists, illegal immigrants, and infectious diseases) while maintaining or increasing the standard of living for all Americans. But this has to be accomplished within the context of an increasingly globalized world. This requires that we develop capable partners in the context of an agenda for engagement across a broad array of sectors and issues.

The major source of future threats globally will stem from the increasing lack of capacity of states to deal with the myriad of problems that are potential sources of conflict, instability, and, in some cases, collapse into chaos. Therefore, one of the primary (if not the primary) goals of US foreign policy should be to assist in the building of capable societies and nation-states. These goals should be carried out in partnership with our friends and allies.

For the United States to prosper, significant portions of the world must prosper as well. This requires some degree of stability and predictability of behavior globally. It also requires building a consensus on the rules of the game. At the same time, we must recognize that stability does not mean maintaining the status quo. Change is not only good but also oftentimes necessary (as demonstrated by the ouster of Slobodan Milosevic).

A Word About Capable Societies and Nation-States

In too many areas of the world countries have not undergone the processes fundamental to the creation of a modern nation-state. Many of these states are comprised of diverse ethnic, religious, and cultural communities. Voluntary cooperation among and between diverse elements within a state functions reasonably well during good times. However, stress, no matter what the source (i.e. competition for limited resources, environmental degradation, corruption, impunity) can be the match that touches off violent conflict. Constituting processes (those processes which create institutions) at all levels of society, are fundamental to the maintenance of coherence and order during times of stress. For voluntary cooperation to be sustained, it has to be encapsulated within institutions that reflect not only a common set of values, but also a strong sense of national community across the entire population. These, in turn, can transcend the sometimes divisive nature of localism or communalism (i.e., ethnic and/or religious).

While all modern nation-states have gone through these constituting processes, the citizens of most countries in the world have not been engaged in processes whereby common values are agreed upon and institutions created that reflect this fundamental societal consensus. The problems of disease, illiteracy, hunger, poverty, corruption, and even terrorism cannot be adequately addressed in a world community where too many countries fail to attain the status of the “capable” nation-state. They remain vacuums that terrorists, narco-traffickers, demagogues, and dictators are more than willing to fill and exploit for their own ends. To more effectively address this challenge, foreign assistance should be used as a tool to promote the creation of capable societies.

Developing capable states based on free societies requires building voluntary cooperation, resolving conflict, building democracy, creating free societies, and establishing market economies. Lack of these foundations reflects hard realities and dangers posed by a world where there are too many “incapable” states and too little freedom.

Securing National Needs by the Year 2020

US self-interest should drive the process with our friends and allies and foster a vision of the world that sets as our primary objective the creation of free and capable societies. US foreign assistance should become an integral foreign policy tool in this approach. There is a consensus within our own country, which has been articulated quite strongly by the incoming Administration’s foreign policy/national security team, that the military option will be used only as the last resort. Hopefully, the military option will not have to be used at all. A focused strategy of helping to create capable states as a first resort should preclude the necessity to use the tool of last resort – military engagement.

Part of the challenge in formulating (and then implementing) a vision for US national security needs and foreign policy framework for the year 2020 is to effectively organize and integrate America’s foreign policy/national security apparatus. The US government

tends to look at world problems as a discrete and differentiated set of security, political, and assistance issues and sectors. We tend to develop segmented policy and programmatic responses based on narrow, short-term, parochial interests. As a result, there has been a failure on our part to understand the reality and internal dynamics of problems on the ground in devising appropriate country assistance strategies to fit the situation and address root causes of conflict.

There is a multiplicity of US government departments, agencies, and offices involved in articulating and implementing US policy abroad. Oftentimes, this promotes confusion and even contradictory policy priorities. Just as the problems of many of the countries in which USAID operates cannot be effectively solved by a set of discrete, isolated activities, neither can the United States project a coherent policy abroad through a series of discrete and differentiated tools with oftentimes differing priorities. We need a strategic vision that recognizes how each of these sets of problems relates to one another.

In the aftermath of World War II, the United States took the lead in fashioning the global economic, political, and security institutions that were designed to ensure that there would not be a repeat of the conditions which led to the outbreak of the most devastating conflict endured by the human race. We created new institutions and restructured others both to more effectively manage the global economy and to meet the threats posed by the Cold War. These tools are still with us. We never engaged in a similar process following the Cold War. It is clear that the post Cold War era poses new and far different challenges to US needs and security than the threats of the previous era.

The issue is not just defining the new challenges and threats we face in the post Cold War era but developing the policies we need to more effectively address them. The greater challenge is to construct the tools, bureaucratic institutions, and systems that will be necessary to allow us to effectively respond to both current and future threats. We have been bogged down by a process that is preoccupied with individual boxes and the competition for diminishing resources among these boxes. In large measure, it is not a question of resources. It is a question of whether or not we are organized sufficiently to have the appropriate tools with which to deal with the world as it is and will be well into the foreseeable future. Only after we work through a redefinition of policy and how we implement it can we ascertain what is the appropriate level of resources to promote our national security needs over the next 20 years.

By supporting the development of capable nations and societies that are more resilient to violent conflict and emerging threats, we reduce the risk of instability and lessen the probability of the use of US military forces as the world's policeman. Financially, we reverse the burgeoning upward trend and continued increasing budgetary expenditure for massive humanitarian, reconstruction, and rehabilitation efforts. At the same time, the United States needs to create a global agenda of engagement, based on our own economic and political self-interest, to support the development of capable states that prioritizes the use of foreign assistance programs and tools as part of an integrated foreign policy framework.

The private sector is, among other things, an important source of data collection and analysis. This is true for both the for-profit and the not-for-profit community. In an era of globalization, the private sector has as much of a stake as any sector of our society in understanding the world, if for no other reason than the need for expanding markets and secure investment climates. In addition to retooling and redesigning government's role, we need to more effectively engage the private sector.

The Role of Foreign Assistance in Security US National Needs

Some have argued that good development is by definition conflict prevention. For example, using the public health model analogy, not all health interventions are preventive in nature. There is a difference between curative health care interventions and preventative care. There is considerable validity in using the analogy. As we have repeatedly found, the cure (cleaning up the messes from complex emergencies) is always more painful, and more costly, than prevention would have been.

If there is consensus regarding the fundamental goals of US national security policy, including the acceptance of the notion that for the US to prosper significant portions of the world must prosper as well, then foreign assistance has a definite role to play. This objective can best be achieved by adopting a proactive foreign policy strategy that focuses on building capable societies and preventing violent, organized conflict. Adopting such a strategy would also pay major dividends since it is a lot cheaper to engage at the pre-conflict stage than in cleaning up post-conflict messes. The central question is, what is the best way to construct a doctrine of conflict prevention?

Since every human situation is different, the US government needs to develop a robust diagnostic capability to understand what are the potential root causes, as well as the drivers and inhibitors, of violent conflict. The focus must be both country and regional specific. USAID has begun to institutionalize such a process.

Once such an analysis is completed, means have to be developed which empower people to begin developing their own solutions. For each country, a comprehensive strategy should be developed that identifies people and programs best suited for promoting dynamic, sustainable stability over the long term. Those programs that best address short-term operational prevention need to be supported and complemented by parallel initiatives in the longer-term structural prevention arena. This means that neither framework can be developed in isolation. The State Department, NSC, USAID, and the other foreign policy/national security agencies need to develop a common vision and synchronize policy development and implementation.

Given the complexity of the challenge, the US government, let alone USAID, cannot do it all. Strategies need to be developed that weave a fabric of interlocking networks and tap the expertise of all stakeholders, including our friends and allies, multilateral institutions, non-governmental organizations and, most importantly, civil society and other indigenous organizations within partner countries themselves. Our foreign assistance program must be designed to set an agenda of engagement with the American

public, private foundations, voluntary and non-governmental partners, and recipient country partners. A set of more symmetric economic, political, and security relationships needs to be nurtured with developing countries that is based on US self-interests, global needs, and better defined requirements for the creation of free societies and capable states. USAID, because of its field mission based programs, has the capacity to act as a facilitator in working with others to create the space for this constituting processes to take place.

Finally, there are tools and institutions already available which need to be integrated more fully into conflict prevention/management efforts. As evidenced in presentations made at the earlier June 2000 USAID Workshop on Conflict Prevention, USAID is undertaking a broad range of specific activities, programs, and strategies in partnership with others to help prevent and mitigate the root causes of conflict. The list is growing in Africa, including countries such as Guinea and Zimbabwe, and regionally in a new cross-border program in Ethiopia's southern tier involving Somalia and Kenya. These nascent efforts are usually cross-sectoral in approach, using a variety of programs and interventions, while tapping US expertise and institutions. These include the Synthetic Environments for National Security Estimates (SENSE) operated jointly by the Institute for Defense Analysis and the US Institute for Peace and the War Torn Societies Project International (WSPI), a hybrid U.N./Swiss NGO whose operations have been financed by both bilateral and multilateral donors.

In order to make these efforts equal to the task at hand, the United States requires first a vision and second a strategy for long-term engagement in building the basis for voluntary cooperation that will help prevent deadly conflict in the post Cold War era. A new vision and strategy are required to deal effectively with a changed world, both in terms of defining US security needs and as part of an integrated foreign policy framework in which the US foreign assistance program plays a direct supporting role as part of that engagement process.

Presenter: *The Changing Role of the Civilian-Military Relations*
Major General William Nash (USA, RET)
Former United Nations Administrator of Mitrovica

Response: Dana Priest
Guest Scholar
United States Institute of Peace
Investigative Reporter
Washington Post

1:45 – 3:15pm

Session V: The Challenge for Development Assistance: How We Work in an Increasingly Unstable World of Pre- and Post-Conflict Transitions

Presenters: Ambassador Jonathan Moore
Former US Ambassador to the United Nations
Representative to the Economic and Social Council

Ted Morse
Former Mission Director and
Bosnia Interagency Coordinator
US Agency for International Development

3:15 – 3:30pm

Break

3:30 – 4:15pm

Session VI: Emerging Threats: New Dimensions of Instability and Violent Conflict and a More Integrated Prevention and Response Capacity

Presenter: John Gannon
Assistant Director of Central Intelligence for
Analysis and Production and Chairman, National
Intelligence Council

4:30 – 6:00pm

Facilitated Open Roundtable Discussion

Facilitator: Kate Semerad
Vice Chairman
Zamorano Agricultural College, Honduras
Former Assistant Administrator for External Affairs
US Agency for International Development

6:00 – 7:00pm

Reception

Appendix B: Biographies of Presenters

Richard McCall, as Senior Policy Advisor, and prior to that as Chief of Staff to the Administrator of USAID, has been primarily involved in conflict prevention/mitigation policy development with particular concentration on the crisis countries of East and southern Africa. He managed USAID effort in developing and implementing the President's Greater Horn of Africa Initiative; the development of an integrated strategic planning process for crisis countries that harmonizes development and humanitarian tools to more effectively mitigate and managed conflict; and took the lead with other donors in the conceptualization and creation of the War-Torn Societies Project.

He formerly held a number of positions in the US Senate with the Senate Foreign Relations Committee, the Senate Democratic Policy Committee and with Senators Gale McGee, Hubert Humphrey, and John Kerry. Mr. McCall also served as Assistant Secretary of State for International Organization Affairs during the last year of the Carter Administration.

David A. Hamburg, M.D., is President Emeritus at Carnegie Corporation of New York, after having been President from 1983-1997. He received his A.B. (1944) and his M.D. (1947) degrees from Indiana University. He was Professor and Chairman of the Department of Psychiatry and Behavioral Sciences from 1961-72 and Reed-Hodgson professor of Human Biology at Stanford University from 1972-76; President of the Institute of Medicine, National Academy of Sciences, 1975-80; Director of the Division of Health Policy Research and Education and John D. MacArthur Professor of Health Policy at Harvard University, 1980-83. He served as President, then Chairman of the Board of the American Association for the Advancement of Science (1984-86).

His research contributions have dealt with biological responses and adaptive behavior in stressful circumstances; and with several aspects of human aggression and conflict resolution. He has been concerned with the conjunction of biomedical and behavioral sciences--first in the context of building an interdisciplinary scientific approach to psychiatric problems, then in research on the links of behavior and health as a major component in the contemporary burden of illness. In recent years, he has concentrated on child and adolescent development.

Jane Holl Lute, Ph.D., currently directs the program on Peace, Security, and Human Rights at the United Nations Foundation and is Consulting Director to the Project on Conflict Prevention at the Woodrow Wilson International Center for Scholars. Prior to assuming these positions, she was the executive director of the Carnegie Commission on Preventing Deadly Conflict. Before joining Carnegie, Ms. Lute was director for European Affairs on the National Security Council Staff at the White House, serving under both President Bush and President Clinton. A career Army officer, she served in the Persian Gulf during Operation Desert Storm, at the United States Military Academy at West Point, and in Berlin. Ms. Lute retired from the Army in 1994. She holds a Ph.D. in political science from Stanford University and a J.D. from Georgetown University Law Center.

Harold Saunders, as director of international affairs at the Kettering Foundation, plays a key role in the foundation's international studies. These have included the Dartmouth Conferences, the US/China program, and the International Civil Society Exchange. Dr. Saunders is the architect of sustained dialogue, “a public peace process” designed to change relationships among those in deep-rooted human conflicts. He is currently participating in dialogues aimed at bringing together warring parties in Tajikistan and mentoring a black-white dialogue in Baton Rouge. Saunders formerly held a number of positions at the National Security Council Staff and in the US State Department, most recently as Assistant Secretary for Near Eastern and South Asian Affairs. His most recent book, *A Public Peace Process: Sustained Dialogue to Transform Racial and Ethnic Conflicts*, is published by St. Martin's Press.

Robert B. Hawkins, Jr., is currently president and CEO of the Institute for Contemporary Studies (ICS), a nonprofit, nonpartisan policy research institute. To fulfill its mission to promote self-governing and entrepreneurial ways of life, and to help spur policy reform, ICS sponsors a variety of programs and publications on a wide range of governance issues, including the key areas of entrepreneurship, education, leadership, civil society, the environment, and social policy. He is now focusing his attention on creating a leadership institution to train community leaders in the self governing arts. Appointed chairman of the prestigious bipartisan US Advisory Commission on Intergovernmental Relations in 1982, Hawkins worked closely with national leaders on such issues as constitutional reform, education, transportation, and the role of business in the federal system. He chaired the Committee until 1993. Dr. Hawkins has been a fellow at the Hoover Institution and at the Woodrow Wilson International Center for Scholars, where he also headed their program in state and local government. He has written three books and numerous articles.

William L. Nash is a retired Major General of the US Army and is currently Director of the National Democratic Institute's Global Civil-Military Relations Program. General Nash joins NDI from Harvard University where he was a fellow and visiting lecturer at the John F. Kennedy School of Government. During his decorated career, Nash served as commanding general of the US Army forces in Bosnia and of the First Armored Division in Germany, and advisor to the Saudi Arabian National Guard in Riyadh. Since retiring from the army in 1998 after 34 years, he has taught and written on a variety of contemporary military issues, including civil-military coordination, military-media relations, and national security challenges of the 21st century.

Dana Priest has been a reporter at *The Washington Post* for 15 years. She worked first as an assistant foreign editor, then as a reporter on the Metropolitan, National and Investigative staffs. For the last six years she have written about the US military, first as the Pentagon correspondent, then, last year, as an investigative reporter. She covered the US invasion of Panama from Panama, and wrote about Iraq from Baghdad weeks prior to Operation Desert Storm. She has written extensively about the nation's four regional Commanders-in-Chiefs, the Army's groundbreaking peacekeeping and nation-building missions in Bosnia and Kosovo, the Defense Department's programs to rebuild the militaries of Central Europe, and the extensive use of Special Operations Forces around

the world to train foreign militaries. She has also chronicled the Pentagon's accounting and accountability problems, the Army's efforts to integrate women and the B-2's first ever combat mission. Prior to joining *The Post*, Ms. Priest was a reporter at *The St. Petersburg Times* in Florida. She has a B.A. in Political Science from the University of California at Santa Cruz and attended Columbia University's graduate School of International and Public Affairs. This year she was awarded a MacArthur Foundation Research and Writing grant and is currently working on a book about the military's expanding influence over American foreign policy. Ms. Priest is a guest scholar at the US Institute of International Peace

Ambassador Jonathan Moore, a native of Massachusetts, was educated at the Browne & Nichols School, Dartmouth College and Harvard University, and has worked over a span of forty years in government, politics, academia, and the United Nations. He served from 1986 to 1989 as US Coordinator and Ambassador-at-Large for Refugees and as Director of the Refugee Programs Bureau, US Department of State, and from 1989 to 1992 as U. S. Ambassador to the United Nations and Representative to its Economic and Social Council. He was Director of the Institute of Politics and Lecturer in Public Policy at the Kennedy School of Government, Harvard University, from 1974 to 1986. Previously, he served in Washington as Deputy Assistant Secretary of State, Counselor to the Department of HEW, Special Assistant to the Secretary of Defense, and Associate Attorney General. Earlier, he had worked for the US Information Agency in India and Africa, in the US Senate, and on state and national electoral campaigns. Ambassador Moore was a Senior Associate at the Carnegie Endowment for International Peace from 1992 to 1994, and a member of the Consultative Group of International Experts of the International Committee of the Red Cross from 1992 to 1995.

He is currently a Senior Advisor to the United Nations Development Program working on response strategies to crises in Africa and Asia, and Associate at the Joan Shorenstein Center for the Press, Politics and Public Policy at Harvard. He is also a Fellow at the Center for Naval Analyses in Alexandria, Va., and serves on the Boards of the UN Research Institute for Social Development and the War-Torn Societies International Project, both in Geneva, and of the Center for the Study of Social Policy in Washington, D.C. He is the Editor of *Hard Choices: Moral Dilemmas in Humanitarian Intervention* (Rowman and Littlefield, 1998), and author of *The U N. and Complex Emergencies Rehabilitation in Third World Transitions* (UNRISD, Geneva, 1996) and *Morality and Interdependence* (Rockefeller Center, Dartmouth College, 1994).

Ted Morse served as a foreign service officer in the Agency for International Development (USAID) for 37 years, mostly in the field. In Africa, he served as the Mission Director for Zimbabwe and USAID's Southern Africa Regional Program. In Southeast Asia he served in Cambodia and Indonesia. His senior assignments in Washington included appointments as Director of the Regional Program for Eastern Africa, Task Force for the 1984 to 1986 East Africa Drought, Central American Contra-Aid Program, Greater Horn of Africa Initiative and Bosnia Task Force. Since retiring, he has been a consultant to USAID on the foreign affairs re-organization plan, Sierra Leone Humanitarian and Reconstruction Program, US Coordinator for Humanitarian Response

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John C. Gannon, Ph.D., has served in the most senior analytical positions in the Central Intelligence Agency, including Chairman of the National Intelligence Council (July 1997-present), Assistant Director of Central Intelligence for Analysis and Production (1998-present), and Deputy Director of Intelligence (July 1995-July 1997). His career is distinguished by the development of programs designed to improve analyst training and efficiency, budget resources, product quality, and interactions within and between agencies. Such efforts led him to receive an Inspector General's commendation for his management of the Office of European Analysis. Before joining the CIA, Mr. Gannon served as a Naval Officer in South East Asia, an instructor in the Naval Reserve, and a social studies and science teacher at a secondary school in Jamaica. A member of the Council on Foreign Relations and the World Affairs Council, Mr. Gannon holds a Ph.D. in history from Washington University in St. Louis.

Kate Semerad is a private consultant, and the Vice Chairman of the Board of Trustees of the Panamerican School of Agriculture (Zamorano). In the past she has served as the Vice President of the school, where she directed the university's development and communications program. She has several years of experience in organizational design, communications, marketing, and development. She was an Assistant Administrator of USAID under former President Reagan. She has also served on the President's Council on Mental Retardation from 1985 to 1988. Ms. Semerad graduated from Skidmore College.

Randy Pherson is the Director of the International Studies and Analysis Division of Evidence Based Research, Inc. (EBR), where he has been involved in the development and supervision of several projects for government, military, and commercial customers that apply expert-driven and empirically-based tools to forecast political instability around the world; coding and displaying event data that tracks political, military, economic, and environmental trends; and identifying open-source media on the Internet. Prior to joining EBR in 1999, Mr. Pherson spent 28 years in the Intelligence Community where he last served as National Intelligence Officer (NIO) for Latin America. He developed and implemented a strategic planning process for the CIA and managed the production of intelligence analysis on topics ranging from global instability to Latin America. He is an active proponent of the multiple scenarios analysis techniques for estimating future trends. Mr. Pherson has been involved in the development of several collaborative computer networks linking the Intelligence Community with other parts of the US Government. In recognition of his outstanding accomplishments and dedication, the Director of Central Intelligence (DCI) George Tenet awarded Mr. Pherson the Distinguished Intelligence Medal for his service as NIO for Latin America and the Distinguished Career Intelligence Medal. Mr. Pherson received his A.B. from Dartmouth College and his M.A. in International Relations from Yale University.

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Appendix D: Preventing Contemporary Intergroup Violence

By: David A. Hamburg

1993

The world of the next century will be different in profound respects from any that we have ever known before -- deeply interdependent economically, closely linked technologically, and progressively more homogenized through the movement of information, ideas, people, and capital around the world at unprecedented speed. At the same time, it will be more multicentric in the devolution of economic, political, and military power to smaller adaptable units. Some nations will undergo a perilous fragmentation, as the centralizing forces that once held people together are pulled apart and traditional concepts of national sovereignty and nationhood are contested, sometimes violently. How these tendencies will be reconciled is far from clear. One of the most striking facts of our time is the way technology has come to dominate and organize our lives, presenting unimaginable benefits, opportunities, and choices within a matter of decades, yet unleashing the destructive power of advanced weaponry that in an instant of history can do immense damage, even destroy humanity.

While the more complex and contradictory world that we have entered is of our own making, we often approach its problems with the biological orientations and emotional responses of our ancient ancestry, bringing attitudes, customs, and institutions that were formed largely in earlier times and that are perhaps no longer appropriate. Foremost is our tendency as a species toward prejudice, egocentrism, and ethnocentrism. In these times of rapid world transformation, as people have flowed like floodwaters across the earth, families, social support networks, old ways of forming group solidarity, and other traditional patterns of living have been strained or broken apart. Many individuals feel a heightened sense of uncertainty and insecurity. Some react with exaggerated intolerance of the outside world or with violence toward those who are seen as alien and threatening. Political demagogues can readily inflame these feelings in a context of severe vulnerability.

The historical record is full of every sort of slaughter based on the human capability to make invidious distinctions between in-groups and out-groups -- often associated with the frustration of fundamental drives, deeply felt beliefs about identity, or a sense of jeopardy to group survival. In this century -- a period of the most rapid industrialization and wrenching transition -- human slaughter far exceeds any that has gone before. Just since the United Nations was formed in 1945, there have been upwards of 150 small-scale wars resulting in more than 20 million dead and easily four times that many disabled or displaced. Millions have perished at the hands of their own countrymen in Cambodia, Indonesia, Burundi, Nigeria, Paraguay, Tibet, Uganda, Angola, and the Sudan. Most recently the former Yugoslavia has generated at least 150,000 dead and more than two million refugees.

