The Security & Development Nexus

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THE SECURITY & DEVELOPMENT NEXUS

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In the 21st century the need for conflict and post-conflict reconstruction efforts have increased since a number of conflicts in Asia, Africa and Eastern Europe necessitated the building of newly-democratized states while aiming to achieve security and promoting development. The difficulties that arise when helping to reconstruct states that have failed or those approaching a “failed state” status is that they are neither stable nor have a secure environment which prevent the opportunity for economic development, despite reconstruction efforts. These are the most difficult of situations due to the interconnectedness and direct correlation of the two significant criterions for established peace: security and development. These two criteria create a catch-22 situation where without security, development won’t come yet without development, security will not prevail. This situation has become widely accepted by the International Community, specifically at the European Union’s Council Conclusion on Security and Development of November 2007, the Council reiterated that ‘there cannot be sustainable development without peace and security, and without development
and poverty eradication there will be no sustainable peace’. Importantly, the Council stated that the nexus between security and development should help define strategies, policies and programming. This means that at policy and operational levels, the linkages between security and development should be taken into account.

For my thesis I will conduct an analysis of failed states reconstruction efforts with a focus on economic development and security. I will discuss how development and security are intricately tied together, although it is accepted as evident that security is a prerequisite for development. My hypothesis I will argue is that development is required before security can be stabilized. By exploring a shift in focus from security oriented reconstruction efforts to economic driven efforts it will become evident that it is possible to achieve development amongst both fronts, whereas economic development can lead to improved security.

I will begin this thesis by identifying the need and modern origin of reconstruction efforts. I will then evaluate frameworks for reconstruction before we begin to further explore the security and economic nexus and the evolution of this concern within recent times. With an understanding of the need and the nexus of reconstruction we can then analyze typical theoretical justifications for dealing with these matters. We will better understand this nexus when analyzing states in conflict whose attempts at reconstruction have either aided or damaged the two

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crucial issues. This will also help us to identify how security driven efforts have been unsuccessful in certain reconstruction attempts and why a greater emphasis on development led efforts are required. I will evaluate a number of nations such as Afghanistan and Somalia whose current situations are representative of the complexities we will be discussing. However, the focus will remain on Afghanistan because of its complex challenges, which are prohibiting economic growth, as well as national and local security. I will look at the economic and social well-being status as well as the nation’s security status in order to identify what has been established insofar. These findings will later be evaluated and compared against economic growth models, such as Rostovians five stages of growth and the unbalanced model of growth to determine the missing links in an effort to find the connection and causal relationship between security and economic development. In identifying these failures and isolating any significant successes I will seek to learn how that can be best capitalized so we can further progress on the security and development front. I look to answer whether the current strategy in Afghanistan needs to be adjusted or even replaced, are more soldiers or more money the answer, do we need greater involvement from NGOs, is privatization the answer, can licit drug cultivation or security subsidization be a solution? We will look at this nexus from a different perspective; can we focus primarily on development to build security? Or should these two intrinsic issues be dealt with together to identify a mutually reinforced alternative that will allow for the simultaneous achievement of both essential elements? The goal of my thesis is to prove that a shift in focus is required; by placing greater emphasis on
economic development driven policies reconstruction efforts can succeed while furthering security. Development can lead to security.
Chapter 2

The Need for Reconstruction

International political discourse has drastically broadened over the past century following the end of two devastating world wars and the extensive Cold War era. Due to an increased need for conflict and post-conflict reconstruction efforts, development and security issues have come to the forefront of international relations. During this period peace building or reconstruction missions have dispatched to Namibia, Western Sahara, Cambodia, Somalia, Bosnia and Herzegovina, Eastern Slovenia, East Timor, Sierra Leone, Kosovo and Afghanistan amongst many. This has resulted in a shift in the international political paradigm, from initial concerns over political power and strength, such as increased military strength and the infamous “arms race” during the Cold War, to greater emphasis on collaboration towards economic development to ultimately achieve global security in an age of interconnectedness², such as the recent international efforts towards the Millennium Development Goals (MDG).