Today worldwide, fed by the powerful currents of aggressive ethnic nationalism, there is a virtual epidemic of armed civil or intranational conflict -- the kind often thought

of as “internal” but that can readily spill over the borders of nation-states. While international attention has been on the savage fighting in Bosnia, long-simmering antagonisms among deeply mingled ethnic groups have come to the surface in the successor states to the Soviet Union -- exacerbated by the harsh economic conditions that prevail there as well as by the erosion of social norms. Hundreds of such nationality “hot spots” exist in these vast territories. Sixty-five million people in the former Soviet Union do not live in their primary areas of origin, and many are fearful about their treatment as minorities in the new nations. The international community is only just beginning to realize the potential gravity of these various conflicts. Russia herself, with her huge arsenal of nuclear weapons, has shown serious signs of instability.

New Wine in Old Bottles

Intergroup conflict is an ancient part of the human legacy, and tyrants have long understood how to exploit for their own ends the human tendency to attribute malevolence primarily or solely to other groups, deflecting anger onto the hated others, who are blamed for all their troubles. Many different political, social, economic, and pseudoscientific ideologies have been mobilized to support hostile positions toward those who are outside the primary community or who deviate from community norms.

All that is very old and once upon a time may have been adaptive, but these characteristics of our species have become exceedingly dangerous, primarily because of the enormous destructive power of the advanced weaponry we have created. Weapons themselves do not cause dangerous conflicts, but their availability in large quantities can easily intensify and prolong such conflicts. The use of sophisticated technology, moreover, enhances the risk that the consequences of local wars will become regional or global.

While nuclear warheads, which can be carried by missiles with tremendous accuracy over great distances, represent the ultimate in human violence, the increased killing power of enhanced conventional, chemical, and biological weapons also has the potential for making life everywhere miserable and disastrous. In the past, no matter how ferocious the conflict, humanity could not destroy itself even if it wanted to. Now it can. One of the most serious problems the world will face in the next decade is the proliferation throughout the world of these modern deadly weapons -- or the knowledge and technical capability for making them -- and the looming possibility that they will be used.

In this post-Cold War environment of many small wars and potentially large ones, a new approach to international problem solving may be needed. The system of international diplomacy that evolved over the past two centuries focused on power relations between nation-states. Yet the risks, costs, casualties, and tragedies of the twentieth century should tell us, if nothing else does, that this may be far from an optimal system for dealing with conflict between peoples of the same nation -- or the problem of weapons proliferation.

Attachment and Aggression

The capacity for attachment and the capacity for violence are fundamentally connected in human beings. We fight with other people in the belief that we are protecting ourselves, our loved ones, and the group with which we identify most strongly. Altruism and aggression are intimately linked in war and other conflicts. My lifetime has witnessed terrible atrocities committed in the name of some putatively high cause. Yet there have also been vivid examples of the reconstruction of societies, major reconciliations, and real enlargement of opportunities for substantial segments of a population. What are the conditions under which the outcome can go one way or the other? If we could understand such questions better, maybe we could learn to tilt the balance in favor of a stable, enduring peace among human groups in the twenty-first century.

Even though in-group/out-group distinctions are ubiquitous in human societies, easy to learn and hard to forget, there is certainly the possibility that we humans can learn to minimize these tendencies. This may be one of the crucial roads we have to travel in order to cope with conflict in the transformed world of the future. Can we find a basis for common human identification across a diversity of cultures and national groups?

Below, I try to sketch some promising lines of inquiry and innovation that bear strongly on the two-sided coin of human cooperation and conflict and that suggest ways the world's institutions can cope with burgeoning threats to international peace. It is worth considering how the various approaches to the prevention of the deadliest conflicts and the promotion of international cooperation might be strengthened, particularly in light of superordinate goals essential for the future of humanity and our habitat.

The Search for Understanding

Given the myriad possibilities for world conflagration, the nature and sources of human conflict are deserving of the most careful and searching attention. Yet, until quite recently they have not been a major focus of systematic analysis and even today are rather marginalized in the world's great research and educational institutions. The scientists and scholars heavily engaged in such inquiry have been largely lacking in support. The field of ethnic conflict resolution, moreover, is relatively new and weakly institutionalized. The international community has nothing like an effective system for preventing the deadliest conflicts.

The powerful sectors of society everywhere, for their part, have tended to be complacent about such matters and to see them as someone else's problem, far away. Avoidance often substitutes for foresight, authority for evidence, and blaming for problem solving. The capacity for wishful thinking, as it is for self-justification, seems boundless in matters of human conflict.

All this may be beginning to change now, stimulated by deep concerns about the dangers of contemporary conflict and by the belated recognition of the ubiquity of killing and maiming in human experience. Conflicts have become everyone's business. The idea that states and peoples are free to conduct their quarrels, no matter how deadly, is outdated in the nuclear age and in a shrinking world where local hostilities can rapidly become international ones with devastating consequences. Similarly, the notion that tyrants are free to commit atrocities on their own people is rapidly becoming obsolete.

A substantial body of careful empirical research on conflict resolution and international peacemaking, detailing the historical experience with forms of negotiation, mediation, arbitration, recognition, and power sharing is at last beginning to emerge, and the results are providing new insights and guidelines useful to practitioners. It is apparent that there is no single approach to conflict resolution that offers overriding promise. Just as the sources and manifestations of human conflict are immensely varied, so too are the approaches to understanding, preventing, and resolving conflicts.

The field can benefit from more dynamic interplay between theory and practice. The great challenge is to move with a sense of urgency to organize a broader and deeper effort to understand these issues and, above all, to develop more effective ways in the real world of preventing and resolving conflicts short of disaster.

Additionally, there needs to be serious worldwide education about forms of nonviolent problem solving that can generate public support. The price of resolving international disputes by force of arms is becoming too high -- even putative winners are beginning to recognize this unwelcome fact. But finding workable alternatives that are broadly acceptable, particularly in the realm of preventive systems, will challenge the international community beyond any prior experience. While it is certainly not beyond possibility to move this subject higher on the agenda of this nation and others, it will require a much deeper grasp of the dangers among leadership groups and the general public than now exists.

Sovereignty and Self-Determination

Most people everywhere live in multiethnic societies. Worldwide there are several thousand ethnic groups versus fewer than two hundred nation-states. In Europe, as in Africa, national borders were in large part imposed by external powers without regard to geography or shared ethnicity. Conditions were created in which members of the same identity group were split apart, leaving open the possibility that all groups could make territorial claims on each other. If now every ethnic, religious, racial, linguistic, or cultural group sought to establish its own nation, there would be no limit to fragmentation -- precipitating violence, immense suffering, and a flow of refugees on an unimaginable scale.

Sometimes in the modern world it is possible to separate out ethnic groups that wish to have their own nation-state and create a situation in which borders essentially coincide with a living space of that particular group; but this is unusual. Although

secession may be carried off democratically and peacefully, as in Czechoslovakia, this is rare, and the quest to create a separate state or redraw borders will usually prove to be a chimera.

The attractive concept of self-determination was given an idealistic boost after both world wars, but the conflict in Bosnia shows how dangerous sudden secessions, rationalized on the basis of self-determination, can be. The creation of new states by sudden secession may trigger fierce fighting not only within a country but also across international borders. There is ample evidence of this in the states of the former Soviet Union, where the problem is complicated by an immense armory of highly destructive weapons. So the concept of self-determination will have to be reassessed in light of contemporary circumstances and the conflicting values involved clarified and dealt with peacefully.

Beyond this, there is an urgent need to create the conditions under which various identity groups can sort out their differences and learn to live in a state of harmonious interaction with their neighbors. Ways must be found to foster self-esteem, meaningful group membership, and internal cohesion without the necessity for harsh depreciation of out-groups and without resort to violence in the event of a clash of interests.

A fundamental requisite of mutual accommodation is development of a genuinely free civil society within a democratic framework, where there is truly equal citizenship, respect for human rights, protection against the abuse of power, freedom to express differences openly and constructively, and a fair distribution of opportunities. Many paths to mutual accommodation are possible: nonviolent agreed secession; peaceful, negotiated territorial border revision; federation or confederation; regional or functional autonomy; and respected cultural pluralism, within each nation and across national boundaries. Each case presents a particular set of opportunities and constraints, and each solution will inevitably be reached only after painful deliberation, taxing the patience and support of all. Whatever the outcome, it must eventually satisfy the reasonable claims of most citizens, though not necessarily the intolerant militants or extremists.

Shared Goals of a Single Worldwide Species

To an increasing extent, we will have to learn to broaden our social identifications in light of shared interests and superordinate goals across all of humanity. We must come to think of ourselves in a fundamental sense as a single interdependent, meaningfully attached, extended family. This is in fact what we are; but to state this is not to assimilate it as a psychological reality.

Superordinate goals have the potentially powerful effect of unifying disparate groups in the search for the vital benefit that can be obtained only by their cooperation. Such goals can override the differences that people bring to the situation.

What could constitute shared goals of this extraordinary significance? The avoidance of nuclear destruction is one. Protection of the environment is emerging as

another, since it may well come to involve jeopardy to the human habitat. The creation of new forms of community, social cohesion, and solidarity in the face of the vast impersonal modern society we have wrought is another. The threat of worldwide economic deterioration might also become salient. At a regional level, the desire to improve economic prospects can impel two or more nations to cooperate in the development of agriculture, transportation, electricity, and water resources, increasing confidence and mutually beneficial interdependence.

These are mainly survival goals, updated to the modern era, where the reference for adaptation goes beyond the sense of belonging in the immediate valued group to identification with a much larger unit or ideal. The current, worldwide epidemic of severe ethnic conflict should help us realize that we are all in this huge leaking boat together in a gathering storm.

The ancient propensity toward narrow identity, harsh intolerance, and deadly intergroup conflict will confront us with new dangers in the next century and challenge us as never before. By the same token it will create a great opportunity to identify the fundamental properties of superordinate goals and their myriad possibilities in the world of small- and large-scale wars that have proven so contagious in recent years. How can all of humanity benefit -- indeed survive -- by adopting new attitudes, practices, and institutions?

Changing Principles of International Diplomacy

In the period following World War II, the international community put all too little emphasis on the protection of minority rights. Concepts of self-determination, sovereignty, and the sanctity of borders prevented outsiders from mediating ethnic tensions within or between states. International law on self-determination limited itself primarily to anti-colonial movements.

When international intervention did occur, it was usually associated with partisan superpower support in the context of Cold War rivalry. In this environment and with its almost infinite respect for the nation-state, the United Nations was virtually helpless to intervene in most serious conflicts. Mediation by governments or nongovernmental organizations in intergroup conflicts also tended to occur only after fighting had erupted between opposing groups. This was the case in the Arab-Israeli disputes, in Ngorno-Karabakh, in Yugoslavia, and in the Sudan.

But with the ending of the Cold War, the growth of a dynamic and interdependent world economy, and the blurring of national boundaries by modern communication and transportation, nations have an opportunity to deal cooperatively with world problems unhampered by ideological rivalries. In particular they can now address seriously the paradoxically hostile separatism that is stirring up new conflicts around the world. They can begin to deal with the severe ecological damage and resource depletion, huge disparities between rich and poor, and denial of aspiration that are at the heart of much of intergroup violence.

Some experts, drawing on years of study and diplomatic experience in dealing with serious conflicts, envision a shift taking place in the nature of international relations -- from the traditional power-oriented, authoritarian, and controlling model toward one that is more complex and multifaceted, in which mutually beneficial political and economic relations are of growing importance.

The older paradigm took it for granted that human beings were overwhelmingly selfish and therefore would respond mainly to coercion. Interests were defined narrowly in terms of power.

This can now usefully be enlarged to a broader view that is more sympathetic to basic human needs for physical and economic security, social justice, and political freedom. Such a view relies less on coercive measures and more on the clarification of fundamental concerns and underlying common interests and on ways to change political environments toward democracy.

An indication of a shift in the paradigms of diplomacy is the recent willingness of states to yield some historically sensitive sovereign prerogatives in the interests of achieving larger political and economic benefits. But progress here is hard-won and subject to regression with little notice.

Still, the remarkably peaceful ending of the Cold War might in due course provide the basis for a new system of international, democratic, nonviolent problem solving aimed ultimately at prevention of the deadliest conflicts. This is an immense challenge to serious thinkers, penetrating analysts, and innovative practitioners.

A Post-Cold War International System

If aggrieved groups have recourse to a respected external authority -- whether governments, multilateral institutions, nongovernmental organizations, or other bridge-building or mediating links -- they might be less likely to engage in secessionist activities or appeal to their ethnic kin from outside to come to their rescue. Whatever can nurture a more cosmopolitan identity rather than a parochial, narrowly defined ethnic identity will be helpful in the long term.

To this end, the international community can formulate general standards for resolving disputes and for satisfying self-determination claims to a reasonable extent, in the context of an existing state if feasible. It can develop a preventive orientation, monitoring "hot spots" analyzing the potential sources of conflict, and becoming involved early as conflicts emerge. It can analyze ways in which economic access to and participation in the international economy can help ensure adherence to standards of decent behavior in intergroup relations. It can encourage ways of facilitating the growth of mutually beneficial loose associations or confederations.

A new international consensus toward conflict prevention and resolution could support the provision of visible, respected forums for the expression of grievances among the relevant parties and of organized settings that foster empathy and restraint, in which culturally accepted techniques for reconciliation are used to the maximum extent possible. It could instill a process of joint problem solving in which representatives of the different groups mutually explore their respective interests, basic needs, and fervent aspirations. It could have a means of identifying shared goals such as regional economic development and aid in the building of inclusive democratic institutions.

Such a consensus could lead to mechanisms for organizing an ongoing series of reciprocal goodwill gestures; for drafting possible agreements -- even modest next steps - - that show the possibility of finding common ground in a mode of civil discourse; for building institutions where parties can learn about negotiation and democratic ways of coping; and for utilizing multilateral, regional, and nongovernmental resources to create incentives and skills for negotiation, cooperation, and help with economic development.

These desiderata could apply to the resolution of a wide range of large, intergroup conflicts, spanning traditional international relations and contemporary ethnic tensions. But what entities could implement such an international system for preventing the deadliest conflicts? The United Nations? The community of established democracies? Some interplay between the two? Other international mechanisms?

The United Nations

There is a growing interest by the international community in the possibility of broadening the role of the United Nations. With its legitimacy as the most significant global institution striving for democratic ideals oriented toward a peaceful world order, it might usefully intervene in some “internal affairs” to prevent deadly conflict, render humanitarian assistance, and aid transitions to more democratic systems of governance.

In January 1992, for the first time in the history of the institution, a special meeting of the Security Council of the United Nations was held at the level of heads of state. It was a summit meeting called to examine the functions of the U.N., particularly with respect to conflict resolution. Secretary-General Boutros Boutros-Ghali was asked to prepare a plan for strengthening the capacity of the U.N. to engage in preventive diplomacy, peacemaking, and peacekeeping. This was an unprecedented occasion and expressed a strong commitment to the original purposes and principles of the United Nations Charter drawn up a half century earlier.

The Secretary-General responded some months later with a remarkable document, “An Agenda for Peace”, which drew upon many ideas and proposals from member states, regional and nongovernmental organizations, and individuals. Some aspects of the document are groundbreaking. In it Boutros-Ghali took note of changes in the concept of sovereignty: “The time of absolute and exclusive sovereignty . . . has passed; its theory was never matched by reality. It is the task of leaders of states today to understand this

and to find a balance between the needs of good internal governance and the requirements of an ever more interdependent world.”

The Secretary-General put emphasis on fact-finding and analysis -- to identify at the earliest possible stage the circumstances that could produce serious conflict -- and on the need for preventive diplomacy to resolve the most immediate problems, with attention to underlying causes of conflict. While placing a high priority on the U.N.'s having an early warning system and the means for early intervention, he did not ignore the necessity for it to deal effectively at later stages with its more familiar functions of peacemaking and peacekeeping. Improvement in the former could include strengthening the role of the International Court of Justice (the principal judicial organ of the U.N.) and introducing confidence-building measures, economic assistance, and, if necessary, sanctions and the use of military force. Boutros-Ghali considered the increased demands on the U.N. for peacekeeping and the complex organizational changes that will be necessary if the U.N. is to be more effective in these domains.

He also considered preventive deployment, which goes beyond earlier U.N. practice. There may be circumstances that justify deploying forces prior to the outbreak of fighting, if such help is requested by governments or parties to the fighting. The aim is to limit or control the violence, help ensure that security is maintained, assist in conciliation efforts, even establish a demilitarized zone before a conflict is well established, and provide humanitarian assistance.

To the functions he was asked to comment on, the Secretary-General added a fourth category -- post-conflict peacebuilding -- having the aim of constructing a more durable foundation for peace. The creation of a new environment after a conflict is the counterpart of preventive diplomacy before conflict. While preventive diplomacy seeks to identify at the earliest stage the circumstances that could produce a serious conflict and remove the sources of danger, post-conflict peacebuilding aims to prevent a crisis from recurring. It emphasizes, as does preventive diplomacy, cooperative efforts to cope with underlying economic, social, and humanitarian problems.

The Secretary-General's report underscored the importance of joint efforts to nurture democratic practices and, by implication, democratic institutions, since so many countries in a state of conflict have had little or no democratic experience. Similarly, in many arenas there is a need for the U.N. to provide technical assistance in the rebuilding phase and to place the conflicting parties on a sounder economic basis for their own internal development. As a practical matter, Boutros-Ghali cited the problem of how to get rid of the millions of mines that now litter the lands where conflicts have gone on. Doing so will restore not only agriculture and transportation but hope and confidence so that citizens can participate fully in the rebuilding. The Secretary-General recognized the importance of working with regional organizations and the nongovernmental sector in carrying out such functions.

Implementing this agenda will necessarily be difficult and the obstacles formidable. If the United Nations is to play these roles effectively, it will require much

more substantial and dependable financial and political support than it has ever received before. For this to happen there will need to be a much higher level of public understanding about the U.N.'s current functions and its potential than now exists. And there will need to be some changes in structure and function.

The United Nations is not, and never will be, a world government. It is an intergovernmental organization of sovereign states that seek common ground for cooperation in their long-term self-interest. It is perforce large and multifaceted, disparate in its composition and in the outlook of its members, and emotionally charged from its past history and from current difficulties in the world. As such, it cannot be an optimal instrument for all efforts at preventive diplomacy or conflict resolution. Nevertheless, if it did not exist, something very much like it would have to be invented. There simply has to be a comprehensive, worldwide forum for global issues. Surely it is time to consider how some of its functions, and the components and mechanisms within it, could be extended, and new ones created if necessary, in order to strengthen the hand of the international community in preventing highly lethal conflicts.

The Established Democracies

The democracies of Europe, North America, Japan, and Australia have shown that they can live together peacefully even as they compete. On the other hand, they have failed badly in certain situations, such as Bosnia. Increasingly they are likely to take the lead in formulating international norms of conduct with respect to intergroup relations, the proliferation of highly lethal weaponry, economic development in poorer nations, human rights, and the growth of democratic institutions. They have the technological, economic, and political strength to establish such norms even if tyrannical governments are offended.

The established democracies may act on such issues with the approval of or on behalf of the U.N., or they may cooperate with it informally. Usually their actions will be political and economic in nature rather than military. In almost all cases they will need to consult widely with each other on a systematic basis.

The North Atlantic Treaty Organization is a prime example of the ability of established democracies to work together -- initially to counteract an aggressive Soviet Union, provide for European security, and foster German recovery in a democratic mode. Could a similar alliance, involving a wider coalition of democracies, be organized to ensure security on a worldwide basis, fuel economic growth with fairness, protect cultural diversity, and foster democratic values?

Who Else Can Help?

As important as the United Nations is, there are other organizations of the international community that could be effective in preventing deadly conflicts. The involvement of the permanent members of the U.N. Security Council may be crucial for some regional conflicts, as in Cambodia, but other disputes may be handled at the

regional level. The potential of regional mechanisms for dispute resolution in intergroup conflicts deserves serious attention in the next decade. The European Community, the Conference on Security and Cooperation in Europe, the Council of Europe and its European Court of Human Rights, the Association of Southeast Asian Nations, the Organization of American States, the Organization of African Unity, and the Arab League all need strengthening in this regard.

Various specialized international organizations, such as the General Agreement on Tariffs and Trade and the Law of the Sea Tribunal, can play a useful role in resolving disagreements surrounding a particular set of issues. Bilateral arrangements can also be created to adjudicate disputes between nations. The US-Iran Claims Tribunal demonstrated that two hostile nations with different languages, laws, and goals were able to settle matters of considerable importance to both sides.

Nongovernmental organizations can also play an important part in resolving disputes, cooperating with the U.N. and with regional organizations. Former President Jimmy Carter, for example, has established through the Carter Center in Atlanta an international network for mediation and conflict resolution.

The Scientific Outlook

The scientific community is probably the closest approximation we now have to a truly international community, sharing certain basic interests, values, and standards as well as a fundamental curiosity about the nature of matter, life, behavior, and the universe. The shared quest for understanding is one that has no inherent boundaries. In any situation of potentially serious conflict, the scientific outlook can contribute to the construction of a framework for conflict resolution and for building a peaceful world. It takes a world view that embodies multiple truths, not some simple ultimate truth; it seeks evidence, and it is prepared to learn from experience. This same empirical spirit is frequently helpful in defusing passions aroused by social conflict. It provides one of the pathways toward a broader-than-conventional perspective that can be learned by all peoples and that can build bridges across cultures.

In the realm of scientific research, the interactions of biological, psychological, and social processes in the development of human aggressiveness leading to violent conflict must constitute an important frontier in the decades ahead. A shared commitment to the humane uses of science and technology could offer a great vista of hope.

Bridge Building

This analysis suggests the importance of having cross-cutting or overlapping group memberships in the modern world. Cross-cutting relations are those that connect subgroups of society or connect nations in ways that overcome in-group/out-group distinctions and prejudicial stereotypes. They involve the opportunity for members of alien, suspicious, or hostile groups to spend time together, to work together, to play

together, and even to live together for extended periods of time, gaining a sense of shared humanity.

On the international level, there must be concerted efforts to expand favorable contact between people from different groups and nations. Some measure of comprehension of a strange culture is vital. Educational, cultural, and scientific exchanges can be helpful. At a deeper level, joint projects involving sustained cooperation can provide, if only on a small scale, an experience of working together toward a superordinate goal. There are many ways to break down antagonisms between groups or, preferably, prevent them from arising in the first place. International organizations can do much to promote empathic personal contact and overlapping loyalties that cut across in-group/out-group antagonisms.

Those of us who have a deep sense of belonging in groups that cut across ethnic or national lines may serve to bridge different groups and help others move toward a wider sense of social identity. Building such bridges will need many people interacting across traditional barriers on a basis of mutual respect. Nothing in our history as a species would suggest there is a readiness for such a wider sense of personal identity; yet it must be possible to engender this in the next century and to do so on a broader scale than ever before.

Social Education

There are other ways to create positive connections between groups. Families, schools, community organizations, religious institutions, and the media throughout the years of human growth and development are pivotal institutions that can shape attitudes and interpersonal skills toward either decent relations or hatred and violence. In the twenty-first century it will be necessary in child raising to put deliberate, explicit emphasis on developing prosocial orientations and a sense of worth based not on depreciation of others but on the constructive attributes of oneself and others. Taking turns, sharing, and cooperating, especially in learning and problem solving -- these norms, established on a simple basis in the first few years of life, can open the way to beneficial human relationships that can have significance throughout a person's life.

A secure attachment of infant to mother or other adult caregiver provides a crucial foundation for the development of prosocial behavior. It is important to focus on the nature of parental behavior that can promote or retard these tendencies. Not only schools but religious and community organizations should foster positive reciprocity, cross-cutting relations, awareness of superordinate goals, and a mutual aid ethic in children and adolescents. The largely unfulfilled educational potential of the media can also be helpful in improving intergroup relations, as "Sesame Street" has shown. These same generic orientations and skills can be extended from childhood all the way up through adulthood to membership in larger units, possibly even including international relations in due course.

The painfully difficult effort to achieve decent, fair, peaceful relations among diverse human groups is an enterprise that must be renewed. While weapons of mass destruction pose the greatest danger, economic decline and environmental degradation will be a growing challenge to survival for many in the years ahead. People of humane and democratic inclination will need sustained cooperation throughout the world to build effective systems for dealing with these great problems. Ideas are emerging, analysis is proceeding, useful models exist. The current turmoil could provide a constructive stimulus for practical arrangements that help us learn to live together at last.

Appendix E: Rethinking Development Assistance and the Role of AID in US Foreign Policy

**By: Jane Holl Lute
November 24, 2000**

Introduction

What should be the role of development assistance in US foreign policy? In a time when major political, economic, and social transformation has altered so much of the international landscape, how are important US interests served through the distribution of development aid? More fundamentally, what needs (that is, what needs of the United States) does a program of development assistance meet? What should be the goals of this program? What strategies should guide aid distribution to help best meet those goals?

In other words, how should aid policy be shaped so as to yield in ten or twenty years' time a judgment that the goals were worthy, the policies effective, the results a success? And finally, at this moment of significant political transition in Washington, how can the Agency for International Development (AID) as the lead organization within the US government for development assistance improve prospects that US development policies will succeed?

This paper offers preliminary answers to these questions. It begins with an argument that at this moment in US history, core needs, rather than national interests (however "vital") should ground US foreign policymaking. These core needs, elaborated below, are: a) a safe and secure homeland; b) a dynamic economic engine capable of generating new wealth; c) strong friends and allies; and d) predictable relations with others. Meeting these needs requires at a minimum that the United States devise self-regarding strategies to manage its growth, promote prosperity, protect against dangers, and help strengthen others to act constructively on their own behalf and cooperatively in collective efforts.

In this regard, development assistance – even in its current, hobbled, earmarked state – plays an essential role in US foreign policy. It is the only major US policy that takes the longer view of circumstances abroad and of the longer term strategies likely to improve those circumstances by helping to create markets, reduce threats, encourage self-reliance, and promote rule-based regimes. In so doing, development assistance directly and uniquely serves each of the core US needs noted above. Moreover, this distinctive focus on the longer term allows development aid to play a pivotal role in US foreign policy more generally by reconciling two, perhaps overarching, strategic US objectives:

- Maintaining US preeminence and economic dynamism in
- A world changing for the better.

These objectives often find themselves in tension with one another. However, this paper takes the view that these objectives can be reconciled. Policies to improve the circumstances of the United States and maintain its political, economic, and military edge can coexist with – indeed, probably even depend on – policies that improve the circumstances of others. To be sure, managing this coexistence will require tradeoffs and compromise in the pursuit of each of these strategic objectives. The present argument, however, rejects the “either/or” view, and instead maintains that the United States is not likely to achieve best results for either strategic goal if the other is not pursued with vigor. And development assistance lies squarely at the policy crossroad.

This paper concludes with an argument that to achieve maximum value for the dollars spent, development assistance should help prevent the emergence of mass violence via strategies of structural engagement. That is, the goal of development assistance should be to help create capable states.

Capable states are characterized by several factors: representative governance based on the rule of law, market economic activity, and a thriving civil society. In these states, essential security, well-being, and justice are available to all citizens. The societies of such states are not only better off they tend not to resort to violence to broker differences. Moreover, these states tend not only manage their own affairs in relative peace they also manage their relationships with neighbors and others in relative peace as well.

But often, states need help in becoming ‘capable.’ Certainly this was the plight of European and other states in the aftermath of World War II when the United States undertook the Marshall Plan. In this case, outside help was indispensable to the successful reemergence of Europe from shattering warfare, as it may be today for those countries struggling to break free of chronic conditions that inhibit growth.

Yet innumerable political, and perhaps moral, difficulties await those who would help. Some of these difficulties are anticipated in the following discussion. In view of these challenges, two principles should help guide structural prevention efforts: first, enduring freedom from fear and want is best achieved through democratic self-governance; and second, outside help, such as that brought to bear by development assistance, can only provide the margin of victory (however, it is important to note that the location of the margin will vary according to the circumstance). The following section on development assistance and preventing deadly conflict discusses both of these principles in greater detail.

In sum, development assistance is an essential, distinctive, component of US foreign policy that serves core US needs. And it does so in ways that reconcile the twin US goals of strengthening its own position in the world while improving the lot of others with whom it interacts and on whom it depends for so much of its own success. By pursuing strategies that help create capable states, development aid will more constructively work to strengthen emerging nations and in the process help create

markets, reduce threats, promote self-reliance, adherence to rule-based regimes, and prevent the emergence of mass violence.

Needs vs. Interests

Why is it more important to take a needs-based approach to US foreign policy as against any other approach, such as a capabilities, threat, or especially interest-based approach? Why is a needs-based approach particularly relevant for the formulation of development policies? To answer these questions, it may be helpful to project ten or twenty years into the future and try to identify where the United States would like to find itself – an exercise that reveals how core national needs serve more constructively to devise strategies to achieve those future goals than do other departure points.

Most analysts would agree that in the year 2020, the United States would like to find that it continues to enjoy a position of global preeminence. More specifically, it would be desirable for the United States to enjoy a high degree of political autonomy and influence, have global interests and reach, be economically prosperous (notwithstanding a significant projected rate of growth in its poorest quintile), lead the world in science and technology, and remain the dominant, if not predominant military power.

But what about the rest of the world? Most observers would probably also agree on the desirability of a world in 2020 as a place with a greater number of participatory democracies and market economies. Such a world would also have an inclusive and functional interlocking network of legal regimes, an improved global capacity to handle the world's problems, and be in the position where catastrophic nuclear war had become unthinkable.

Neither future is grandiose. It is possible to project these goals for the United States and for the world at large with a straight face. It will be impossible, however, to achieve this twin set of goals in anything approaching equal measure, however, unless the United States makes a deliberate choice to do so.

In other words, if, in twenty years time, we aspire to a nation and world as described above, then the United States must devise strategies to achieve these aims. And these strategies can only derive from an understanding of America's present core needs, inasmuch as needs, as discussed below, are a more reliable guide to grand strategy than are capabilities, threats, or even interests.

What are the core needs of the United States at present? As noted earlier, they are four: a safe and secure homeland, a dynamic economic engine capable of generating new wealth, strong friends and allies, and predictable relations with others. Moreover, for a country like the United States at this moment in its history, these needs share equal importance. It is impossible, for example to imagine a truly safe and secure US homeland without strong friends and allies, and vice versa. Similarly, it is impossible to imagine that the United States could sustain dynamic economic growth without the kinds

of rule-based regimes that bring order and predictability to so much of the world's economic and political life.

Contrast these needs with the commonly held view of vital US interests that identifies, for example, access to foreign oil sources, unimpeded access to and the use of space, and preventing nuclear proliferation as vital to the United States. Such interests are of course important, perhaps even vital, to significant US goals. But interests are transient and mutable, tied to the present and especially tied to present capabilities and present threats. As such, they do not provide a durable basis from which to plan the future. For example, if tomorrow, all of the world's nuclear weapons were safely vaporized, or technological advances led to the creation of energy sources that met life and production requirements without relying on fossil fuels, interests in containing potential proliferators, or in assuring access to the world's oil reserves would greatly diminish in importance.

In contrast, needs persist despite changes in even important conditions. Needs are not merely repackaged vital interests, or even supremely vital interests. Needs differ distinctively from interests in quality and form.

- Needs endure; interests change. The United States has always had a need for a safe and secure homeland, economic dynamism, strong friends and allies, and a certain predictability to its international relations. It has not always had an interest in containing Communism, including China in the global trading regime, or in rendering humanitarian assistance to countries half a world away.
- Needs exist irrespective of constraints; interests are, in part, a function of constraints. In other words, needs exist regardless of one's capabilities, opportunities, limitations, or threat environment. Interests are formed or dissolved, heightened or diminished by these factors.
- Needs drive strategies; interests reflect strategy. The drive to meet core needs gives rise to strategies that are themselves a product of some mix of capabilities, opportunities, and threats or other limitations. Strategies, in turn, create interests that now must be acted upon for the strategy to succeed. A simple example makes the point. One has a need to eat. One's significant other owns a nearby restaurant. One devises strategies to maximize favorable exposure to the significant other, including using that restaurant as frequently as possible. New significant other? New strategies; new interests. But the fundamental need to eat remains.

Why is this discussion of needs important? Because it suggests a better way to understand the importance of development assistance and its unique potential to contribute to American goals over the long term. When one combines this understanding of basic needs with a clear vision of where the United States would like to be in twenty years and an equally clear view of the kind of world in which it would like to find itself, one can make sense of the barriers that exist to achieving that future and of the kinds of strategies and policies necessary to overcome those barriers.

Those barriers, such as burgeoning populations in chronic poverty, struggling states with arrested economic development, weak, corrupt, or repressive regimes, wide ranging criminal networks that traffic in illicit guns and drugs, pose threats to core US needs and impede efforts to achieve a brighter future.

These challenges are daunting, yet the world has learned much over the past fifty years about how to deal with them. Much is now known about the conditions of chronic poverty and ways to alleviate those conditions. Much too, is known, about ways to jump start economic growth, pressure difficult regimes, track and constrain criminal activity. To be sure, no fabulous, overnight cures exist, but the international community has learned much about ways to reverse negative trends and generate clear, if slow, improvement.

But the debilitating conditions noted above are not static. If they were, they might be more tractable and responsive to remediation. The real dangers, and the real impediments to progress, stem from the fact that these conditions often lead to the outbreak and spread of mass violence. And it is this violence, its intensity and often chronic state, that causes setbacks in efforts to improve the world's conditions.

Thus, development aid should be aimed primarily to achieve the second strategic US objective, namely, helping the world change for the better. And in this regard, it should work to prevent deadly conflict by helping to create capable states.

Development Assistance to Prevent Deadly Conflict

Over the past decades, development assistance has been refocused in various directions, with a mixed record of success. So it is with some trepidation that this paper suggests yet another approach to development, one that aims to prevent the emergence of mass violence – one that pursues deliberate strategies of structural conflict prevention.

Structural prevention emphasizes strategies to address the root causes of conflict that often lead to widespread violence. Here, prevention is not simply the avoidance of undesirable circumstances. Nor does it seek simply to repress potentially destabilizing change. Rather, structural prevention is an approach that actively works to prevent the emergence of massive violence through deliberate strategies that help create capable societies, or, more appropriate to bilateral US efforts, capable states.

Again, capable states are those characterized by representative governance, market economic activity, and the rule of law. In these states, conditions of security, well-being, and justice prevail for all citizens making them better off and less likely to resort to violence on a massive scale. Significant research and world experience validates this simple truth.

Importantly, it is the intersection of these three conditions that holds the key to prevention. Security without well-being or justice is repression; well-being, without security or justice is precarious. Justice without security or well-being is not possible.

- Security is about safety, to be sure – safety from fear or threat of attack. But security is also about mutual accommodation – because persons who themselves feel safe but threaten others are dangerous.
- Well-being is about health – a healthy life in healthy conditions. But well-being is also about opportunity. Opportunity for education, training, and constructive employment – because healthy persons – especially young men – with nothing to do and few prospects can also be dangerous.
- Justice is about voice – the right of each person to have a say in how one is governed, and the right of each person to exercise that voice free from fear of reprisals or repression. But justice is also about accountability – because those who use their power to repress the rights of others are perhaps the most dangerous of all.

To repeat, conditions of fundamental security, well-being, and justice – and importantly, their interrelatedness (none by itself can produce stable, thriving populations) – not only make people better off, but also inhibit the tendency to resort to violence to manage differences and cope with change. Again, the key here is not to suppress change or simply preserve the status quo, but rather to encourage the indigenous development of institutions and processes to help societies manage change in relatively peaceful ways. Many societies are able to manage their own development to achieve these objectives. Many others, however, are not.

The task for outsiders then, is to offer the kind of help that promotes these conditions while recognizing that the lion’s share of the responsibility, effort, and credit for success ultimately resides with the insiders – those who are helped. But the kind of help needed is not always available, or if available, not always wanted. Finding ways to strike the right balance poses a continual political challenge.

Thus, the two principles identified earlier might prove useful to help guide the efforts of outsiders. First, enduring freedom from fear and want is best achieved through democratic governance. In other words, self-governing processes with the legitimacy to endure must be encouraged to take hold. In this regard, outsiders can help create the political and, if necessary, physical space for indigenous institutions and processes to operate. With such legitimate systems of self-governance, related processes to ensure widespread economic opportunity and enfranchising systems of justice can be put in place, but help here also will be also often be necessary.

This “front-end” relationship between democratic, or representative governance, is an important feature of effective preventive strategies because ultimately, economic and other social systems that operate within states result from political decisions. The stability of these systems depends on the reliability of legitimate political processes that are transparent and accountable. Outside awareness of this relationship between democratic governance and effective economic development is essential to the legitimacy of the help outsiders bring to bear. Yet frequently, outsiders are criticized for their efforts

– accused of malintentioned interference, or worse, in the internal affairs of other, often weaker, states.

Moral dilemmas arise when trying to reconcile the aim of outsiders to help create capable states through the infusion of assistance with the needs of insiders to manage their own affairs. Success may require that outsiders limit their help to urging the broad direction of change (i.e., toward democracy and economic reform), while leaving insiders arrange the details and set the pace.

Thus, the second principle cautions outsiders to understand the limits of their responsibilities and potential effectiveness. Here, one should remember that outside help can only provide the margin of victory. But where is that margin? Is it only at the point necessary to put a developing state “over the top?” -- to edge it finally into full capacity for stable self-governance and normal relations with others? When the Marshall Plan concluded (early, it is worth noting), the states of Europe were by no means the economic giants of today, much less at full pre-war capacities. Yet they had achieved a stable level of self-governance and were able to move confidently into their future relations with others.

But the margin here, should be thought of as various points along the wide continuum of development where outside help can mean the difference between progress or stagnation. Such help, for example, may be important to put initial systems in place, overcome unforeseen or otherwise insurmountable obstacles, or ease external financial or security pressures to open up room for internal processes to mature. The development margin, in other words, floats, depending on the circumstances of the country in need. Outside help, then, is likely most effective when used at the margins, and not when it is substituted for internal efforts.

This view of development assistance reveals how it works to respond to core needs and actively contribute to achieving desired futures by working to prevent the emergence of violent conflict through strategies that help create capable states. Its efforts orient on the longer term, with emphasis on promoting processes of democratization and economic reform. Its success can be seen most clearly not in what outsiders do, but in what insiders do on their own behalf.

Here, a word might be in order about operational prevention, that is, the use of exceptional measures to preempt fatal decisions and avert crisis. Development assistance as understood above, is not ideally suited for crisis response, even in the period following a conflict, when intensified efforts of post-conflict peacebuilding preoccupy outsiders and insiders alike. It lies beyond the scope of this paper to delineate the ways in which these circumstances present their own special demands to ensure that conflict does not resume and preventive efforts succeed.

However, while distinct from longer term development efforts, postconflict peacebuilding and emergency measures must take cognizance of the knowledge and experience base of such efforts to ensure that the emergency steps taken to help a society

emerge from crisis succeed without putting in place conditions that could lead to a renewal of violence.

Development assistance has a clear role to play in advancing the interests of this country as it contemplates its path to the future. That role is not enhanced if development is recloaked as humanitarian aid in a burgeoning crisis. Effective US foreign policy contemplates a role for emergency assistance (indeed, there is a near steady state need for such assistance in the world today), but diluting the development agenda with the requirement that it meet emergency relief needs will likely result only in policy confusion and ineffective engagements. In other words, humanitarian operations and development assistance do have clear points of articulation, but they remain distinct functions and do not easily or usefully substitute for each other.

What role, then, for AID? At this moment of significant political transformation in the United States, AID's internal examination of its strategic direction and policy niche is timely and essential. Against the foregoing discussion of the importance of development aid not only to meet the core needs of the United States, but also to help secure the future it seeks, AID should assume the mantle of interagency lead in structural prevention. Its competence lies here, by virtue of its field knowledge, technical expertise, and operational experience. Indeed, AID stands alone among all US foreign policy agencies with a long term orientation to the world's problems and to the capacity of the United States to join with others to work to solve those problems.

A determined strategy to prevent the emergence of violent conflict through policies that help create capable states – future capable partners for the United States – conveys unmistakable benefit to others. This much is certain. Certain too, are the unmistakable benefits that accrue to the United States as one often called upon to intervene when a conflict has gotten out of control. But surely it is better prevent a conflict to begin with rather than deal with its consequences. Prevention saves more lives than heroism, including our own. And the job begins with the AID.

Appendix F: Building Foundations for Cooperative Behavior Through US Foreign Aid

By: Robert B. Hawkins, Jr.

Why do crime levels decrease in a government housing project located in one poor Indianapolis neighborhood but not in similar surrounding neighborhoods? Why do Nepalese farmers in self-governing systems consistently outperform their government-managed projects?¹ Why have Turkish fishermen been able to govern inshore fisheries for two-hundred-plus years when theory and conventional wisdom would suggest they should fail?

The answers to these questions: In Indianapolis a group of women decided to constitute themselves as a self-governing community for the purpose of converting government housing into cooperatively owned housing. In Nepal farmers in self-governing irrigation systems spend more time on building civic capital as the foundation of their capacity to govern their own irrigation systems than do their counterparts in government-managed systems. In Turkey necessity has driven inshore fishermen to develop their own systems of governance to protect and enhance a renewal of a common resource and their own well-being.

All three of these examples have a common denominator: they are based in cooperative behavior and are prone to high levels of conflict when the institutional structures of cooperation fail or are absent. Housing projects in many inner cities are known as killing zones for drug wars, to say nothing of rampant crime. Allocation of water in irrigation systems in developing countries, especially for those at the end of water canals, is often done through force and open conflict rather than through agreed-upon and enforceable rules. Finally, the temptations of fishermen to overuse their common resource is often so strong that cheating and force take precedence over self-regulating rules.

The question I am addressing is, should or must these voluntary self-constituting communities be the foundation of any strategy that will succeed in dealing with the causes of conflict and the resolution of conflict? Around the world a revolution is ongoing: communities of men and women are taking control of their lives and building institutions for productive action. Through action they answer this question in the affirmative, asserting that cooperation is better than force and conflict. This is a movement of hope.

To witness these activities one generally has to look to the underground economies or the informal sector, for few are the direct result of formal enabling acts or state policies. This forces us to ask *why*? Does the growth of the informal sector or the

¹ For an excellent study of this subject see Wai Fung Lam, *Governing Irrigation Systems in Nepal: Institutions, Infrastructure and Collective Action* (San Francisco: ICS Press, 1998).

underground economy represent a proxy for system failure? Does it represent policy failure? Is it a warning signal of societies prone to conflict?

In all the examples above there is conflict, to be sure, but it is resolved through structures that have been crafted and modified by those who govern them. I take it as a given that building strong, vibrant civil societies as well as diverse self-governing local public economies is an important constituent in building cooperative behavior as well as preventing force-driven conflict.

Yet the barriers to focusing US development policy, to say nothing of building self-governing approaches in developing countries, are Herculean at best.

Hidden Assumptions

I would like to start with what I consider to be some of the key policy givens that in the past have been associated with the creation of predatory states that are a primary cause of conflict.

Let me start by quoting a principle that I think underpins our interests. It is from Vincent Ostrom's new book, *The Meaning of Democracy and the Vulnerability of Democracies*: "Democracies are at risk when people conceive of their relationships as being grounded in command and control rather than on principles of self-responsibility in self-governing communities of relationship."² The world is replete with risks that are grounded in governments where accident and force, rather than reflection and choice, fast become ways of life.

If one wants to reduce these risks the conventional answer is that one should build democracies where individuals have standing as citizens to become social and political entrepreneurs in building a vibrant civil society. Yet the common policy prescription is to look to "one man one vote" solutions as a viable way to reform rogue states. Deep beneath this policy prescription is another policy accepted by most in the development business: the state. Since the end of World War II state-building has been a cardinal principle of US foreign aid and foreign policy. If one of the arts of foreign policy is statecraft, it is hard to practice this art without states.

Yet it seems to me that any serious examination of how to prevent or remedy the causes and effects of conflict must take a hard look at policy prescriptions based on statism and governmentalism. This is particularly true of the Agency for International Development (AID), where building strong states with the capacities to provide services to satisfy basic human needs has been a cardinal design principle. Although AID and other agencies talk the language of decentralization and building civil society, we see few results of truly self-governing institutions emerge. What we see is the building of interest

². Vincent Ostrom, *The Meaning of Democracy and the Vulnerability of Democracies: A Response to Tocqueville's Challenge* (Ann Arbor: University of Michigan Press, 1997), 4.

groups that can get the state to respond. Yet the policy question is, do our state-building assumptions create more conflict than they solve in the long run?

Thinking About Alternatives

So what would the alternatives look like? We need to know so we can begin to array the options to assess their capabilities and limitations. The place to start to think about alternatives is federalism. If one thinks of federalism as intergovernmental relations and decentralizing program authority to state and local governments, one has already taken a conceptual turn that has a 99.1 percent probability of being a dead end.

What the modern age has forgotten is that federalism, at least our variety, was first and foremost a political theory of citizenship. The modern rendition of Hamilton's self-governing presumption in *Federalist One* is to consider whether societies of men and women can choose good government through reflection and choice, or whether they must depend on accident and force to produce their constitutions.³

Can we answer this question positively through our policy instruments? I would suggest that a positive answer must build on how people relate to one another in addressing the day-to-day issues of life. Face to face, small self governing efforts are just as (or more) important in building a democratic way of life and resolving conflict as one-man-one-vote or majority rule. Again Vincent Ostrom is helpful. He states, "Person-to-person, citizen-to-citizen relationships are what democratic societies are all about. Democratic ways of life turn on self-organizing and self-governing capabilities rather than presuming that something called 'the Government' governs."⁴

Now the importance of this to conflict resolution is that if you look at most cases of conflict, say in our inner cities, what you find is institutional poverty. By that I mean that the citizens in these communities have very little authority to be self-organizing. The authority or power to be self-organizing politically has been centralized into cities, states, and the federal government. Instead of a local public economy we have a grants economy where citizenship has been reduced to two roles: voting and consumption of services. Also missing are rooted organizations that have the self-interest and capacity to negotiate settlements with other groups and governments that possess the attributes of a win-win game of conflict resolution.