In this chapter I will discuss the need for reconstruction efforts and newly aligned international goals since the creation of MDG’s. We will then explore some

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² For example in 1972 Secretary of Defense, Robert McNamara made the following speech: "Too little, too late, is history’s most fitting epitaph for regimes that have fallen in the face of the cries of the landless, unemployed, marginalized, and oppressed, pushed to despair. As such, there must be policies designed specifically to reduce the poverty ... in developing countries. This is not just the principled thing to do, it is also the prudent thing to do. Social justice is not only a moral obligation it is also a political imperative."
perspectives on how reconstruction efforts are categorized and what items are perceived as essential to reconstructing a nation.

The emphasis on global security can be better understood when considering the recent universal MDG goals established in 2000. The MDG programs are based on the premise that a world filled with poverty, inequality and disease is a world which will continue to experience violence, state failure and be permeated by a deep sense of insecurity. This sense of insecurity will penetrate developed nations; as such, this threat is an international concern. The importance for the global community is exemplified by the driving force for international development policies to achieve a more productive means for people living in poverty, a way to secure a peaceful world for all because poverty is viewed by the MDG as the root causes for instability, conflict and ultimately state failures\(^3\). The MDG’s caused a shift in focus due to the growing realization amongst global leader that national and international security and stability requires success in the battle against poverty. As noted by many global leaders such as President Jacques Chirac of France and President Olusagun Obasanjo of Nigeria, development is essential in the quest for global peace and security.\(^4\)

In addition to the MGD goals, the events of September 11 placed greater importance on the need to address conflict and post-conflict states. Failed states were not only causes of concern for humanitarian purposes but increasingly for

\(^4\) See Millennium Project: http://www.unmillenniumproject.org/reports/why5.htm
national and global security. Global leaders such as the United States and its major allies realized that if the international community did not address conflict and post-conflict states then “failed states”\(^5\) will likely emerge. These states can then become a sanctuary for terrorist networks, international organized crime and drug traffickers. The failed states affect the stability of regions and can in turn pose a threat on the national interests and security of other nations in an interdependent world. Recent political events have brought this matter to greater light, such as when Secretary of State Collin Powel stated, “Helping poor societies to prosper has long been part of our international goals. We see development, democracy, and security as inextricably linked. Development is not a "soft" policy issue, but a core national security issue. Although we see a link between terrorism and poverty, we do not believe that poverty directly causes terrorism. The connection between poverty and the absence of freedom is not an incidental one. The United States cannot win the war on terrorism unless we confront the social and political roots of poverty. Ultimately, it is not possible to separate economics from politics.”\(^6\)

2.1 Reconstruction Framework

Recent efforts of pursuing reconstruction efforts with the aim of preventing or addressing failed states in conflict ridden nations and ultimately achieving MDG

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\(^5\) According to Noam Chomsky in *Failed States: The Abuse of Power and the Assault on Democracy*, “failed states” are identified by the failure to provide security for the population, guarantee rights at home or abroad, or to maintain functioning democratic institutions. He also notes that following 9/11 the “failed states” category expanded to include those that allegedly threatened the United States with weapons of mass destruction or terrorism.

\(^6\) Powell, Colin L., Foreign Policy, Jan/Feb 2005, Issue 146, p 28-35
goals has been an arduous task for the international community. Thus, certain organizations such as the Center for Strategic and International Studies (CSIS) in a joint task with the Association of the United States Army (AUSA) have created a framework for reconstruction in an attempt to prevent further failed states from emerging. The framework tasks are organized around four distinct issue areas, or “pillars”: security; justice/reconciliation; social/economic well-being; and governance/participation. Although all four pillars are considered essential in reconstruction missions, social and economic well being are considered vital and security matters are given the utmost priority. The framework defines the two crucial pillars as:

- **Security** addresses all aspects of public safety, in particular establishment of a safe and secure environment and development of legitimate and stable security institutions. Security encompasses the provision of collective and individual security, and is the precondition for achieving successful outcomes in the other pillars.

- **Social and Economic Well-Being** addresses fundamental social and economic needs; in particular provision of emergency relief, restoration of essential services to the population, laying the foundation for a viable economy, and initiation of an inclusive, sustainable development program. Often accompanying the establishment of security, well-being entails protecting the population from starvation, disease, and the elements. As the situation stabilizes, attention shifts from humanitarian relief to long-term social and economic development.

In addition to the above framework noted scholar, Francis Fukuyama, defined post-conflict reconstruction as the first phase of nation-building, which applies to failed states after violent conflict and where the international community has to

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7 Center for Strategic and International Studies (CSIS) and the Association of the United States Army (AUSA)
Task Framework, *Post-Conflict Reconstruction* May 2002
8 Ibid, page 4
9 Ibid
provide security and all essential needs and/or services. The second phase of nation-building, according to Fukuyama, is the creation of self-sustaining state institutions which are providing security and all essential needs with the help of international community. It normally starts after the completion of the first phase and once the international forces have assured security and stabilized the situation. The third phase involves strengthening of weak states through further development.\textsuperscript{10}

Both frameworks for reconstruction efforts note security and development as crucial and necessary elements to reconstruction. They also define these items as separate goals. CSIS gives security the highest priority and Fukuyama classifies development as the third phase, following security, both consider security as the precursor to development. With further exploration into reconstruction efforts I will argue that these two crucial issues should not be addressed individually but together as one intrinsic element. I will also argue that it is possible to further security through development and not vise-versa contrary to the above framework.

Chapter 3
The Security and Development Nexus

“In the twenty first century, all States and their collective institutions must advance the cause of larger freedom by ensuring freedom from want, freedom from fear and freedom to live in dignity. In an increasingly interconnected world, progress in the areas of development, security and human rights must go hand in hand. There will be no development without security and no security without development. And both development and security also depend on respect for human rights and the rule of law.”

~ United Nation’s Secretary’s Report to the General Assembly, March 2005

Two decades ago the notion that there is a direct and irrefutable link between development policies and security of not only various states but the global community at large was given cursory importance at best. Today, diplomacy, development, defense and democracy are regarded as being synonymous with each other in international relations and politics.

I have started this chapter with a further elaboration of Kofi Annan’s quote taken from a UN internal report dated March 21st, 2005 to further highlight the importance of the Security and Development Nexus. This nexus will be the core focus in this chapter.

We will start off by discussing in a historical context the evolution of the security and development nexus, in particular its development after the Cold War, how
intrastate wars, which we have also explained as the dominant form of conflict in contemporary times, can inhibit and destroy progress.

Although the international community at large accepts the nexus as the way forward towards progress for emerging economies and conflict zones, there are many areas where there are no common consensuses for policy measures\textsuperscript{11}. For instance, the notion of ‘development’ does not have a universal definition and is an extremely elusive concept. It could mean a GDP at a certain level, a growth rate at a certain level, human rights and environmental sustainability. Thus we will also be focusing on the four important obstacles that arise in implementing the security and development nexus.

Following the elaboration of the impediments to the security and development nexus we will talk about a fundamental problem that arises as a direct consequence; defining state fragility. There are numerous definitions available for use today that define a number of countries each with its unique set of conditions, posing a challenge to world security. Thus coming up with a definition for a failed state will be dealt here.

Once we have defined some of the worst instances of security lapse within conflict zones around the globe, we will be in a position to understand the problems that are endemic with fragile states. The most significant issue discussed

\textsuperscript{11} An Exploration of the Link Between Security and Development by Dr. Maxi Schoeman Published in Monograph No. 27: Security, Development and Gender in Africa, August, 1998
here will be ‘the vicious circle of the development nexus’, governance issues, hindrance to growth particularly within the context of sub-Saharan countries.

3.1 Evolution of the Global Security Concern

The end of the Cold War marked the collapse of the Soviet Union and with it the end of numerous proxy wars that plagued many regions of our world as the two dominant powers, the U.S. and the Soviet Union that once held the world hostage, made a strategic shift. And as a large scale global war was averted the era of international collaboration came into being.