Designing Alternatives

If we want to build the civil and self-governing capacities of developing countries as a strategy for conflict resolution, how do we do it? After just having left a century that can be characterized as one of centralization of governments, professions, and industry, where do we begin to build small-scale enterprises? New-age information gurus like

³ J. E. Cooke, *The Federalist* (Middletown, Connecticut: Wesleyan University Press, 1961), 3.

⁴ Ostrom, op. Cit., pp. 3–4.

Gilder and Toffler argue that the information age offers powerful forces for decentralization, yet they provide few road maps of how to get there.⁵

I would suggest that a good starting guide is Alexis de Tocqueville in *Democracy in America*. He argued that the new age of democracy would only succeed to the degree that it developed a new political science—one based on a science of association. I take this to mean that we must replace the science of statecraft and hierarchical management with a science of democratic association and a new theory of public administration that is public and democratic. What does this mean? Let me outline a set of design principles that lead us in a new direction—a direction that could have profound impact on conflict resolution.

Supporting Citizens as Citizens

In my three introductory examples we see citizens playing roles of much more than consumers of government services or mere ratifiers of electoral contests between competing elites. If we look closely we see citizens creating their governing institutions and then governing their affairs. Even the poorest of citizens can become creators of publicness in their own institutions.

In the age of centralization we have forgotten that local citizens built America through what can be called local public economies. Among the engines of development were thousands of special districts: fire, water, school, and rural electrification districts that were governed by local citizens. A rich array of state and federal enabling acts were built on the fundamental notion that local citizens were capable. So there is no question of capacity.⁶

It can be argued that self-governance is a basic human capacity and a basic human need. This capacity is also the wellspring for fundamental human development. To deny people the right to develop this capacity is a violation of equity and is sure to marginalize communities. It will ultimately lead to high levels of cynicism and alienation and will certainly become a source of conflict. The Catholic principle of subsidiarity most strongly argues that to deny people the right to do those things they are capable of is also a moral violation. I make these statements because to build a new foreign policy on the principles of citizenship and self-governing communities would be a fundamental shift.⁷

⁵. George Gilder, *Microcosm: The Quantum Revolution in Economics and Technology* (New York: Simon and Schuster, 1989) and Alvin and Heidi Toffler, *Creating a New Civilization: The Politics of the Third Wave* (Atlanta: Turner Publishing, Inc., 1994).

⁶. See Robert B. Hawkins, Jr., *Self-Government by District: Myth and Reality* (Stanford: Hoover Press, 1979). For an excellent study of the California water industry and public entrepreneurship see William Blomquist, *Diving the Waters* (San Francisco, ICS Press, 1992).

⁷. See Bruno V. Manno, “Subsidiarity and Pluralism: A Social-Philosophical Perspective” in *Toward Vatican III: The Work That Needs to Be Done*, ed. David Tracy, Hans Kung, and Johann B. Matz (New York: The Seabury Press, 1978).

Underwriting Constituting Processes Is Critical

Let's start with what many practitioners of the self-governing art know to be critical to the likely success of any venture. In my work in housing projects what I call the constituting processes are the most important—those processes that allow individuals to come together and develop a shared consensus about values and purposes. Sustained reflection and discussion are key to building trust and shared understanding, the two bedrock values that allow consensus to emerge, decisions to be made and sustained, and reciprocity—the lifeblood of politics—to deepen. We learned from experience that you cannot manage until you can govern.⁸ These constituting processes are local constitutional processes; they are the ways a community builds a fundamental commitment to a set of core values. Their downside is that they take time, which, in an impatient policy world, is a negative. Yet there is no substitute if you want local people to govern and produce important local services. There exists guidance from good research on how to think about these processes. In *Crafting Institutions for Self-Governing Irrigation Systems* Elinor Ostrom draws from extensive research eight design principles that can aid local citizens in building self-governing institutions.⁹

There is, of course, a formal side to these constituting processes. The constituting processes ultimately assign rights, duties, and responsibilities. The voting rules provide a formal means through which communities ratify their consensus. From these constitutions and voting rules come bylaws, laws, and regulations that allow communities to monitor and enforce their decisions. What cannot be stressed enough is that in healthy communities these two processes are merely different sides of the same coin. Where one is missing we face serious issues of institutional failure and conflict.

You Must Link Character and Institutions

How people think about and view opportunities is determined in part by the institutions they have lived in and under. To tell local groups that have lived within highly centralized societies in developing countries that they have the capacity, right, and responsibility to live in self-governing communities is to utter words that simply have no basis in reality. To develop new ways of thinking about such opportunities requires that we focus on the enabling environment. Let me provide an example. When the US Congress passed Project HOPE in 1987, it for the first time conveyed authority to citizens in government housing projects to create resident management corporations with the

⁸. Stephen Cornell and Joseph Kalt, ed., *See What Can Indian Tribes Do? Strategies and Institutions in American Indian Economic Growth* (Los Angeles: American Indian Studies Center, 1993). In their study the authors find that the self-governing capacity of a tribe is closely associated with successful economic development.

⁹. Elinor Ostrom, *Crafting Institutions for Self-Governing Irrigation Systems* (San Francisco: ICS Press, 1992), 69–75. Ostrom outlines eight principles that guide successful self-governing enterprises. They are: clearly defined boundaries, benefits exceed costs, collective-choice arrangements, monitoring, graduated sanctions, conflict-resolution mechanisms, minimal recognition of rights to organize, and nested enterprises. While there is no hierarchy to these principles, I would put recognition of rights to self-organize near the top of any set of priorities for developing a broad-based movement toward self-governance.

added authority to convert these projects into cooperative tenant-owned developments. This one act changed the ground rules of association, how tenants would relate to local housing authorities, local politicians, and public-sector unions. For the first time residents saw an opportunity to solve real problems using their own resources. This is also an excellent example of how people's character, how they think and act, can be influenced and changed through a change in the institutional structure. The Laurelwood Resident Management Corporation in Indianapolis has a reason to become actively involved in reducing crime in its development and neighborhood. Unfortunately, thirteen years after Project Hope was launched, only two out of over one thousand demonstration projects are nearing homeownership.

Focus on Enabling Environments

In creating Project HOPE the Congress in all its wisdom did not change the institutional incentives in the Department of Housing and Urban Development to facilitate and reward public administrators and local housing authorities who succeeded in assisting resident management corporations in moving toward homeownership. It is unrealistic to think that the AID could implement a new approach to building civil societies without a clear set of policies—policies that would create powerful incentives for states in developing countries to expand public authority so that self-governing experiments could emerge from the choices of citizens in local communities. This would also require that the US State Department recognize that it is in its own self-interest to move from almost a blind acceptance of states toward building systems of governance to solve both local problems and regional conflicts. I would presume that at this time there is little consensus in the United States on the aims or means of our foreign policy, which suggests to me that we need a national discussion on new approaches.

Build Local Knowledge and Patience into Your Policy Designs

In the heady development days after World War II, state-building was joined with excessive pride in the potential of the social sciences to provide the types of information necessary to reach high levels of development. In *Seeing Like a State* James Scott echoes what most practitioners of development know: local knowledge plays an indispensable role.¹⁰ The problem with local knowledge is that it is lumpy, discrete, contextual, and difficult to into abstract concepts capable of quantification. Built from years of experience, it is based on trust, reciprocity, and mutuality of interest. To know the capabilities of local leaders, to understand a community's social and political dynamics, or to know the various aspects of a problem requires that development specialists become immersed in the local community. And if the constituting processes are key to political development, we are talking time frames that far exceed the three-to-four-year assignments of most development officers.

¹⁰. James C. Scott, *Seeing Like a State: How Certain Schemes to Improve the Human Condition Failed* (New Haven: Yale University Press, 1988). See particularly Chapter 9, "Thin Simplifications and Practical Knowledge: Metis."

Small is Not Always Beautiful

While we have neglected at our peril the critical role that small enterprises play in both the public and private sector, we should not become blinded to the necessity of larger systems. A small-scale irrigation system must be associated with other public enterprises that deal with water basin issues, large-scale wholesalers of water, and national policies that seek to rationalize the use of water. The issue is how these small-scale enterprises can be partners in negotiated solutions in which their self-organizing authority is not compromised. There is a fundamental principle of organization involved here: people and communities will only invest their scarce political and social resources in activities when there is a clear return. A key to stakeholding is that stakeholders have sufficient authority and rights to participate with a high probability of return. All too often this principle is violated.

There is also a second issue that must be addressed: hierarchy. All order depends on recourse to ordering principles that have hierarchical aspects; even a system of law favoring private property sets priorities. In *The Chalice and the Blade* Riane Eisler recommends that we distinguish between “dominator hierarchies” and “actualization hierarchies,” which I think points us in the right direction in thinking about how we must change policy development and the structure of public affairs in development activities.¹¹ This implies key involvement of national and regional levels of governance, but with a different role. How do these levels develop enabling acts and administrative strategies that facilitate the emergence of self-governing communities of interest, with real capacities to solve real problems?

Create a New Public Administration

Rather than blindly following the Weberian model of hierarchical administration we should begin to create a practical, democratically centered public administration. The key principle of that administration would be to build the capacity of citizens and communities to reflect, choose, manage, and change their governing institutions. In short, we need a public administration that builds citizens and then self-governing communities.¹² To do that we must change the reward and incentive structures that public servants live within. Since these new functions take longer periods of time and are dependent on vast amounts of local knowledge, we should lengthen the tours of duty of AID officials commensurate with the natural time frames of democratic development.

Threats

Just as we have guidance from good research, we know from that research and experience that there are systematic threats to communal self-governance. Let me mention two that Elinor Ostrom has found to be systematic: blueprint thinking and overreliance on external supporters for funding. National administrations love

¹¹ Quoted from Ken Wilber, *A Theory of Everything*, (Boston, Shambhala, 2000) p.25.

¹². See Vincent Ostrom, *The Intellectual Crisis of American Public Administration* (Tuscaloosa: University of Alabama Press, 1989).

blueprinting approaches; they are systematic and “efficient.” Yet blueprint thinking or the cookie-cutter approach assumes uniformity of condition, which can never be met in our diverse world without coercion and force. More importantly, applying one-solution-fits-all destroys the critical constituting processes that allow communities to build consensus around approaches to solving local problems. It also introduces a weakness into nascent states that must and should deal with the diversity found in most developing countries.

Overreliance on external funds likewise short-circuits local political processes and can create in communities factions that are hard, if not impossible, to overcome. Most importantly, they short-circuit the investment of human resources so necessary to building legitimate political responses to problems.¹³

Thinking About Application

It seems clear that this approach has little application when conflict has already broken out, as in the case of Rwanda. Yet two interesting questions are suggested. First, was a major cause of the conflict in Rwanda that the formal government boundaries so violate the natural social self-governing boundaries that the only way to maintain the appearance of a government in control was force? Second, were self-governing solutions a critical part of the settlement process? Wal Duany shows in his work with the Neur that many of their conflicts were constitutional: old understandings about the use of grassing and water holes had broken down, and after a forty-five-day constitutional convention of sorts, a new set of rules was at least able to solve that portion of the conflict.¹⁴

In the case of rebels in Nepal, the interesting question is whether its self-governing irrigation systems are a model and foundation for seeking ways to resolve the conflict for the long term.

Great Promise: From Weak States to Strong Systems of Governance

As paradoxical as it may seem, much conflict may be the result of weak states rather than strong systems of governance. Many states are so devoid of legitimate political authority that they are threatened to the point of conflict by individuals and groups making legitimate claims for representation and public authority to govern their lives. The challenge is how to expand public authority in developing countries by expanding diverse local self-governing enterprises, and how to make it understood that this strategy is a win-win approach for all concerned.

If one is willing to stop seeing like a state and instead look at success models for solving conflict at the grassroots level, one can see models and approaches that hold out great promise. Yet to incorporate these approaches and their lessons in a general strategy of conflict resolution means we will have to unlearn a great deal of what we think we

¹³. Footnote forthcoming.

¹⁴. Wal Duany, *Neither Places nor Prisons: The Constitution of Order Among the Neur* (Ph.D. diss., Indiana University, 1992).

know. We will also have to overcome the entrenched resistance of most existing states and multi-interests that benefit from the existing structure.

To start this process we should consider the following:

1. A sustained national debate on how to change our foreign policy and development assistance in a changing world. Can we ask and answer the question: how can we design foreign assistance to reduce the overall level of conflict before it begins? Redesign the foreign assistance act to create powerful incentives for both AID and host countries to build truly self-governing local institutions should be a major question of any redesign.
2. Redefine the reward structure for AID civil servants to a more political-public role.
3. Support research that builds our understanding of how local self-governing institutions are designed and how they operate, creating a practical base of knowledge that can then be used in our development efforts. Essential to such research is understanding how democratic initiative has failed in the past.
4. Leadership will be a key element in determining the success of a new civic building effort. Toward this end AID should consider creating a leadership institute that trains both AID professionals and local leaders in the knowledge and art of self-governance. Only when we build a solid base of local leaders who understand and practice self-governance will we be able to make real progress in transforming weak states into strong systems of governance capable of resolving conflicts.

Appendix G: International Constraints and Indigenous Strengths in Preventive Development

By: Jonathan Moore

I agree with Brady Anderson’s guidance that “USAID’s development policy and portfolio include integrated interventions aimed at addressing the effects of underlying social, economic and political problems.” My point of departure is that the only real prevention of conflict is root cause development, and that this cannot be separated from—but is closely connected to and part of—the crucial stage of post-conflict mitigation and rebuilding efforts. I will attempt to consider the implications for this proposition in three parts: the international “outside” perspective; the outlook from “inside” the crisis country; and where, broadly, combining these two points of view brings us.

I

There are several identifiable challenges in the current post-war international environment which require changes by the international community in order for it to provide effective development assistance to mitigate or prevent conflict.

First, it must be recognized that the task of assisting unstable developing states, whether “failed” or not, whether vulnerable to or already damaged by conflict, is almost unimaginably huge. The successful “encouragement of indigenous development of institutions and processes to help societies change in peaceful ways,” quoting from Dr. Lute’s paper, is as awesome an objective as it is admirable. But, the problem is we pretend otherwise—partly out of reality denial, partly because we know we are unable to respond proportionally, and partly to be able to sustain hopefulness—and thereby reduce our characterization of the magnitude and complexity of the problem to the approximate level of the various assets we are capable of devoting to the task: political will and support, money, troops, time. This is by nature distorting, inflates expectations, won’t work, and results in recrimination.

Second, the fundamental definition of self-interest on the part of the strongest, richest, most active members of the international community must expand, or deepen, so as to encompass the kind of phenomena we are considering here. It is not now sufficiently inclusive as to include limiting the implications of conflict in susceptible nations. Such a sense of essential connectedness or the lack thereof will to a great degree dictate the eventual outcome of our efforts here. My own opinion is that perceiving the gap in the world between the haves and the have-nots as directly compromising our own needs is an essential element of an enriched conception of national interest, and that less squeamishness in inserting our ideals into the definition of our livelihood so as to recognize these urgent problems beyond our borders is also required. In any event, the prospect of such a strengthened concept of national interests is daunting.

Third, the international actors, whether acting multilaterally or bilaterally, tend not to adjust their own notions and designs enough to be consistent with the particulars on the ground—the culture, capabilities and evolution extant in the afflicted country. In the need to achieve the right balance, roles and chemistry in the mutually reinforcing relationships desirable between the “outside” offerings and the “inside” realities, much more emphasis must be given the latter. In seeking a redemptive mix between what we want and what works for them, indeed recognizing that our programs are marginal rather than determining, we must do a better job of matching in their direction. For instance, the external players need to compromise on their preferences for fast democracy and early exit. I believe that democratization cannot be seriously undertaken without large amounts of social and economic development, and the patience and time for both to happen, and this goes against our grain.

Fourth, the current priorities of the major international actors place development assistance of any variety, whether transitional or longer-term, last behind political, humanitarian and security efforts. These other priorities should be designed and carried out so as to support development efforts, but aren't. As I've indicated, developmental assistance must be interpreted, translated, operationalized into post-conflict peace-building. This also means that humanitarian operations, transitional development assistance and longer-term development programs need to be carefully synchronized—there is too much natural overlap and interaction for them to be pursued in isolation from one another, let alone with the pernicious disdain or worse which too much reflect their relationships now. Finally, development must be integral, organic, competitive within US foreign policy in the situations we are considering here, rather than a rhetorical ornament or afterthought, if we are to deal with them seriously.

II

In order to portray the outlook from “inside” the crisis countries in question to help define a good way for us to work in unstable post-conflict transitions, I am going to use illustratively the War-Torn Societies Project. WSP (now WSP-International) was founded in Geneva by Matthias Stiefel about five years ago for the express purpose of providing post-conflict rehabilitation assistance in a feasible manner expressly oriented to the needs and capacities of the indigenous actors. It believed that existing mandates relating mostly to natural disasters, refugee flows and conflicts between states and the traditional mechanisms available to carry them out were insufficient to deal with the dynamics of poor, conflict-prone, often ethnically stricken countries struggling for recovery, stability and progress. It has set up programs operating since in Mozambique, Eritrea, Guatemala and Somalia. It receives political and financial support from a number of donor states and U.N. agencies.

The essential methodology of this U.N.-linked NGO is to support the creation and working of a process of local participatory priority-setting, consensus-building, and program-designing including all the stakeholders of rehabilitation programs. A collective mechanism seeks to achieve the collaborative contributions of the national or regional government, civil society, former adversaries, victims and victimizers, ethnic groups and

others. It has a major action research component to provide relevant data, analysis and substantive expertise for the collaborative decision-making effort. Representatives of the international donor community in the country are kept fully informed and have active input to this process, but do not sit at the table. The government representatives do not dominate. The leaders of the process and its staff are all indigenous. If this works, the outcome is not only concrete rehabilitation undertakings with the necessary political support for implementation already built-in, but real progress toward reconciliation and democratization.

In summary, WSP-I thus attempts to serve as a catalyst to get a process started in figuring out how to be a viable nation state. Its essential principles are: to deal pragmatically and programmatically with particular local needs by creating a neutral space for the active engagement of participants from all aspects of society, and to assure the partnership and support of international actors in such a way that they will not preempt. This methodology requires adaptability, mutual respect and trust, evocation rather than imposition, lean international staff, close observation, timely funding, and the withdrawal of WSP-I when the process has taken hold except for on-call assistance at the request of a local successor body.

III

In bringing together these two outlooks—“outside” international and “inside” indigenous – in order to learn more about working to help in unstable conflict-related situations what do we find, what do we face? Trouble.

The main problem, in my opinion, is that the kind of changes in commitment, motivation and performance indicated as necessary in my comments concerning the international community are not going to happen significantly in the foreseeable future. If this speculation is true, then what do we do?

First, we keep trying as best we can, without breaking our picks or our hearts, to bring over time the desired outside changes to come about. But, second, we do not act in the meantime as if they surely will, let alone that they already have. Third, of course we should press the new policies which we are now learning are valuable toward programs in, and relationships with, the indigenous conditions, actors and assets inside the recipient countries in need.

But our overall mode should express its devotion with some caution and deliberation, not trying to force too much too soon in the way of radical policy change or structural bureaucratic revision. This isn't defeatist, and it is smart. A lot of time can be wasted and wheels spun to no avail, with immediate opportunities missed. Here, the political constraints and the bureaucratic stubbornness can be ferocious; from working over time in the US government and the U.N., I know. In the field, even if we have a new model which is right doesn't mean it will work; and the implementation is all that counts. We need to avoid getting out ahead of ourselves, ahead even of what David Hamburg characterizes as the human condition, even as we try to elevate it. As we push forward,

we need to respect what exists, the limitations of our assumed knowledge and the presumption of our power, and the incredible complexity involved—not just at the same time pursuing our ideals but in order that they survive. We've got to effect the change we want by building on rather than renouncing, pursuing real, not concocted opportunities, taking advantage of existing momentum to advance the progress we want.

An advantage of not trying to do too much too fast and not inflating expectations for ourselves and others—being more effectively resolute by practicing greater realism and honesty—is that then the message is conveyed more credibly to the local actors that they cannot rely on us to do very much and that they must do the job themselves, to get their own act together. The outside-inside equilibrium in this respect could benefit.

I agree with the statement in Mr. Pherson's paper that success will depend on how quickly and effectively specific questions concerning resources and mechanics such as the ones he identifies can be answered, although I believe it will depend even more on what degree the major shareholders inhibit their own drives, cultures and politics. Among the new choices which can be made, a critical one is to get more attention—and that includes resources—given to the transition phase which follows conflict and the intense injection of emergency humanitarian relief. Too much emphasis on preventive development through more conventional longer-term assistance leaves a big gap.

Finally, what are the three most needed commodities in our new paradigm? William James made a good start when he identified the three most important human qualities as: kindness, kindness, kindness. When we were trying to get WSP underway we thought of three more: process, process, process. But, here, in the context of today's deliberation are yet three others: time, time, time.

Appendix H: How Do We Change the Way We Use Foreign Assistance to Help Prevent Deadly Conflicts?

By: Ted Morse

Executive Summary

The topic of this paper is how do we change the way foreign assistance works in an increasingly unstable world: it has been interpreted to mean how do we change the way we use foreign assistance to help prevent deadly conflicts.

Over the years, development professionals have said if they are given enough time and money, they can develop countries that have too much at stake to resort to violent conflicts. But they have repeatedly seen their development work destroyed by bad governance and conflict.

State and USAID have tried several times recently to introduce conflict prevention into their work: Preventative Diplomacy, Secretary's Preventative Initiative (SPI), Greater Horn of Africa Initiative (GHAI) and conflict prevention in the Mission Performance Plan have come to very little, or failed. There are two major reasons for this:

- a. Foreign Service officers did not, and do not believe, violent conflicts can be foreseen, nor prevented, especially by US foreign aid.
- b. Many complicated bureaucratic reasons blocked implementation of conflict prevention: these ranged from rivalry and turf to corporate culture to organization and funding problems.

Others in this workshop have been asked to address the first constraint of believing foreign aid can help to prevent violent conflicts. The only point to be added here is a clear, convincing conceptualization of foreign aid and conflict prevention is needed to overcome this disbelief by the foreign and civil service. A different framework on the components of a conflict prevention program, and a suggestion for again trying to introduce conflict prevention into the USG is briefly outlined.

How do we change the way we work to effectively address the bureaucratic resistance that has blocked conflict prevention to date? This paper suggests discussing two major thrusts:

- a. Recognize that both short-term, targeted, operational prevention and long-term, capacity building, structural prevention are needed, simultaneously. Make a clear division of responsibility between State and USAID for the lead and support—including funding for each. This change may sound simplistic, but it addresses several important internal USG stumbling blocks to implementing conflict prevention in US foreign policy and US foreign aid.

- b. Secondly, the paper identifies for discussion (and hopefully decision and action) several other challenges to changing the way foreign aid could be used to help prevent deadly conflicts. These include:
 1. Policy and legislative changes
 2. Organizational changes
 3. Changes to do vulnerability and early warning analysis
 4. Changes needed in the decision-making, resource allocation, and implementation processes.

The list is not exhaustive. Changing them is not simple. More analysis and discussion is needed. But these challenges are highlighted because this is where the introduction of conflict prevention has faltered in the past.

After the killer droughts in Africa in 1984-1986, there was a change in mind set in USAID and promoted elsewhere. It was recognized there would be more droughts but they need not result in famine. The famine early warning system (FEWS) grew out of that. When the next drought of equal magnitude hit, tens of thousands died, not a million.

Let us now adopt another new mindset: there will be differences in the world; people need not kill each other to solve their differences. Many violent conflicts can be prevented if we change the way foreign policy and foreign aid work. Millions of lives and billions of dollars are at stake.

Introduction

Over the years development assistance has been asked to focus on many different objectives: reconstruct war-torn countries; bolster people, governments and nations against communism; help meet the basic human needs of a population; assist the transitions from communism to democracy, from state controlled to free-market economies; assist helpless children survive disease, poor nutrition etc; respond to natural and lately man-made disasters with humanitarian relief. (Earmarking of funds for special interests has greatly hampered the ability to keep these foci – but it has been a concession necessary to muster the votes to pass foreign aid bills).

For decades, development professionals have taken the position that if they were given sufficient time and money; they could help develop states that would have too much at stake to resort to violent conflict. Most people believe this. But the reality is we repeatedly have seen decades of development work destroyed by civil and cross border wars, rebellion, corrupt authoritarian rule, and violent conflict.

Is it now time to change how development assistance works in this increasingly unstable world - change to help prevent deadly conflicts that destroy and divert from development progress? Many of us believe the time is overdue.

It is the thesis of this paper that long term development assistance, coupled with preventative diplomacy and operational prevention in the short term, can help build states

that are capable of settling most of their differences without resort to violent conflict. The challenge is how do we do this?

In one sense, the challenge seems simple: just change the focus of development assistance to conflict prevention. We all know what it takes to do this: convince leadership to supply political will; promulgate legislative mandates and policy direction; arrange appropriate funding and procedures; train staff, and organize new working relationships; and just do it!

Three recent high level attempts at organizing conflict prevention assistance have failed; proving it is not that simple. A few years ago the State Department issued a policy call for Preventative Diplomacy; nothing came of it. A Secretary of State launched the Secretary's Preventative Action Initiative, which also failed (possibly because its tag unfortunately was SPI). President Clinton's Greater Horn of Africa Initiative (GHAI) has a conflict prevention plank in it. Six years after GHAI was started, it is withering and expected to die when this Administration changes. Similar high level attempts by the European Union and the UN S/G Kofi Annan have failed to institutionalize conflict prevention in those organizations. The many lessons learned from these initiatives have not been professionally evaluated - and need to be. But the overall conclusion is institutionalizing conflict prevention into American foreign policy, and the foreign aid part of that foreign policy, is far more difficult and complicated than its supporters had thought.

It is the intent of this paper to stimulate discussion (and hopefully decisions and actions) about the challenges in changing the way we work to better apply foreign assistance to prevent conflict. The discussion needs to recognize how complicated are these challenges. We need to discuss what needs to change and what cannot change in trying to institutionalize conflict prevention work in the USG – especially USAID and closely related State Department work.

The paper is organized into three parts: some definition of terms is offered in Annex A and B to facilitate communications. A simple conflict prevention framework is offered to add context to the discussion. The body of the paper is an overview of challenges, and changes in USAID and State that might be necessary to facilitate a conflict prevention focus to foreign assistance. The latter may be bureaucratic, but this is the major area where earlier institutionalization attempts have failed.

This paper focuses on the prevention phase of pre-conflict and to some extent on conflict resolution. This is in part because the role for foreign and development assistance in post-conflict reconstruction is well accepted. While there is great room for improvement in this post-conflict phase, it is not in question, as is the pre-conflict prevention work. Exclusion of post-conflict considerations from this paper should not be taken as evidence that post-conflict policy and operations have been fully institutionalized.

Lastly, this presentation takes off from Jane Hall Lute's thesis: a foreign policy based on need for capable states, which are assisted to reach that "capable" status by US and other development assistance. It is important that the audience know that thesis to know the basis for this presentation.

We have an opportunity here to move USAID and State into a pro-active conflict prevention mode. We cannot let the opportunity slip away as earlier initiatives have. Millions of lives and billions of dollars are at stake. A better way for the world to resolve differences is at stake.

After the killer Africa drought of 84-86, a new mind set was adopted in USAID and promoted elsewhere. It recognized there would be more droughts, but they need not result in mass famine. The Famine Early Warning System (FEWS) grew out of that. In the next Africa drought of equal magnitude, tens of thousands died not a million.

Let us now have a similar change of mind-set: "There will be differences in the world. People do not need to kill each other to resolve those differences." Many violent conflicts can be prevented if we change the way we all work in foreign policy and foreign assistance.

Conceptual Framework

This purpose of this paper is not to elaborate on "what" development/foreign assistance would do to prevent violent conflicts. But it is useful to briefly outline a conceptual framework to draw the distinction between "operational" and "structural" prevention. It is also useful to give a few examples of the types of activities that might be undertaken.

In its simplest framework, conflict prevention work would follow a legislative mandate and executive branch policy pronouncement; each USG agency would use its existing organizational structure, processes, funding and staff to identify root causes of potential violent conflicts; and each would recommend and implement preventative interventions. Based on previous USG experience, that just will not happen. Several dissertations could be written on the reasons why.

The most complex framework is to re-engineer the policies, processes and organizations to overcome the constraints that have blocked the introduction of conflict prevention work by USAID, State and others to date. This is complex. It makes the changes very difficult, even if required.

We need to discuss a middle ground, by identifying what has to change, what could change, and what probably will not change among the following:

1. A new culture of prevention is needed in the US foreign affairs community;
2. A combined vision encompassing both short-term operational prevention, and long-term structural prevention needs to be shared;
3. Legislative mandates would need to be enacted. Executive branch policy pronouncements would need to be repeated and enforced.
4. A convincing conceptual and training syllabus would be prepared by a highly credible group, possibly representing the two USG agencies, Congressional Research Service, a private policy analysis group, and an operational contractor. It would be used not only with policy makers, but also with the unconvinced foreign affairs staff. The objective would be to put forth the convincing argument of why conflict prevention must, and can, be a new focus of US foreign policy; it would be used to train foreign affairs staff in vulnerability analysis and early identification of root causes of violent conflicts; and it would include a “tool box” of illustrative interventions available to help prevent violent conflicts;
5. Vulnerability analysis would again be REQUIRED in the annual US Mission (Country Team), Mission Performance Plan (MPP) and USAID Integrated Strategic Plan (ISP). In addition, field recommendations for appropriate short-term operational prevention interventions, and appropriate long-term structural prevention capacity building measures would be required.
6. To assure inter-agency cooperation and multi-discipline integration, it is suggested that NSC regional advisors hold quarterly reviews of vulnerabilities and conflict prevention in their regions. It is recommended senior staff of Congressional oversight committees participate in these reviews.
7. Office Director level Inter-agency (State, AID, DOD, CIA, and other USG agencies appropriate to a specific country’s vulnerability analyses, i.e., Justice, Treasury, Agriculture, etc.) groups would review country MPPs and ISPs, decide on supportive action and allocations of resources. A division of responsibility would guide the group, possibly as follows:
 - a) If the preventative intervention is targeted, short term, and has operational significance to preventative diplomacy in which State is engaged, ESF funds would be allocated and implemented under State lead, with USAID technical support. In Operational Prevention, existing local, regional or international capacity would be used.
 - b) If the preventative intervention is capacity building, longer term and has significance to building the structures needed ultimately by a capable state, development assistance funds (incl. DA, CSD, SEED etc.) would be allocated and implemented under USAID lead, with political/security guidance by State.

Making the distinction between short-term Operational Prevention and long-term Structural Prevention and agreeing on the lead and support responsibilities is the single most important thing that could change the way US foreign assistance could support conflict prevention.

Assign the lead responsibility for Operational Prevention to the Department of State, with a political, preventative – diplomacy objective. Require USAID to support Operational Prevention strategies, using ESF, to provide technical reinforcement to political solutions. Either reaches workable coordination arrangements for this between State & USAID.

Assign the lead for long-term Structural Prevention to USAID with an institution building objective. Require State to support Structural Prevention strategies to provide the political-security context for this work. Either reach workable coordination arrangements for this between USAID and State, or second political/ military officers to USAID to provide this context to Structural Prevention.

The following are illustrative of operational prevention activities that could be supported:

- Assist border discussions and demarcation where borders are in serious dispute.
- Fund exploration of options for land reform where current tenure is volatile.
- Arrange inter-faith action teams to reduce religious conflict in a given setting.
- Sponsor open forums to expose corruption and power abuses.
- Encourage review of curriculum values inflammatory to integration, pluralism, intolerance of different “national-identities” within a political state.
- Fund objective analysis of inequity grievances, to show where they could lead to violence and how to redress them.

Under Structural Prevention, local and regional capacity would be built or strengthened for continuous contributions to a capable state. Illustrative activities could include the following, if such institutions were weak or non-existent. Applications of their specialty could be supported in a specific prevention or resolution situation, as a “learning by doing” part of their capacity development.

- Develop anti-corruption units within and outside government
- Develop good-governance centers in and out of government
- Develop the multitude of civil society bodies needed for free and democratic representative government
- Strengthen independent judiciary and legislative bodies.
- Develop centers for independent budget analysis, policy analysis, media analysis, etc.
- Develop structures to deliver essential services on an equitable basis
- Develop education, religious and traditional authority organizations to imbue society with values of pluralism, diversity, tolerance, and compromise.

To some, the above framework will not be startling. It is not far from what is done now. But what is still missing is the violent conflict prevention context for this work. Democracy, governance, elections, free media, support, etc. goes on now. So does building local capacity for national planning, financing, delivery of essential public services. Yet, we have seen time and again wasteful set backs caused by conflicts and bad governance.

The challenge is can we change the way we work in an unstable world by using foreign assistance differently to prevent deadly conflicts. It is the thesis of this paper that foreign assistance can help prevent some deadly conflicts – but it will take resolution of many internal USG challenges to do it. Key among these has been the suspicion and lack of critical operations between USAID and State on prevention.

Challenges & Changes

Lead In

As stated above, making the distinction between operational and structural prevention and assigning clear lead and support responsibilities, is the most important change that would promote conflict prevention with US foreign assistance. After that, there are numerous bureaucratic challenges that would need to be faced. Some of these challenges are listed below for immediate discussion.

Implied are changes that could be discussed to overcome those challenges. Space and time do not permit the required elaboration of each challenge – change. Hopefully, discussion will add that elaboration. Also, the list is not exhaustive. It does not reflect the challenges that face a comprehensive inter-agency, inter-discipline restructured focus on conflict prevention in US foreign policy. That is a task worthy of Congressional and National Security Council analysis and authorization.

Some of these challenges are so obstructive that they would need to change in order for the proposed use of Foreign Assistance for a prevention thrust to be effective. Other challenges would probably only need to be mitigated. Still others cannot be changed, and will need to be accepted or avoided. Tomorrow's discussion will be most useful if it can distinguish between the three types of challenges.

Policy and Legislative Challenges

Changing the focus of US foreign assistance to conflict prevention would be a major challenge in Congress, the foreign affairs community, and with the American public. A convincing concept, coupled with evidence of the life and cost saving potential of prevention, would be needed to build policy change support.

Policy makers will rightly challenge where is the criteria for deciding when the US gets involved and when it disengages in either short-term operational prevention, or

long-term structural prevention. That criterion is now fuzzy at best and would need far greater clarity if we are to achieve a policy and legislative change.

The policy decision of what preventative work for the US to undertake bilaterally, versus support multilaterally, undertake through IO, IFI or other country aid, would seem simple. No longer would it be decided on the basis of where the US has a vital interest, or even Jane's "need" criteria. But the criteria could be whatever institution has the practical comparative advantage of success. The implications of this are far reaching, and will need additional analysis.

In a macro context, it would not seem like a hard sell to Congress for USAID staff to see the management of US development assistance as creating capable states that would eschew violent conflict. This is what Jane calls "Structural Prevention." It should be very appealing to try to prevent conflicts, and save hundreds of thousands of lives, hundreds of millions of dollars, and reduce the likelihood of US troop deployment. It also fits comfortably within USAID corporate culture and staff skills.

But several important changes would be necessary for Congress and the public to adopt this Structural Prevention focus for US development assistance. The basic foreign aid act is very much in a child survival and humanitarian mode at present. Can this shift in Congress and with the American public to a structural prevention focus? If so, at what loss and gain of votes and support? Much of the USAID process is now geared to "Results" packages; can USAID and Congress shift to measuring aid success with institution building indicators, instead of more understandable birth, death, disease, health, election, etc. indicators?

Timeframe and expectations are additional Congressional challenges. Structural prevention is long term (10-25 years) of institution building even when not interrupted by conflict, natural disasters, policy reversals, and bad governance. Congress, the public, and current administrations want to see immediate impact. The expectations of US development assistance are as numerous as the 2000 pages in the foreign assistance legislation documentation. Can these expectations be changed in support of building capable states? Technically, the process of building capable states can be disaggregated into work and sectors requiring the help of many of the existing special interest groups. But that may lose their support in the process. A corollary to expectations is a tendency to report results as if they are attributed solely to US efforts. Can Congress, public and current administrations be re-oriented to sharing credit for outputs of the combined local and multi-donor effort of capacity building?

It will be a difficult policy change from poverty reduction to capacity development for Congress, media, the public and especially the multitude of special interest groups that have influenced budget earmarking and directives. This use of directives and earmarking has been carried out to the extreme, resulting in very little flexibility and in some cases the misplacement of resources. Such flexibility is important to responding with locally applicable prevention options. Similarly, there is such a history now of these special interest groups and Congress directing from America where

development assistance should go that the present budget structure leaves little flexibility to respond to local requirements. Can we change the way the development budget is structured? It would be needed.

If a new Foreign Assistance Act can be accepted, it would give the strongest basis for using foreign assistance for creating capable states. But the negative possibilities of a totally new Act are significant. They range from the broadest, lengthy national debate regarding what should be US foreign policy in the post-cold war period and the role of foreign assistance in a new foreign policy, through discussion of merger, to competing interests of every special interest that may see itself losing-out in restructuring foreign aid for prevention. Instead, the option of just adding a conflict prevention plank to the existing FAA needs to be weighed against the above legislative restructuring complications. The work could begin within the existing legislation or with simple conflict prevention authorization language, coupled with a budget set aside. This may be the preferred way to test the program. But as has been learned from previous conflict prevention efforts, the multi-faceted resistance has blocked less than comprehensive efforts to change.

Several policy pronouncements in support of conflict prevention have been made within USAID and State in the past. We all know how strongly Brian Atwood supported conflict prevention and how disappointing was the result. Staff in the executive branch has been faced with so many "initiatives" that they scoff at the "fad of the month". This brings resistance to change. Introduction of conflict prevention policy has been resisted recently on this basis alone. Leadership would need to be clear, strong & sustained to overcome this resistance. It would also need to assure institutionalization of the policy (esp. in Legislation) that would extend beyond any one Administration. Leadership would need to structure incentives for policy implementation and hold staff accountable for policy resistance.

Simultaneous Organizational Changes

Institutionalizing Operational Prevention and Structural Prevention roles for State & USAID are the two most important organizational changes needed. One of the problems with long term economic and political development has been the repeated short-term disruptions that have set back progress. Most USAID staff have been reluctant to engage in short term "fire fighting." State/Embassy have been frustrated that USAID's long term development work is seen as inapplicable to the immediate problems facing a country. This disconnect between those involved in long-term development and short-term operations in the way we work must be bridged with significant organizational changes.

A start at this bridging would come from a renewed policy and pro-active commitment, especially in State and NSC, to "preventative diplomacy." A preventative diplomacy role for State would be more acceptable and more successful if combined with practical, technical steps to address the immediate and historical causes of a potential and/or existing conflict. This would be the role of operational prevention, supported by

foreign assistance, when parties to a potentially violent conflict could use (outside) options, to help them find local solutions to their differences. Combining USAID technical assistance in operational prevention with State preventative diplomacy would require a significant change in the way we all do business. It would start with mutual understanding of the necessity to bring both of their specialties - diplomacy and technical solutions, together in preventative work and then reflect this understanding in new internal organizational arrangements.

One of the classic tensions in international development is also reflected in stress in the conflict prevention field: this is the difference between assistance to SOLVE or address an identified problem, versus assistance to BUILD CAPACITY to prevent or address generic future problems. Both approaches have merit. Both approaches are needed in different situations - but both need to be deployed simultaneously, not consecutively. This could be brought about with a change in perspective - and that will take leadership and training and changed organizational arrangements.

A World Bank study asked what, in 40 years of all sources of foreign aid, was most helpful to Thailand. The answer was that all donors, in all sectors, were asked to and did build Thai institutions that continually turn out trained Thai manpower, to find Thai solutions, to Thai problems. But at the same time foreign aid helped Thailand work through the transition problems from monarchy to military to civilian rule; to face problems of communist insurgency in NE Thailand; to resolve Muslim rebellion in the south; to help deliver immediate basic services to the people; helped diffuse ethnic tension, with influential Chinese minority; etc. Both immediate problem solving and long-term capacity development-simultaneously, made the greatest impact.

The below table purposely draws a stark distinction between the problem solving and capacity building positions, and the two USG agencies most identified with those positions. This is done to stimulate discussion for a changed way of integrating both short- and long-term business for prevention. If this is not done, existing tensions, mutual frustrations, resentments, unrealistic expectations, or worse yet, neglect, will remain to undermine future conflict prevention work within the USG.

Problem Solving

State - Embassy
 Short term impact
 Political objective
 Broad perspective
 Speed desired
 Flexibility stressed
 Reaction to present reality
 Policy orientation
 Outside direction
 DRL - ESF funding

OPERATIONAL PREVENTION

Capacity Building

USAID - Congress
 Long-term impact
 Development objective
 Narrower perspective
 Slowness expected
 Adherence to process
 Capacity building for future
 Technical orientation
 Local leadership developed
 DA - C/S - SEED funding

STRUCTURAL PREVENTION

Rather than harmonize or obliterate these differences in the context of conflict prevention (no pun intended), it is proposed that we change the way we organize to do business to exploit the strengths in each different approach. To repeat the framework from above, organizationally, it would be to assign operational prevention lead to State, with practical, technical integration by USAID. It would assign structural prevention lead to USAID, with political-security integration by State/Embassy.

By making the assignments per above, it may be possible to reduce the tension between the two approaches and two organizations. The short-term political approach (represented by State and often resisted by USAID), and the long-term development approach (represented by USAID and dismissed as inapplicable to immediate State/Embassy preoccupations), would get full appreciation of the special contributions of each approach and organization to conflict prevention. This in turn would facilitate necessary integration of both operational and structural prevention functions.

Such a reorganization approach will be faced with many corporate culture problems within and between USAID and State, and others. Several of these are outlined below.

One of the major stumbling blocks to come out of GHAI is the realization that the majority of foreign affairs staff (especially USAID & State) do not believe violent conflicts can be predicted with sufficient precision or horizon to prevent them. Similarly, there is strong disbelief in the ability of outsiders and their foreign aid to actually prevent conflicts. To some extent, training in, and insistence on all source root cause analysis and inter-discipline recommendations on preventative measures can help address this. But a far more convincing conceptualization of the contribution of foreign assistance to prevention is needed, followed by reinforcing training on the concept.

USAID's corporate culture highly values long term sustainable development. In that regard, USAID staff should have little difficulty in endorsing Jane's assignment of a structural prevention role to development assistance. A corollary in USAID's corporate culture is to generally avoid, down play the value of staff working in emergencies, relief and post-conflict recovery. That would need to change if they are to be involved in operational prevention - which they should be. One way to change this is to require a USDH tour of duty in operational prevention work, and insist on that in the promotion panel precepts. Similarly a change from using predominantly contractors, without extensive development experience, to using larger numbers of USDH in OFDA & OTI would give relief and operational prevention the development perspective it needs. At the same time it would bring a change in USAID development corporate culture that is more supportive of operational prevention work and how to integrate it with structural prevention development work.

A through analysis is needed of what aspects of State Department corporate culture would need to change to support conflict prevention work by State and by USAID. Some of the more obvious changes needed include the following: preoccupation

with the short-term (helpful to operational prevention) and depreciate the value of long term development (needed as the time horizon for structural prevention); a historical State value on reaction to crises, and devalue preventative action; real concern about USG conflict prevention work with non-government organizations that could destabilize governments to which US diplomats are accredited; inclination to separate political-security considerations from development work which works against the integrated methodology required for prevention. Strong, continuous commitment by high and mid-level leadership in State would be needed to make the State culture more supportive of State and foreign assistance roles in conflict prevention.

There already is a challenge to USAID staff corporate culture to view their development project work in the broadest context. The Integrated Strategic Plan calls for this. But, we all know the old adage – “the operation was a success, but the patient died.” What USAID has been experiencing is “my development project was a success, but the host government/state collapsed.” The cross-discipline, in-service training that USAID mid-level staff formerly received in the DSP (Development Studies Program) was important for USAID staff to see USAID project work in the broader political-military-cultural context of building capable states. Something like DSP training should be re-installed.

Beyond just USAID staff being able to "see" this broader context, they and others must have the ability to identify and act on root causes of conflict; this presents another huge corporate culture challenge. In the past (and present?), USAID and Embassy staff, FSNs, government opposition, Non-Governmental Organizations, academics, contractors, private business people, military, police officers, missionaries, civil society leaders, media representatives, etc. say they have understood some of these vulnerabilities. But there is a total disconnect between them and the international foreign policy establishment that should be in a position to act on the understandings. This will take a significant change in the way USAID, State, and the intelligence and defense communities look at their business and organize for it. A corollary of this is a change from responding primarily to government requests, to listening far more attentively to non-government views of what is needed to build a capable society. We Americans, who have an answer for everything, will have discomfort with the change of listening to NGOs.

Many conflicts have significant regional dimensions. Yet most of the US foreign affairs staff have bilateral assignments, and single country operational perspectives. And as regional USAID and Embassy officers have attempted to be involved in cross-border reporting and analysis, it has often elicited more territorial resistance than welcomed cooperation. This must change if conflicts and possible prevention actions are to be seen and addressed in the regional real world context. Designation and acceptance of more Embassy officers with broader regional responsibilities, and change and acceptance of USAID regional support staff to prevention operations, would be an important field change. Without this or similar changes, regional integration will take place in Washington, but on the basis of primarily bilateral perspectives.

Changes in Vulnerability Analysis and Early Warning

The Ethiopian-Eritrea peace agreement signed three weeks ago calls for an independent investigation into the root causes of that war. International inquiry into the root causes of the Israel-Palestine conflict has been accepted by both parties, and started its work three weeks ago. The Lome peace accord for Sierra Leone fails to address the root causes of that 9 years war, and many people realize this threatens future stability and capability. The international community accepts the premise that it is possible to determine the root causes of conflict AFTER war starts. It should not be a giant leap of faith that objective inquiry can identify the root causes of at least some violent conflicts BEFORE they occur. What is needed is a culture of prevention - placing as high a value on root cause analysis for preventing violent conflict, as is placed on resolving conflicts after they breakout. This priority is now absent.

Arranging for vulnerability and root cause analysis should not be an insurmountable challenge, but it is complicated. As stated above, most people in the US foreign policy community do not believe anyone (especially outsiders) can foresee a potential violent conflict; and even if root cause analysis and early warning could predict conflict, fewer still believe conflicts can be prevented. Such skepticism has undermined the implementation of prevention initiatives to date. About three years ago, the State Department required US Missions to do vulnerability analysis and make recommendations in the Mission Performance Plan (MPP). Because most Ambassadors and Country Team members did not believe in the requirement, did not find it applicable to their situation, and most importantly, did not see a relationship to real resources (people & money) allocated to them, only 3 out of over 100 MPPs addressed this vulnerability requirement. It was just one of too many questions to be addressed in the MPP, and it was ignored (without consequences).

If the policy and concept challenges were met, it would seem the MPP is still the best vehicle for conveying vulnerability analysis from the field. It is inter-agency and multi-discipline; it is broad foreign policy and prescriptive programs, tied to resources. Short of a serious reengineering of the total USG early warning system, it is believed the MPP exercise could support the prevention focus, with the following considerations for discussions.

It would be necessary to change the criteria for deciding when the US Mission should recommend intervening for prevention. It is very uncomfortable for most foreign affairs specialists to intervene in a “non-proven” situation, where only the POTENTIAL for violent conflict exists. This is doubly true if US foreign policy moves from identifiable “vital US interests” to a more general “US needs” foreign policy. Frequently, in the past US intervention only comes when an actual conflict becomes so costly (in terms of money, lives lost or political prestige undercut), or so destabilizing to an ally, that it would be an embarrassment for a super power to remain aloof. It will be hard (but not impossible) to craft criteria for intervening to prevent a “possible” conflict, but such crafting is critical to a prevention focus.

Training in vulnerability analysis will be necessary if the field analysis and reporting is to become more applicable to both short and long term prevention. Such inter-agency training under GHAI failed to receive a warm welcome in Horn of Africa U.S Embassies. Reasons varied from turf (why was USAID involved in political-security matters?), to disbelief in conflict prevention, to being too busy to engage, to deciding this capability should be trained into host-country, counterpart governments, not USG. It will take more than leadership to overcome this challenge.

If this challenge is to be overcome, in-service, inter-agency, multi-discipline training for US mission staff in conflict prevention (especially root cause and vulnerability analysis) will need to be undertaken. For the longer term institutionalization within the US foreign affairs team, the training should be included in the Foreign Service Officer entrance course (A-100), political craft and economics training courses at NFTAC (former FSI), to both influence corporate culture and to view prevention from the multi disciplines required. Conflict prevention concepts should be strengthened at the Department of State Inter-Departmental Seminar, National War College, ICAF, SES Executive Seminar, and other foreign affairs agency staff training programs. But training and reporting requirements still may need to be reinforced by some personal and institutional accountability methods.

If it was decided that a more comprehensive Early Warning system is needed to underpin a serious USG conflict prevention effort, than a different early warning predictive and response system will be needed. Right now, the political and intelligence early warning systems generally have a short-term perspective and cover immediate, not root, causes – totally inappropriate to long-term structural prevention. They tend to alert executive branch leaders to what may appear on CNN, in the media and in key newspapers in the next day or two that will require “management”. “Long-term” early warning of impending crises is considered 3-6 months, and again for crises management. Only rarely does the political-intelligence community try to predict where violent conflicts could erupt over 0-5 years, where operational prevention could be applied, or in 5-15 years, where structural prevention could be focused. Besides a different time frame, the present early warning system does not often delve into the truly root causes with sufficient analysis to allow specific prevention attempts. Nor is the early warning, multi-discipline, multi-source to even describe a potential conflict from the different sides that reflect the real world of a situation.

Under an inter-agency GHAI task force headed by the State East Africa Office Director, Ambassador David Shinn, a fairly comprehensive multi-discipline processes for Reporting, Analysis, Decision-making And Response (RADAR) early warning was jointly planned with State, USAID, DOD & CIA. It is still a workable model. But it ran into tremendous inter-agency stove piping, turf protections, rivalries and died with resistance. This type of resistance will only be overcome with strong, consistent, high level and mid-management inter-agency or NSC leadership and training.

And these same leaders and managers will need to make trade-offs. One of the greatest resistances rightly came from over-worked official reporters and analysts who rightly said if you want us to do this, you must tell us what to stop doing to free us to do the conflict prevention reporting and analysis requested.

Similarly, far greater stress needs to be placed on multi-source; multi-disciplinary integrated analytical products for prevention response. Classification and compartmentalization restrain this.

Some important progress using inter-agency computers, and all-source shared reporting, has been made. It has been tested and found very helpful in such inter-agency exercises like Bosnia and Kosovo where analysts in all USG departments are reading the same reporting from all sources. The system exists. It is a strong basis for comprehensive analysis and conflict prevention recommendations. (The move of USAID into the RBB (for State budget reasons!) has had multiple program difficulties: one is State does 90% of its communications work on a classified system; and USAID does 98% of its work on an incompatible unclassified system. There is practically no classified email exchange, and only unclassified exchanges with special effort. If foreign assistance is to support foreign policy across the board, but especially in conflict prevention work, this must be remedied. (Similarly, the recognition of each other's CLEARED for secret status and identity badges is essential.)

Changes in Decision-making, Resource Allocation & Implementation

Sufficient reporting exists to start. Besides the inter-discipline analytical constraint, the biggest problem for integrated action is the lack of inter-agency decision making. Too often the lack of political will has been identified as the key constraint. It is the position of this presentation that the lack of inter-agency decision making far out weighs political-will as a key constraint. Of course, the highest level of inter-agency decision making takes place at the NSC and related working groups. But the NSC staff, departmental Secretaries, and Under Secretaries are all too engaged in the most immediate, biggest, foreign policy issues to spend ANY time on only "potential" conflicts. "Fighting the immediate crocodiles leaves no time to think about draining the swamp." It is proposed to discuss pushing the conflict prevention decision-making down to inter-agency geographic Office-Directors levels, with staff work by country desk officers and oversight accountability vested in the Assistant Secretaries, and DASs. This is the level where resources are managed; where problems can be put into the regional context so often required for effective conflict prevention. Again, given the extensive competing demands on staff at these levels, supervisors must decide juggle competing priorities for time and attention, even if they have finally convinced themselves of the potential benefits of conflict prevention interventions.

Institutional responsibility for resource allocation and implementation is critical. A whole other paper could be (and needs to be) written on this topic. The organizational option of USAID staff implementing operational prevention activities led by State/Embassy does create tensions which are important to acknowledge including: the

competing demands on scarce USAID staff time, diversion from long-term structural prevention and development, a corporate culture uncomfortable with political-security-intelligence sectors, and sheer TURF concerns. Likewise, State/Embassy staff trying to implement operational prevention has problems of accountability, technical competence, corporate culture discomfort with operations, coordination problems with long-term structural prevention work by USAID in the same sector; and sheer TURF concerns.

Critical to this initiative is funding flexibility. OTI was established by USAID because it needed a management tool for short term, flexible, more politicized development work with countries in transition from state controlled to market economies; transitions from authoritarian to representative governments. Flexible funding and implementation arrangements were and are considered essential to quickly supporting these transitions, which are different from long term capacity building development needs. That same flexibility is a change needed to support conflict prevention by whichever organization implements it.

For some time, State has become more involved in planning, funding and implementing programs in democracy, governance, elections, justices, public safety, drug enforcement, etc. Some say these programs, critical to conflict prevention in capable states, were undertaken by State to closely integrate them with post-conflict transitions; others say it was in response to USAID's inflexibility; others say it was "turf" and power play. One of the challenges to implementing conflict prevention will be to sort out the duplication between State and USAID in these areas. It may be as simple as defining the operational (State) and structural (USAID) divisions of responsibility, even in the same sectors, in the same country.

As always, real implementation takes place in the field. In one sense, inter-agency, inter-discipline integration is easier at this level. The integration responsibilities of the Ambassador and US Mission are well defined and accepted. But conflict prevention implementation at this level has been stymied in the past by disbelief, continual stove piping and turf. Just as US Mission cross-agency training in crises management has been fairly effective, it is recommended that conflict prevention training be conducted for the several levels of inter-agency integration. A strong requirement for cross-agency participation will be needed to break through the inhibiting corporate culture of the intelligence, political, and sometimes military and development organizations in US missions.

There will also be the need for changes in the way we do business within a country, in a region, and with segments elements of society. That must start with the Ambassador promoting change instead of maintaining the status quo as an illusion of stability and allowing work with the opposition and civil society instead of protecting relations with the government "to which he/she is accredited." USAID would need to change its resistant attitude and relationship with State implementing prevention work on short-term operational problems in the same sectors with the same local organizations/staff as USAID considers "their" counterparts. Ambassadorial leadership, strong agency support and staff training are critical to making this work.

There is a current example demonstrating the need for integrated analysis and decision making for conflict prevention. In Ethiopia, the Embassy POL may be reporting on the Tigre leadership of the new Government of Ethiopia. USAID may report the disproportionate share of domestic budget and private investment going to Tigre; the missionaries and NGOs may be reporting the disaffection of other sub-regional, large, ethnic-tribal groups that feel their neglected grievances are no more being addressed by Tigre leaders than they were under Amhara leaders; intelligence sources may be reporting Oromo and Gallas are organizing for more aggressive airing of their grievances; Defense may be reporting the inflow of arms to these groups through neighboring countries that have separate regional agendas. But where does all this come together that there is the potential for violent conflict? And what are the operational and structural steps proposed to take with the GOE, local society and regional and international communities to prevent this from becoming another violent conflict (in the tradition of almost 25 years of war in Ethiopia)? Stronger relations with those outside of government are critical to integrated analysis and integrated analysis within a culture of prevention is critical to decisions for preventative actions.

New ways of doing business in a given country is needed with groups outside of government. This includes NGOs, business people, academics, media representatives, civil society, local leaders, clerics, missionaries and any others with insights into people's grievances. It is essential to liaise with others known to have legitimate grievances, and even to understand those known to be greedy. Most of these groups will be reluctant to be seen as informers, or part of an American political or intelligence operation. All this could take an enormous amount of time and staff if done in the traditional US Mission way. All these groups do reporting vertically within their own organizations. New relationships are needed to share their insights into root causes of potential conflicts. Sharing non-attributed reporting electronically may offer some new ways of doing business, as RELIEF NET once proposed.

It must be recognized that USG representatives are not omniscient in their understanding of local situations. We need to learn to listen to others, liaise with others, not only to identify root causes of potential conflicts, but also to understand their alternative ways of addressing those root causes. This field level is also where real integration of operational and structural prevention must take place, helping local organizations to become more capable of solving their local problems – strengthening organizations by their involvement in problem solving, learning by doing.

Ultimately, conflict prevention demands a new-way of doing USG business. It does demand a policy of engagement, the humility to listen, patience in building local prevention capacity, and a thorough airing of comparative options. Restraint needs to be recognized as a useful tool in allowing room for local growth; mindsets have to be broadened to incorporate regional perspectives even while serving in a bilateral assignment, and openness to inter-agency, multi-disciplinary approaches. These changes are probably too much to be expected in even the best of circumstances. They become even more difficult when faced with shrinking foreign affairs staff and budgets. They

will only come as trades-off in staff time and priorities. It is in this crunch of priorities that the USG has short-sightedly not only retreated from involvement in prevention strategies but also assumed a posture of non-involvement “because there is no US vital interest at stake.” Meanwhile the US pours in hundreds of millions of relief dollars and humanitarian aid into conflicts we failed to help prevent, and development investments destroyed. We can change this pattern through early involvement in prevention interventions.

Annex A: Definitions

1. **Foreign Assistance:** broadly encompassing all types of USG assistance (development assistance, food aid, disaster and relief assistance, humanitarian assistance, peace keeping, SEED, ESF, etc.). Partly administered for USG by State and partly by USAID.
2. **Development Assistance:** narrower than foreign assistance; includes DA, Child Survival, SEED, ESF funded parts of foreign assistance; objective long-term sustainable economic & political development in developing countries. Mainly administered in USG by USAID.
3. **“We”** applies to USAID in most cases, but can signify USG, USA and will include State Department when text requires.
4. **Operational Prevention:** short-term targeted assistance to resolve an identified problem in the pre-conflict stage; can be coupled with Preventative Diplomacy during the conflict resolution stage.
5. **Structural Prevention** – longer term, institution building, capacity building to address generic problems in a country on a continuing basis.
6. **Conflict Prevention** - pre-conflict
7. **Conflict Resolution** - during conflict
8. **Post Conflict** - after conflict stops
9. **Violent Conflict** - involves massive loss of life to bring about change, not peaceful change.
10. **Fundamental Question** What has to change for the USG to successfully use foreign assistance and development assistance to prevent deadly conflicts?

Note: Conceptually, the paper addresses preventing conflicts in developing and transition countries not violent conflicts and war between developed countries.

To help clarify and focus the discussion (and hopefully decisions), it is proposed the challenge of changing the way we do business be disaggregated in a couple of ways. While this does damage to critical interrelationships in implementation, it may be helpful to focus the discussion on the changed concepts underlying prevention.

The tasks are different when a conflict situation is in three different phases:

- a. Pre-conflict - involves PREVENTION
- b. Crises, conflict - involves RESOLUTION
- c. Post-conflict - involves RECOVERY

The Operational & Structural Prevention modes may be required in all three-conflict phases, and may be required to be applied simultaneously.

In an “operational mode,” targeted assistance is carried out in close conjunction with a short-term, often immediate objective - often dictated by a political process of preventative diplomacy. (This closely allies with the use of ESF.) The technical sector may be same as where structural prevention work is being undertaken, but the tactics are operational instead of capacity building.

In the “structural mode”, assistance is given with a developmental objective of building local capacity for a state to deal with preventing, or resolving conflicts to which they may be a party on a continuing basis. It also is to create the capability to conduct effective post-conflict reconstruction if necessary. It is to build long term, sustainable, local capacity including applying that capacity for “learning by doing”. This closely correlates with the philosophy and mandates of Development Assistance (DA/SEED, etc).

Annex B: Stages of Conflict and Types of Prevention

	Operational Prevention	Structural Prevention
Pre-Conflict Prevention	Targeted, short-term political process with technical reinforcement	Capacity building, long-term development process in a political-security context
Conflict Resolution	Targeted, short-term political process with technical reinforcement	Conflict prevention, long-term development
Post-Conflict Reconstruction	Targeted short-term political process, with technical reinforcement	Conflict prevention, long-term development
	<i>State Department lead USAID technical support using ESF</i>	<i>USAID lead, using DA, ESF, SEED, etc. State providing political-security context</i>

Appendix I: Defining US National Security for the Next Generation

By: John C. Gannon

January 8, 2001

In the post-Cold War world, the United States is challenged by a broader definition of US national security that must take into account a wide range of factors that will contribute to stability or stimulate conflict in the years ahead. For these reasons, it makes sense today, more than ever, for a national security analyst to be engaged with USAID officers in a conference on global conflict prevention. We need to understand how such factors as demographics, natural resources, the environment, economic growth, globalization, and the quality of governance will challenge governments and the international community and, in some cases, sow the seeds of conflict threatening to US interests.

Global change in the decades ahead will expand the US national security intelligence agenda in both the numbers and complexity of issues we cover. In 15 years, CIA will still be focused on the proliferation of weapons of mass destruction, terrorism, narcotics, and organized crime. But newer issues, such as information operations and threats to our space systems, will command a growing amount of our time. And we will be engaged, even more than today, in covering regional conflicts and developments associated with them: refugee crises, peacekeeping, humanitarian emergencies, environmental problems, global health issues, technological developments, and key economic trends. The fast-moving, broadly distributed threat environment that you hear so much about is here to stay.

The findings of an unclassified study recently published by the National Intelligence Council (NIC) assesses the impact of seven drivers in shaping the world of 2015. The NIC is a group of senior experts who advise the Director of Central Intelligence. The study, *Global Trends 2015*, drew on considerable outside expertise. The drivers highlighted in the study are: demographics, including migration and health; natural resources and environment; science and technology; the global economy; national and international governance; and future conflict.

The world in 2015 will be populated by some 7.2 billion people, up from 6.1 billion in the year 2000. The rate of world population growth, however, will have diminished from 1.7 percent annually in 1985, to 1.3 percent today, to approximately 1 percent in 2015.

More than 95 percent of the increase in world population will be found in developing countries, nearly all in rapidly expanding urban areas.

- India's population will grow from 900 million to more than 1.2 billion by 2015; Pakistan's probably will swell from 140 million now to about 195 million.

- Some countries in Africa with high rates of AIDS will experience reduced population growth or even declining populations despite relatively high birthrates. In South Africa, for example, the population is projected to drop from 43.4 million in 2000 to 38.7 million in 2015.

Russia and many post-Communist countries of Eastern Europe will have declining populations.

Movement of People

By 2015 more than half of the world's population will be urban. The number of people living in mega-cities—those containing more than 10 million inhabitants—will double to more than 400 million.

- Urbanization will provide many countries the opportunity to tap the information revolution and other technological advances.
- The explosive growth of cities in developing countries will test the capacity of governments to stimulate the investment required to generate jobs and to provide the services, infrastructure, and social supports necessary to sustain livable and stable environments.

Health

Disparities in health status between developed and developing countries—particularly the least developed countries—will persist and widen. In developed countries, major inroads against a variety of maladies will be achieved by 2015 as a result of generous health spending and major medical advances. The revolution in biotechnology holds the promise of even more dramatic improvements in health status. Noninfectious diseases will pose greater challenges to health in developed countries than will infectious diseases. Progress against infectious diseases, nevertheless, will encounter some setbacks as a result of growing microbial resistance to antibiotics and the accelerating pace of international movement of people and products that facilitate the spread of infectious diseases.

Developing countries, by contrast, are likely to experience a surge in both infectious and noninfectious diseases and in general will have inadequate health care capacities and spending.

- Tuberculosis, malaria, hepatitis, and particularly AIDS will continue to increase rapidly. AIDS and TB together are likely to account for the majority of deaths in most developing countries.
- AIDS will be a major problem not only in Africa but also in India, Southeast Asia, several countries formerly part of the Soviet Union, and possibly China.
- AIDS will reduce economic growth by up to 1 percent of GDP per year and consume more than 50 percent of health budgets in the hardest-hit countries.

- AIDS and such associated diseases as TB will have a destructive impact on families and society. In some African countries, average lifespans will be reduced by as much as 30 to 40 years, generating more than 40 million orphans and contributing to poverty, crime, and instability.
- AIDS, other diseases, and health problems will hurt prospects for transition to democratic regimes as they undermine civil society, hamper the evolution of sound political and economic institutions, and intensify the struggle for power and resources.

Natural Resources and Environment

Food

Driven by advances in agricultural technologies, world food grain production and stocks in 2015 will be adequate to meet the needs of a growing world population. Despite the overall adequacy of food, problems of distribution and availability will remain.

- The number of chronically malnourished people in conflict-ridden Sub-Saharan Africa will increase by more than 20 percent over the next 15 years.
- Donors will become more reluctant to provide relief when they believe their aid will become embroiled in military conflict.

Water

By 2015 nearly half the world's population—more than 3 billion people—will live in countries that are “water-stressed”—having less than 1,700 cubic meters of water per capita per year—mostly in Africa, the Middle East, South Asia, and northern China.

- Turkey is building new dams and irrigation projects on the Tigris and Euphrates Rivers, which will affect water flows into Syria and Iraq—two countries that will experience considerable population growth.
- Egypt is proceeding with a major diversion of water from the Nile, which flows from Ethiopia and Sudan, both of which will want to draw more water from the Nile for their own development by 2015. Water-sharing arrangements are likely to become more contentious.

Water shortages occurring in combination with other sources of tension—such as in the Middle East—will be the most worrisome.

- Per capita decline in water availability over the next 25 years looks something like this: Israel, 33 percent; Jordan, 75 percent; Iran, 50 percent; Saudi Arabia, 67 percent; Egypt, 40 percent; Ethiopia/Rwanda, 60 percent; and South Africa, 55 percent.

Energy

The global economy will continue to become more energy efficient through 2015.

Asia will drive the expansion in energy demand, replacing North America as the leading energy consumption region and accounting for more than half of the world's total increase in demand.

- China, and to a lesser extent India, will see especially dramatic increases in energy consumption.
- By 2015, only one-tenth of Persian Gulf oil will be directed to Western markets; three-quarters will go to Asia.

Meeting the increase in demand for energy will pose neither a major supply challenge nor lead to substantial price increases in real terms. Estimates of the world's total endowment of oil have steadily increased as technological progress in extracting oil from remote sources has enabled new discoveries and more efficient production. Recent estimates indicate that 80 percent of the world's available oil still remains in the ground, as does 95 percent of the world's natural gas.

Environment

Contemporary environmental problems will persist and in many instances grow over the next 15 years. With increasingly intensive land use, significant degradation of arable land will continue as will the loss of tropical forests. Given the promising global economic outlook, greenhouse gas emissions will increase substantially. The depletion of tropical forests and other species-rich habitats, such as wetlands and coral reefs, will exacerbate the historically large losses of biological species now occurring.

- Environmental issues will become mainstream issues in several countries, particularly in the developed world. The consensus on the need to deal with environmental issues will strengthen; however, progress in dealing with them will be uneven.

Science and Technology

The continuing diffusion of information technology and new applications in the biotechnology field will be of particular global significance.

Information Technology (IT)

Over the next 15 years, a wide range of developments will lead to many new IT-enabled devices and services. Rapid diffusion is likely because equipment costs will decrease at the same time that demand is increasing. Local-to-global net access holds the prospect of universal wireless connectivity via hand-held devices and large numbers of

low-cost, low-altitude satellites. Satellite systems and services will develop in ways that increase performance and reduce costs.

Biotechnology

By 2015, the biotechnology revolution will be in full swing with major achievements in combating disease, increasing food production, reducing pollution, and enhancing the quality of life. Many of these developments, especially in the medical field, will remain costly through 2015 and will be available mainly in the West and to wealthy segments of other societies. Some biotechnologies will continue to be controversial for moral and religious reasons. Among the most significant developments by 2015 are:

- Genomic profiling—by decoding the genetic basis for pathology—will enable the medical community to move beyond the description of diseases to more effective mechanisms for diagnosis and treatment.
- Biomedical engineering, exploiting advances in biotechnology and “smart” materials, will produce new surgical procedures and systems, including better organic and artificial replacement parts for human beings, and the use of unspecialized human cells (stem cells) to augment or replace brain or body functions and structures. It also will spur development of sensor and neural prosthetics such as retinal implants for the eye, cochlear implants for the ear, or bypasses of spinal and other nerve damage.
- Therapy and drug developments will cure some enduring diseases and counter trends in antibiotic resistance. Deeper understanding of how particular diseases affect people with specific genetic characteristics will facilitate the development and prescription of custom drugs.
- Genetic modification—despite continuing technological and cultural barriers—will improve the engineering of organisms to increase food production and quality, broaden the scale of bio-manufacturing, and provide cures for certain genetic diseases. Cloning will be used for such applications as livestock production. Despite cultural and political concerns, the use of genetically modified crops has great potential to dramatically improve the nutrition and health of many of the world’s poorest people.

Other Technologies

Breakthroughs in materials technology will generate widely available products that are smart, multifunctional, environmentally compatible, more survivable, and customizable. These products not only will contribute to the growing information and biotechnology revolutions but also will benefit manufacturing, logistics, and personal lifestyles. Materials with active capabilities will be used to combine sensing and actuation in response to environmental conditions.

Discoveries in nanotechnology will lead to unprecedented understanding and control over the fundamental building blocks of all physical things. Developments in this emerging field are likely to change the way almost everything—from vaccines to computers to automobile tires to objects not yet imagined—is designed and made. Self-assembled nanomaterials, such as semiconductor “quantum dots,” could by 2015 revolutionize chemical labeling and enable rapid processing for drug discovery, blood content analysis, genetic analysis, and other biological applications.

The Global Economy

The global economy is well positioned to achieve a sustained period of dynamism through 2015. Global economic growth will return to the high levels reached in the 1960s and early 1970s, the final years of the post-World War II “long boom.” Dynamism will be strongest among so-called “emerging markets”, especially in the two Asian giants, China and India, but will be broadly based worldwide, including in both industrialized and many developing countries. The rising tide of the global economy will create many economic winners, but it will not lift all boats. The information revolution will make the persistence of poverty more visible, and regional differences will remain large.

The countries and regions most at risk of falling behind economically are those with endemic internal and/or regional conflicts and those that fail to diversify their economies. The economies of most states in Sub-Saharan Africa and the Middle East and some in Latin America will continue to suffer. A large segment of the Eurasian landmass extending from Central Asia through the Caucasus to parts of southeastern Europe faces dim economic prospects. Within countries, the gap in the standard of living also will increase. Even in rapidly growing countries, large regions will be left behind.

National and International Governance

The state will remain the single most important organizing unit of political, economic, and security affairs through 2015 but will confront fundamental tests of effective governance. The first will be to benefit from, while coping with, several facets of globalization. The second will be to deal with increasingly vocal and organized publics.

- The elements of globalization—greater and freer flow of information, capital, goods, services, people, and the diffusion of power to nonstate actors of all kinds—will challenge the authority of virtually all governments. At the same time, globalization will create demands for increased international cooperation on transnational issues.

Nonstate Actors

States will deal increasingly with private-sector organizations—both for-profit and nonprofit. These nonstate actors increasingly will gain resources and power over the next 15 years as a result of the ongoing liberalization of global finance and trade, as well as the opportunities afforded by information technology.

Over the next 15 years, transnational criminal organizations will become increasingly adept at exploiting the global diffusion of sophisticated information, financial, and transportation networks.

- Criminal organizations and networks based in North America, Western Europe, China, Colombia, Israel, Japan, Mexico, Nigeria, and Russia will expand the scale and scope of their activities. They will form loose alliances with one another, with smaller criminal entrepreneurs, and with insurgent movements for specific operations. They will corrupt leaders of unstable, economically fragile or failing states, insinuate themselves into troubled banks and businesses, and cooperate with insurgent political movements to control substantial geographic areas. Their income will come from narcotics trafficking; alien smuggling; trafficking in women and children; smuggling toxic materials, hazardous wastes, illicit arms, military technologies, and other contra-band; financial fraud; and racketeering.
- Repression by the state. States with slow economic growth, and/or where executive power is concentrated in an exclusionary political elite and the rule of law and civil or minority rights are weak, will be inclined to discriminate against communal minorities. Such conditions will foment ethnic tensions in Sub-Saharan Africa, Central and South Asia, and parts of the Middle East, often in rapidly growing urban areas. Certain powerful states—such as Russia, China, Brazil and India—also are likely to repress politicized communal minorities.

Let me say a few words about the nature of future conflict.

The United States will maintain a strong technological edge in IT-driven “battlefield awareness” and in precision-guided weaponry in 2015. The United States will face three types of threats from adversaries:

- Asymmetric threats in which state and nonstate adversaries avoid direct engagements with the US military but devise strategies, tactics, and weapons—some improved by “sidewise” technology—to minimize US strengths and exploit perceived weaknesses;
- Strategic WMD threats, including nuclear missile threats, in which (barring significant political or economic changes), Russia, China, most likely North Korea, probably Iran, and possibly Iraq have the capability to strike the United States and the potential for unconventional delivery of WMD by both states or nonstate actors also will grow.
- Regional military threats in which a few countries maintain large military forces with a mix of Cold War and post-Cold War concepts and technologies.

The risk of war among developed countries will be low. The international community will continue, however, to face conflicts around the world, ranging from relatively frequent small-scale internal upheavals to less frequent regional inter-state wars. The potential for inter-state conflict will arise from rivalries in Asia, ranging from India-Pakistan to China-Taiwan, as well as among the antagonists in the Middle East. Their potential lethality will grow, driven by the availability of WMD, longer-range missile delivery systems and other technologies.

Internal conflicts stemming from religious, ethnic, economic or political disputes will remain at current levels or even increase in number. The United Nations and regional organizations will be called upon to manage such conflicts because major states—stressed by domestic concerns, perceived risk of failure, lack of political will, or tight resources—will minimize their direct involvement.

Internal Conflicts

Many internal conflicts, particularly those arising from communal disputes, will continue to be vicious, long-lasting and difficult to terminate—leaving bitter legacies in their wake.

- They frequently will spawn internal displacements, refugee flows, humanitarian emergencies, and other regionally destabilizing dislocations.
- If left to fester, internal conflicts will trigger spillover into inter-state conflicts as neighboring states move to exploit opportunities for gain or to limit the possibilities of damage to their national interests.
- Weak states will spawn recurrent internal conflicts, threatening the stability of a globalizing international system.

Internal conflicts stemming from state repression, religious and ethnic grievances, increasing migration pressures, and/or indigenous protest movements will occur most frequently in Sub-Saharan Africa, the Caucasus and Central Asia, and parts of south and southeast Asia, Central America and the Andean region.

The United Nations and several regional organizations will continue to be called upon to manage some internal conflicts because major states—stressed by domestic concerns, perceived risk of failure, lack of political will, or tight resources—will wish to minimize their direct involvement.

Meanwhile, states with poor governance; ethnic, cultural, or religious tensions; weak economies; and porous borders will be prime breeding grounds for terrorism. In such states, domestic groups will challenge the entrenched government, and transnational networks seeking safehavens.

So, what are the implications for the United States and the world? An integrated trend analysis suggests at least four related conclusions:

- First, national policies will matter. To prosper in the global economy of 2015, governments will have to invest more in technology, in public education, and in broader participation in government to include increasingly influential non-state actors. The extent to which governments around the world are doing these things today gives some indication of where they will be in 2015.
- Second, we will have to watch primitive as well as precision-guided weapons. The United States and other developed countries will be challenged in 2015 to lead the fast-paced technological revolution while, at the same time, maintaining military, diplomatic, and intelligence capabilities to deal with traditional problems and threats from low-technology countries and groups. The United States, as a global power, will have little choice but to engage leading actors and confront problems on both sides of the widening economic and digital divides in the world of 2015, when globalization's benefits will be far from global.
- Third, international or multilateral arrangements increasingly will be called upon in 2015 to deal with growing transnational problems from economic and financial volatility; to legal and illegal migration; to competition for scarce natural resources such as water; to humanitarian, refugee, and environmental crises; to terrorism, narcotrafficking, and weapons proliferation; and to both regional conflicts and cyber threats. And when international cooperation—or international governance—comes up short, the United States and other developed countries will have to broker solutions among a wide array of international players—including governments at all levels, multinational corporations, and nonprofit organizations.
- Fourth, and last, to deal with a transnational agenda and an interconnected world in 2015, governments will have to develop greater communication and collaboration between national security and domestic policy agencies, which, again, is why it is so appropriate for me to be here today. Interagency cooperation will be essential to understanding transnational threats, including regional conflict, and to developing interdisciplinary strategies to counter them. Consequence management of a BW attack, for example, would require close coordination among a host of US Government agencies, foreign governments, US state and municipal governments, the military, the medical community, and the media.

Appendix J: Developing a More Effective Conflict Prevention Capacity in an Increasingly Unstable World

**By: Randolph Pherson
December 18, 2000**

Introduction

USAID wants to be proactive in developing a more robust capability to:

- Identify the root causes of deadly violent conflict and economic and political crises.
- Use analytic and programmatic tools at USAID's disposal to mitigate and, to the extent possible, prevent potential economic and political crises and deadly violent conflict.

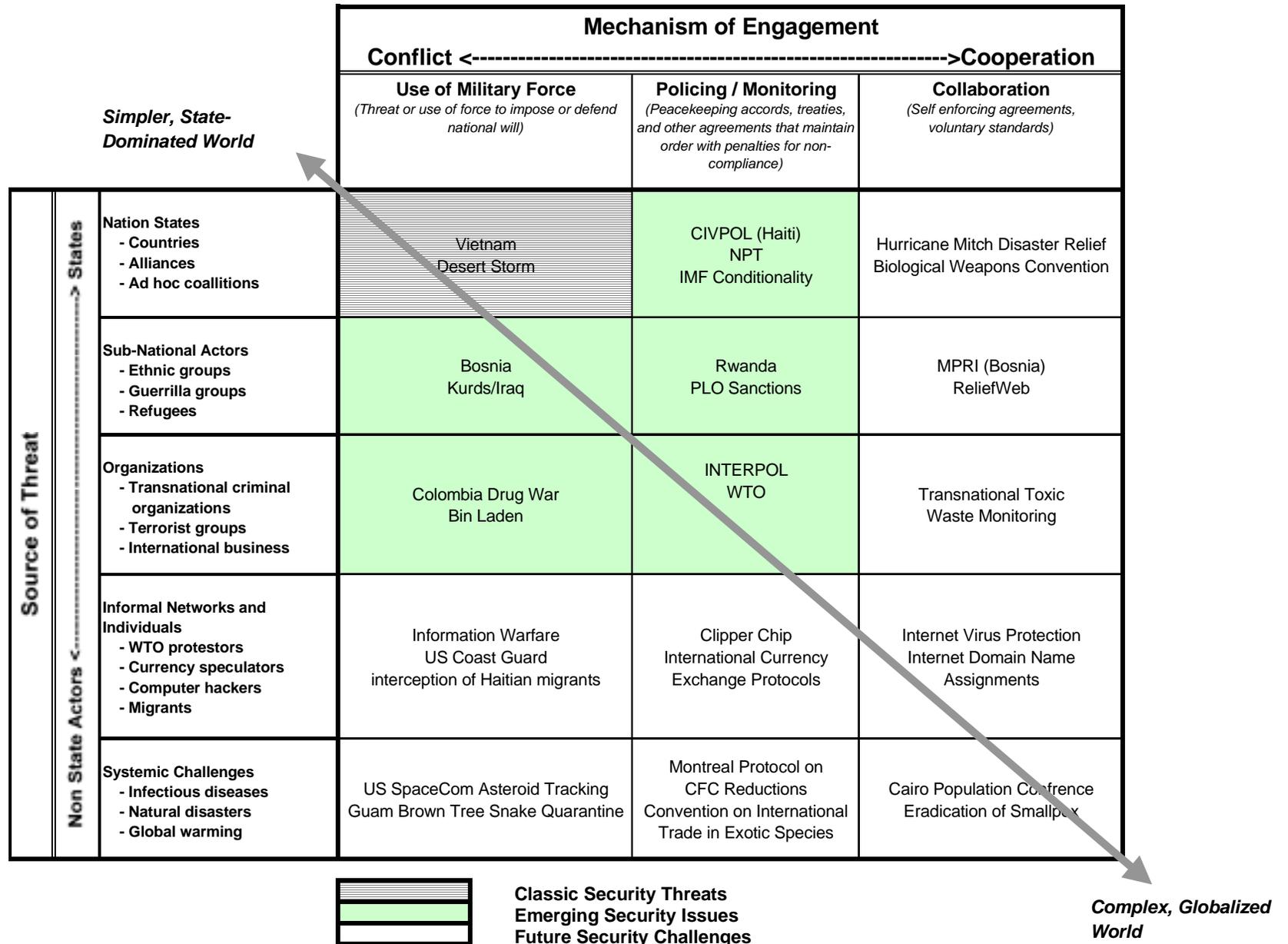
This paper lays out a potential framework for accomplishing both tasks. It begins with a discussion of the increasingly complex threat environment in which USAID must operate overseas. It defines the various types of instability the United States is most likely to confront and describes a process for identifying the key variables that are either driving a country toward conflict or acting to inhibit the potential for conflict. The paper proposes a comprehensive strategy for reducing a country's vulnerability to deadly violent conflict by more closely matching assistance programs to the root causes, drivers, and inhibitors of instability. It concludes with a discussion of what is required to implement a successful strategy and the issues that have to be addressed to bring such an ambitious agenda to fruition. (A case study of how the conflict prevention model could be applied appears at Annex.)

The Expanding Threat Environment

During the Cold War, international relations were governed by the interaction within and between groups of nation states led by the United States and the Soviet Union—albeit tempered by the interests of the non-aligned states. Multilateral organizations and NGOs exerted some influence, especially in the developing world, but the political climate created by the superpowers dominated the system.

With the fall of the Berlin Wall, the mechanisms guiding the interactions between states has been supplemented by a dynamic, evolving, and increasingly complex set of relationships. Nation states increasingly find themselves sharing the stage with non-state actors who often play critical roles and can bring as many or more resources to the table (see Figure 1: The Expanding Concept of National Security). In fact, US officials have increasingly found that they need to deal with non-state actors to move their particular agenda forward effectively.

Figure 1: Expanding the Concept of National Security



The range of threats has expanded dramatically. Although some nation states still pose serious threats to US interests, the United States does not face a peer competitor, and one is not likely to emerge in the next ten years. What is more striking is the wide range of non-state actors that can do serious damage to US interests. These range from transnational criminal organizations including drug lords and terrorist groups to individuals like computer hackers and currency speculators. Last, but not least, are the “faceless” threats or systemic challenges posed by such phenomenon as global climate warming, infectious diseases, and natural disasters. Once purely the concern of civilian agencies, these systemic challenges have increasingly come to be perceived as posing threats to US national security interests. President Clinton, for example, has declared the spread of HIV/AIDS a national security concern, and given the speed by which international air travel could spread an ebola-like virus, the outbreak of such an infection anywhere in the world is no longer just a local concern but a cause for mobilizing civilian and military assets around the globe.

As the threats to US interests become multifaceted, the mechanisms for dealing with the broad range of threats are expanding as well. Although the use of military force remains a key tool in the national security arsenal, the Department of Defense finds itself devoting substantial resources to non-military missions such as international policing, peacekeeping, and humanitarian assistance missions. The world also has come to rely less on formal treaties to police their activities (in part because they have become increasingly difficult to ratify) and more on informal agreements that are self-enforcing (particularly in the area of international finance and the environment) and consensually developed norms and standards (a key characteristic of the information technology sphere). The focus is shifting from “Let’s negotiate a treaty codifying the rules of international behavior” to “Let’s develop some informal standards or protocols to guide our behavior and only require those who want to participate to play by such rules.”

Finally, there is a rapid movement away from a state-centric view of dealing with threats to a recognition that success will increasingly require aggregating the resources and talents of a broad coalition of stakeholders to include nation states, multinational institutions, multilateral lending and development organizations, NGOs, PVOs, and businesses. The world is getting sufficiently complex that no one organization can provide the solution. In fact, many organizations will be needed to work problems at different levels of engagement with overlapping spheres of authority. As the source of the threat becomes more diffuse, the slogan “You need a network to combat a network” will increasingly ring true.

Defining Instability

In such a world, patterns of conflict and interaction also become complex. As a result, the concept of political instability needs to be better understood and disaggregated into its various forms. Instability can most simply be defined as the inability of government (and society in general) to adequately address the grievances of the population or a particular subset of that population (see Figure 2: Conceptual Model of

Political Instability). The source of grievance can be domestic or international, economic or political depending on the circumstances. Discontent alone, however, does not necessarily generate instability. Individuals and mechanisms must be present to articulate the grievances and mobilize the aggrieved to demand redress from the government. The society's ability to alleviate the problems and/or stifle the discontent is determined by four key factors: the legitimacy of the regime and the quality of its leadership, resource availability, the strength of civil institutions, and the government's monopoly over coercive force.

As tensions mount within a society, the interplay of these factors can stimulate at least five different outcomes:

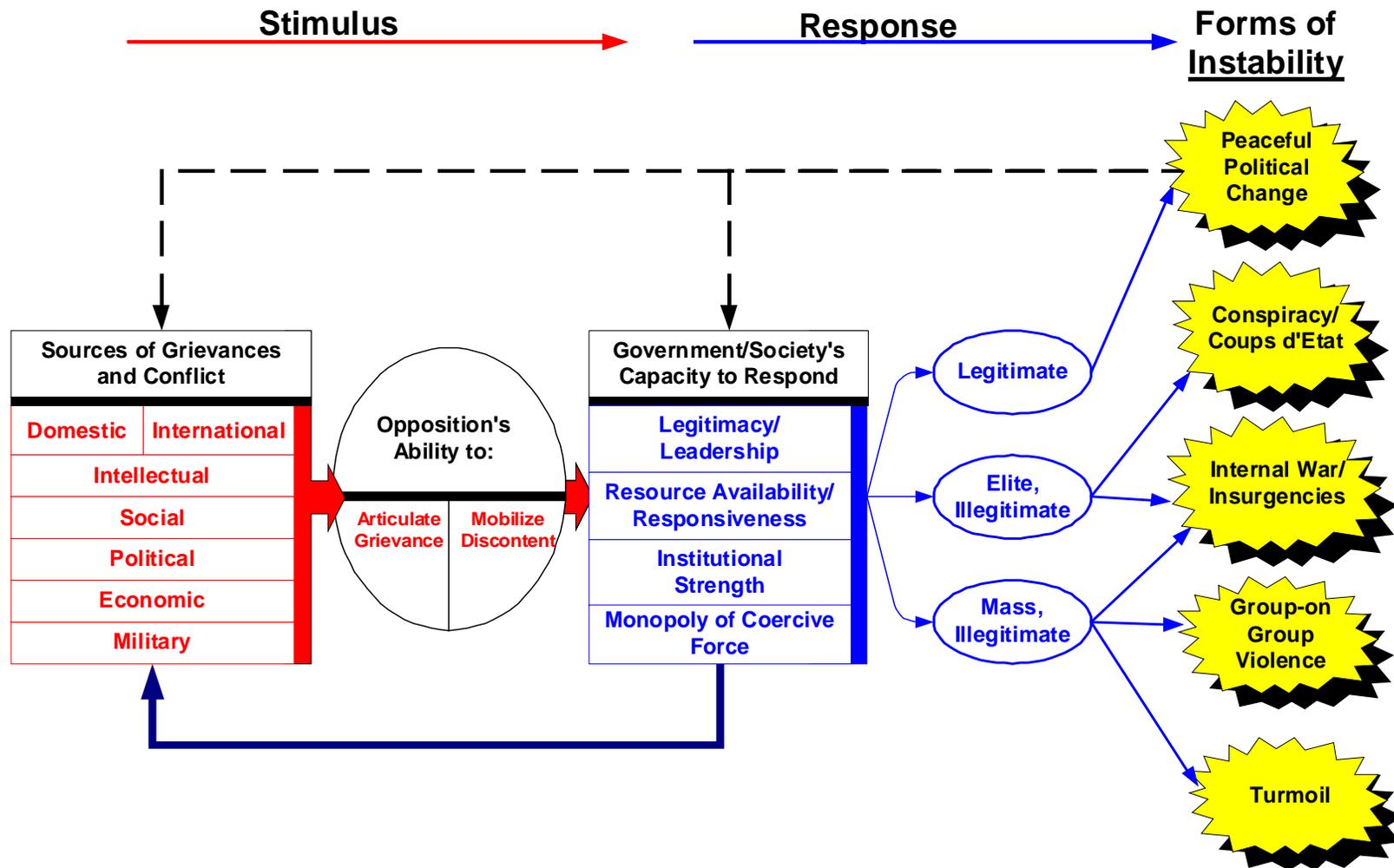
- **Peaceful political change.** Characterized by peaceful, constitutional, and legal political change that occurs without the use of force (the ouster of Milosevic via elections, recent votes of no confidence in Israel).
- **Internal war.** Large-scale, organized political violence in which the opposition is challenging for power or control of the state (insurgencies like the FARC in Colombia, Palestinian terrorist campaigns).
- **Conspiracy.** The use or threat of violence by an national elite seeking to topple the government or senior political leader (coups d'etat in Fiji, autogolpe in Peru)
- **Turmoil.** Relatively spontaneous and unorganized violent mass strife (violent demonstrations in Tiananmen Square, small-scale terrorist acts in Algeria).
- **Group-on-group violence.** Violence between or among ethnic, religious, racial, or other communal groups (ethnic conflict in Burundi, religious violence in East Timor).

Increasingly, such forms of instability do not necessarily conform to national boundaries. Ethnic violence, for example, can be contained to a portion of a country (Chechnya) or spill across the borders of two or more countries (Azerbaijani spillover into Armenia). This argues that it is important to assess the potential for instability not only at the level of the nation state but at the sub-national level and as a cross-border phenomenon.

Identifying Key Drivers and Inhibitors

Identifying the key drivers and inhibitors of conflict is perhaps the most critical step in the conflict prevention process. Once the forms of instability have been defined, expert knowledge or more rigorous analytic techniques (or both) can be applied to identify the key factors or "drivers" contributing to each form of instability as well as those variables or "inhibitors" that are most likely to mitigate or reduce the prospects for violence. For example, if a key concern in a given country is the emergence of an insurgent movement then the question that must be addressed is: "What factors are making the insurgency viable or causing it to gain members?" Numerous explanations

Figure 2: Conceptual Model of Political Instability



could be posited, including the exclusion of an important group from the political process, dire economic or social conditions, discontent with widespread corruption in the government, repression, or ideological cleavages. Answers could be obtained from a variety of sources including US government officials working in the country, academics specializing on that country or region, or intelligence analysts.

Opinions among such experts might vary, however. Another approach would be to conduct an empirical analysis by identifying a list of variables most likely to be associated with turmoil in that country, collecting time series data on each variable, and using quantitative analytic techniques (such as a logit regression) to isolate those variables most closely associated with the emergence of an insurgent movement in that country. Government-sponsored conflict vulnerability studies have previously identified numerous such drivers and inhibitors including:

Drivers

- Ethnic Exclusion in Government
- Severity of Human Rights Abuses
- Internal Migration
- Unemployment
- Foreign Direct Investment

Inhibitors

- Competitiveness of Political Participation
- Government Expenditures on Social Policy
- Annual Percent Growth in GNP
- Confidence in Political Institutions

Developing a Comprehensive Strategy

Having identified the key drivers and inhibitors most closely associated with the various forms of instability that could break out in a country, the next step is to develop a comprehensive strategy for reducing that country's vulnerability to conflict. In some cases, such strategies may already exist. For example, the World Bank or USAID may have already published a country assessment that sets out a long-term strategy and establishes program priorities. In such cases, the task at hand may be as simple as reviewing the strategy paper to ensure that programs are being implemented that would have a direct impact on the key drivers and inhibitors that have been identified—and making any adjustments as appropriate. Agency-specific strategies could prove inadequate to the task, however, if they fail to establish up front the overall political and socio-economic context for engagement, focus too narrowly on project development, or fail to take into account initiatives being carried out by sister agencies or non-government organizations.

In most cases, a more comprehensive approach would be required that brings together key policy agencies of the US government, including NSC, USAID, functional and regional Bureaus of the Department of State, Treasury (representing the World Bank, IMF, etc), and the Department of Defense (OSD, relevant CINCs, etc.). Intra-governmental working groups could be established for particular countries or regions with oversight provided at the “Deputies” level. In essence, such groups would function as a non-crisis equivalent of the Excomm process established under PDD-56 that provides the framework for US engagement in complex contingency crisis operations.

Partnering for Success

Once a basic strategy has been developed and key programmatic needs have been tentatively identified, a much larger meeting would be held, involving the major stakeholders already providing developmental assistance to that country. The number and identity of participants probably would vary considerably from country to country and issue to issue. Organizations such as USAID, the State Department, World Bank, and relevant NGOs almost certainly would be included in any group but circumstances could easily require expanding the list to include representatives from the US military, other US Government agencies, other multilateral organizations, foreign governments, and business. In some cases, the list of actors could become quite extensive (see Figure 3: Responses to Complex Humanitarian Emergencies).

Once identified, the stakeholders would be convened to:

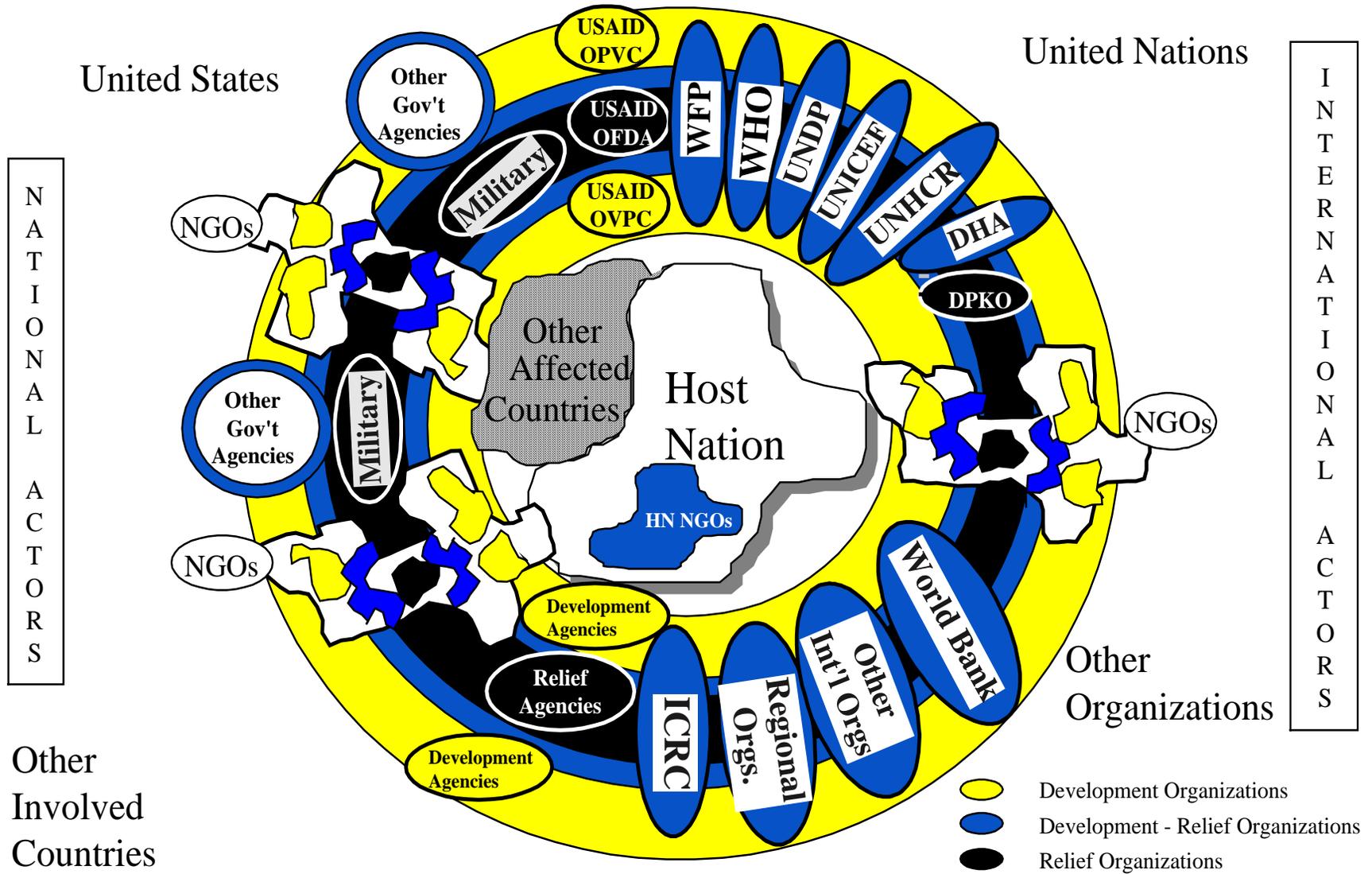
- Validate the analysis of key drivers and inhibitors.
- Compile a list of existing programs that already address these factors.
- Identify gaps that are not covered.
- Assess which organizations are best positioned to fill the gaps.
- Develop an implementation strategy and appropriate monitoring mechanisms.

Implementing the Strategy

Successful implementation of the strategy involves:

- Effectively transmitting “Washington’s” strategic vision of what needs to be done in a given country to those in the field tasked with implementation.
- Ensuring that those involved in various aspects of the program are communicating effectively with each other. Past experience has shown that this can be accomplished quite effectively through the establishment of a dedicated (and password protected) website on the Internet.
- Developing metrics for tracking the status of implementation both within and among programs.
- Periodically reconvening the stakeholders to assess progress/revise strategies.

Figure 3: Responses to Complex Humanitarian Emergencies



Opportunities and Challenges

Developing consensus within—and beyond—the US government on what constitutes the best framework for conflict prevention presents a major challenge. Identifying the necessary resources and appropriate mechanisms for implementing such a strategy may prove even more daunting. Success will depend largely on how quickly and effectively questions such as the following are answered:

- Do we have the right tools to assess the root causes of instability? To identify the key drivers and inhibitors of conflict?
- Do we need to create a new interagency mechanism to support conflict prevention capability and oversee/coordinate USG activities in this arena? Does our experience with PDD-56 offer any insights?
- How do we best integrate USG efforts with the myriad of other players on the international stage? What mechanisms exist to bring such a diverse assortment of players together to jointly validate critical needs, develop a common strategic vision, and calibrate a comprehensive, multi-agency response?
- How do we engage more effectively and directly with civil society, grass roots leaders, and other local organizations in the host country?
- Should Congress be an outside observer or an integral player? Should their role differ at various stages of the process?

Annex

Assessing Conflict Vulnerability: A Peruvian Case Study

Introduction

The following paper describes how conflict vulnerability analysis can be applied to a concrete case: the USAID program in Peru. In particular, this case identifies the various types of violent conflict likely to break out in Peru, the key drivers and inhibitors believed to be associated with vulnerability to each form of instability, USAID programs that address these drivers and inhibitors, and the implications of this approach in light of recent dramatic developments in that country.¹⁵

Disaggregating the Concept of Instability

The first step in a conflict vulnerability analysis is to identify what type of instability a country is most likely to face within the time frame of interest to USAID. In the case of Peru, four distinct categories of conflict were identified.

- **Internal War.** Organized violence in which an armed opposition attempts to challenge and/or topple a regime (guerrilla warfare, separatist rebellion). For a conflict to be considered internal war, three conditions must be present:
 - Opposition tries to seize power or gain autonomy for a portion of the state
 - Violence must target agents of the state or government
 - Opposition must have mobilized popular support
- **Civil Unrest.** Violent strife directed against a government in order to effect a change in policy or government (labor strikes, riots, violent demonstrations). While often organized, such action does not have the organization of a war, but does contain the following components:
 - Occurs in more than one locality or is sustained for at least two consecutive days
 - Involves at least several hundred participants
 - Involves violence as a primary tactic (i.e., police, private or public property)
- **Anomic Violence.** Unorganized, episodic criminal violence without an explicit political purpose (looting, armed robbery, assault, murder, drug trafficking and racketeering by individuals and groups) but has political significance.
- **Coup d'Etat.** A successful attempt by insurgent elites to remove ruling regimes from power by extraconstitutional means, and is accompanied by actual or threatened resorts to physical violence. Coups are relatively covert

¹⁵ The data drawn for this paper were taken from *Conflict Vulnerability in Peru: An Assessment*, written by Dr. Bruce H. Kay of EBR for Management Systems International (MSI) under contract to USAID. Other relevant information came from documents published by USAID, the World Bank, and the Inter-American Development Bank.

actions that ignore or bypass the regular channels or “rules of the game” concerning succession. A coup is an event in which a regime is suddenly and illegally displaced by an insurgent elite group without overt mass participation in the event itself. It may not involve a military seizure of power.

Each conflict category represents a different challenge for the state and donor agencies seeking to advance their development assistance efforts. For each type of conflict, different combinations of variables drive the causal dynamic leading to the eruption of violent conflict. In the Peruvian case, unresolved cases of human rights violations, such as the Barrios Altos and La Cantuta massacres of the early 1990s, were identified as having increased vulnerability to internal war and civil unrest, but were not clearly related to anomic violence. For example, a strategy that exclusively targets the strengthening of rights groups and domestic ombudsmen may stem political violence, but not crime waves sweeping the country. Similarly, some factors inhibit certain types of conflict, but not others. A greater police presence may deter anomic violence, for instance, but will not necessarily prevent civil unrest.

Identifying Drivers and Inhibitors of Conflict

Conflict drivers and inhibitors are those pivotal variables that can spark or prevent instability within a country. Their critical importance dictates that their identification should be taken utilizing a variety of methods, applied with rigor.

The Peruvian case study identified conflict drivers and inhibitors for each type of conflict. Potential conflict drivers and inhibitors were originally proposed by USAID

Peru Quantitative Analysis: Findings On Civil Unrest		
<u>Variable</u>	<u>Sign</u>	<u>Relation to Conflict</u>
Regime Disaffection (% Invalid vote)	(+)	Driver
Human Rights Abuses (#, Severity)	(+)	Driver
Rule of Law Perception	(+)	Driver
Corruption Perception Index	(+)	Driver
Centralization	(+)	Driver
Unemployment, Underemployment	(+)	Driver
Foreign Direct Investment	(+)	Driver
Elections (Disputed)	(+)	Driver
Confidence in Political Institutions (incl. police)	(-)	Inhibitor
Government expenditures on social policy, infrastructure	(-)	Inhibitor
Economic growth % GDP	(-)	Inhibitor
Aid as % GDP	(-)	Inhibitor

personnel and vetted by experts and the academic literature. The researcher presented plausible conflict scenarios to experts and assigned probabilities based upon respondent input for each scenario. The researcher then conducted a series of open-ended focus group sessions in two regions of the country deemed to be at higher risk for conflict.

Complementing the qualitative assessment, the researcher collected data at the national and subnational levels on a number of potentially important political, social, demographic, and economic variables and assessed the relative effects of each factor on the vulnerability to each type of conflict. Findings of the case study were therefore derived from both qualitative and quantitative techniques applied to an eclectic mix of data.

Among the key drivers and inhibitors identified in the Peruvian case study include:

Corruption

- Perceptions that there was a growing problem with official corruption (as measured by a Corruption Perception Index) and the Weak Rule of Law were identified as key drivers for internal war and civil unrest.
- Judicial Corruption was noted as a key complaint by respondents across the social, demographic, and political spectrum. It was singled out by a focus group of young, university-educated Peruvians as a major flaw of the political system.

Political Participation

- Government Disaffection (% invalid vote) correlated strongly with both civil unrest and anomic violence.
- Disputed Elections also served as a driver for vulnerability to civil unrest.
- The perception that the Fujimori government had been transformed into an authoritarian regime and that institutions like Congress, the Judiciary, and the Media were not operating independently of the Executive Branch were the most frequent complaints among young, university-educated Peruvians in a focus group.
- Public Confidence in Political Institutions as measured by opinion polls was identified as inhibiting civil unrest and anomic violence.

Unemployment

- A key driver of vulnerability for both civil unrest and anomic violence.
- Listed as the primary concern of individuals in Latinbarometer (33%, twice as often as next closest indicator).
- Job opportunities were the fourth most frequent complaint of young, university-educated Peruvians in focus group.
- Employment Growth (annual %) was identified as an inhibitor for anomic violence.
- Economic Growth was an inhibitor for both anomic violence and civil unrest.

Regional Implications

In addition to isolating the drivers and inhibitors for the various types of conflict a country might expect, it is important to assess which regions of the country are most vulnerable to the various forms of instability. Subnational analyses can also reveal trends not readily apparent when analytic attention is focused at the national level. Loreto, the comparatively quiescent jungle department that was relatively unaffected by terrorist violence in the 1980s and 1990s, was projected to have a higher potential for both civil unrest and anomic violence over the next five years, due to a mixture of government disaffection and nationalist passions inflamed by a controversial peace accord with Ecuador and the economic crisis exacerbated by the cessation of oil drilling. The subnational analysis also identified several other primarily urban “danger zones” (Lima, Junin, Ancash, Arequipa, and Lambayeque) as vulnerable to both civil unrest and anomic violence in the aftermath of the disputed 2000 general elections.

In some cases, findings at the subnational level were counterintuitive. Ayacucho, the birthplace of Sendero Luminoso and the department most severely affected by violence during the 1980s, for example, was found to have substantially reduced its vulnerability to internal war, civil unrest, and anomic violence. The explanation was that concentrated government spending and a sensible pacification strategy had had a major impact in holding conflict to a minimum.

Conducting analysis at the subnational level avoids the pitfalls of a “cookie cutter” approach, which often assumes little regional variation in the social, economic, and political fabric of society. Analysis of the department of La Libertad, for example, found a low vulnerability to civil unrest, but a high vulnerability to anomic violence. It can be suggested, therefore, that strategies designed to increase state capacity to combat crime in La Libertad would go a lot further in solving the area’s problems than a plan to boost political participation (a recommendation for a region plagued by civil unrest).

Value also can be gained by focusing on cross-border drivers and inhibitors of conflict. The Peruvian study revealed that narcotrafficking has played and continues to play a key role in the country’s vulnerability to instability; the strength of the illicit drug economy was identified as a driver of internal war. But such events are not limited to drugs and criminal activity. The conflict in Colombia and the still-simmering dispute with Ecuador and its domestic repercussions along the affected northern border areas could have an impact on the potential for civil unrest and even internal war in regions including Loreto. Increased military and police presence in the region could curb anomic violence, but spark a backlash if human rights abuses occur.

Matching Programs to Key Variables

USAID has several programs in place that address aspects of all three variables: corruption, lack of political participation, and unemployment. As part of Program 527-SO-01, USAID has worked to combat judicial corruption by nurturing civic education

curriculum development, diversity sensitization activities, and alternative dispute resolution mechanisms.

To enhance political participation, USAID focused part of its Program 527-SO-01 on a variety of initiatives designed to facilitate citizen interest and institutional responsiveness.

- Participatory Democracy (PARDEM) provides assistance to:
 - Government electoral bodies and NGOs to strengthen the electoral system.
 - The Controller General to improve public accountability.
 - Local NGOs specifically designed to promote civic awareness.
 - Congress to improve its functionality and citizen outreach.
- Justice Sector Support (JUST) provides assistance to local human rights groups to:
 - Defend individuals unjustly accused of terrorist activity.
 - Provide rights information to citizens.
 - Promote the development of an Ombudsman Office (known as the Defensoria del Pueblo).
- Local Government Development (LGD) programs:
 - Support decentralization by enhancing local government institutionalization.
 - Promote community participation in government.

To combat economic problems associated with unemployment, USAID instituted Program 527-SO-02 which seeks to improve:

- The policy environment for private sector growth, especially in marketing and exporting both agricultural goods and nonagricultural products (shoes, handicrafts) by reducing private sector taxes to make prices more competitive for trading purposes and encouraging government purchasing from small businesses.
- Access to credit for microenterprises and entrepreneurs.
- Government spending on human capital investments, especially education.

Additionally, USAID Program 527-SP-01 (Alternative Development) provides for the training of 5,500 municipal officials and community leaders in municipal management, as well as program planning and implementation of a project to help farmers shift from coca production to other types of crops. Local officials also are involved in the construction of over 250 social infrastructure projects, including schools, health clinics, and water systems.

Sharing the Burden

As noted earlier in this paper, cooperation among assistance agencies and donors is a key component of any strategy designed to help a country overcome problems

associated with instability, particularly given the constraints USAID must operate under (Congressional benchmarks, limited funding, etc.). Pooling resources among donors and coordinating their disbursement with local authorities may produce a more effective response.

In the study, collaboration across international assistance agencies is cited as an effective component of any Democracy and Governance policy. In particular, cooperation between the Organization of American States and local rights groups is seen as an effective response toward human rights abuses (a driver of both internal war and civil unrest). Forging international-domestic links, such as support for Transparencia's proposal for a National Accord, is also offered as a solution.

USAID's efforts to improve Peru's legal system and combat judicial corruption were also backed by several agencies:

- The World Bank, which approved a \$22.5 million package, designed to improve access, quality, independence, efficiency and integrity of the Peruvian judicial system.
- The Inter-American Development Bank (IDB), which installed a \$20 million program to modernize judicial institutions in the poorest communities.
- The European Union, which assisted by developing the Judicial Academy and providing grants to local NGOs.

Each donor is tackling a different element of the problem to avoid unnecessary duplication of efforts. The donors also recognized the impact judicial reform has on the economic sector. The World Bank reported that in a 1993 survey of 108 Peruvian businessmen, 90 percent said that they would not use the judicial system to resolve their legal disputes, and 32 percent expressed reluctance to purchase from new suppliers because they could not rely on the contract enforcing mechanisms of the judiciary.

Seeking Public-Private Partnerships

Although nation-states usually are the key players in both providing and distributing aid, awareness of the value of partnering with the private sector is growing.

- USAID has funded private sector organizations and nongovernmental human rights groups in order to address legal defense issues for poorer Peruvians in battling judicial corruption.
- Programs such as PARDEM and JUST, designed to increase political participation, involve interactions with private volunteer organizations (PVOs) and NGOs.
- Local commercial organizations such as the Exporters Association and the Businessmen's Association worked with USAID to implement programs such as 527-SO02 (Increase Incomes of the Poor) in conjunction with NGOs such as the Relief and Development Agency of the Adventist Church (ADRA) and Private Voluntary Agencies Collaborating Together (PACT).

The Value of Metrics

All programs need to be evaluated to determine if a project is successful or needs to be retooled or abandoned. In the Peruvian case, several metrics or yardsticks were developed to assess programs in each key area:

Combating Judicial Corruption

- Number of incarcerated citizens who were “unjustly” accused of terrorism fell from 1,048 (1996) to 250 (2000).
- Number of citizens from disadvantaged groups who know their basic rights nearly doubled from 1996 to 2000.

Political Participation

- The percentage of citizens who actively participate in resolving community problems jumped from 32 percent to 48 percent.
- Results showed a 10 percent increase in the number of valid votes cast in an election from 1995 to 2000, representing a decline in government dissatisfaction.

Unemployment

- Labor statistics showed that 32,000 new jobs were generated from exports and another 45,000 employed through government policies designed to alleviate poverty in the highlands.
- The value of expenditures (per capita) of the poor and the value of exports of selected nontraditional export products registered increases from the mid-1990s.

Implications for Conflict Vulnerability

Since the Peru study was published in August 2000, Peru has been shaken by a series of dramatic events; namely, the September corruption scandal involving Fujimori's intelligence ex-chief, Fujimori's firing of the intelligence chief and call to hold new presidential elections in April 2001, his resignation in December while on an official visit to Japan, and the appointment of an interim head of state to preside over a major political transition. Peru's interim government under Valentin Paniagua is confronted by a monumental challenge: dismantling the antidemocratic features of the old regime and implementing wide-ranging reforms, while holding new elections and transferring power to a duly elected head of state.

USAID programs targeted on the key variables identified in the Peru case study probably reinforced public sensitivities about corruption and the need for good governance that helped spark dramatic events of September to December 2000. Increased public sensitivity to corruption¹⁶ helped spark the public outcry, which convinced Fujimori to leave. Although the former President might have relied upon a strong economy or low unemployment to temper people's demands, such a scenario was clearly not present. Demand also was building for long-delayed reforms to increase political participation at the local and national levels, overhaul the judiciary, decentralize government, and basically shift Peru away from the autocratic style of governance that Fujimori popularized. USAID has contributed to this effort by helping strengthen civil society and support NGOs and PVOs like Transparencia, ProMujer, and the array of human rights organizations that are currently playing an active role in the reconstruction of democratic governance. It is this demand for a more inclusive and participatory regime that appears to be guiding the post-Fujimori transition, as preparations for new elections get underway. The challenge is whether a sufficient foundation has been laid to propel Peru on a more stable path.

The case study also demonstrates the importance of identifying contingencies and generating alternative scenarios. Although the potential for a military coup in Peru was rated as low by experts because the military was perceived to be weak, the research effort did uncover evidence of growing civil-military tensions—an area which would have received more attention if alternative scenarios had been generated as part of the project. Such contingency analyses might also have addressed how a significant trigger event such as the revelation of corrupt activity at the highest levels of government could have undermined Fujimori's political standing.

¹⁶ In previous studies conducted by EBR, corruption was predicted to be highly destabilizing if four conditions were met: (1) the evidence was publicly visible, (2) it involved the head of state, (3) it is perceived to pervade the entire executive branch and judiciary, and (4) it involves the coercive institutions which maintain the regime (military, police, palace guard). In the Peruvian case, the last two conditions had been present for some time. The public viewing of the Montesinos bribery videotape significantly increased the salience of the first two criteria, stimulating the crisis.