However, the 90s did not turn out to be a period of widespread peace as was anticipated. Millions of people around the world still suffered from poverty, ethnic strife, internal conflict and security lapses. Of significant note were problems like HIV/AIDS in Africa, mass relocation of refugees from Afghanistan into Pakistan, genocide in Rwanda and Kosovo, as well as developmental issues like malaria, illiteracy and damage to the environment.

These problems lead to a rethinking of global post-cold war issues\textsuperscript{12}, particularly in the context of peace and prosperity. The concept of peace building, at inter and intra state levels required a more integrated approach with development and security at international and domestic levels.

Whereas previously, the world was divided between the two power blocs and the most significant matters of security and peace were dealt outside the realm of the

\textsuperscript{12} Post-Conflict Reconstruction, A joint project of the Center for Strategic and International Studies (CSIS) and the Association of the United States Army (AUSA) May 2002 http://csis.org/images/stories/pcr/framework.pdf
U.N., with military alliances and diplomatic solutions such as the North Atlantic Treaty Organization (NATO) and the Warsaw Pact, the end of the Cold War necessitated the involvement of all states to devise a more comprehensive, global and a coherent policy for development that went beyond the traditional approaches to include human rights, governance, economic development, socio-politico-cultural issues and environmental concerns.

3.2 Defining the Nexus

Most significantly, however, it was realized that the problems, some of which have been mentioned above, had a spill over effect in neighboring regions and even across continents. Thus, the logic that followed was that what goes on with a state domestically has an impact on the international community at large.

This realization led to a series of conferences on human development in U.N. throughout the 1990s and culminated in the Millennium Declaration in 2000 where Kofi Annan then Secretary General of UN, felt that developmental issues concerning children, nutrition, human rights, women, etc. needed to be specifically addressed for the world to be a safer place. The declaration asserts\textsuperscript{13}

\begin{quote}
\textit{“… that every individual has the right to dignity, freedom, equality, a basic standard of living that includes freedom from hunger and violence, and encourages tolerance and solidarity.”}
\end{quote}

\textsuperscript{13} Together at One Altar http://www.togetheratonealtar.catholic.edu.au/live/dsp-content.cfm?loadref=54
This universal acceptance of UN’s Millennium Declaration by 189 countries of the world in 2000 was a historical event since it demonstrated the shared perspective of world leaders regarding global peace and prosperity. Moreover, it also marked a new era of international relations where there was an increasing realization of stability through cooperation and shared responsibility. Where The League of Nations had failed the United Nations had succeeded. It also firmly established the mutually inclusive relationship between security and development.

However, as with every theory of international relations there are shortcomings and complications involved with the security and development nexus.

3.3 The Issue with the Nexus

While the world agrees that security and economic well-being are the twin pillars of growth and reconstruction, there is significant confusion regarding the policy measures that should be based on these pillars. Every country emerging from a state of conflict brings with it a set of unique preconditions that need to be handled differently in terms of priority, timing, precedence etc. Sometimes there are significant human resources and financial strength available, which the society can draw from to rebuild. At other times the resources are deficient and require an alternative approach.

Still further, human security might be a very important objective but may not achieve development. So when it comes to policy implementation there is no single consensus on a template for establishing of peace, the responsibility of actors involved, who should act and when. Although the general consensus
remains that security is a prerequisite to development. This all poses a problem for international mediators who then must customize intervention, assistance and development according to the needs of a state.

The other hindrance to the effective implementation of the nexus is the absence of a common definition of the term ‘security’ and ‘economic well-being.’ Security is a broad concept and goes beyond merely state security to include human security, for instance, land mines and non-military threat across borders. Likewise, ‘economic well-being’ is extremely diverse, including growth rate, sustainability, governance, etc.

The third issue lies with the inherent nature of security and development nexus where it is assumed that it applies at a varying degree to different stages of the peace process. This leads to a greater focus on its implementation as a formula rather than on its content, which should be customized to suit the needs of a conflict zone.

Lastly and perhaps as a summary of the issues mentioned above, there is complexity involved whenever international policies are implemented across diverse cultures and regions. There are many actors at every stage including, local and regional governments, non-governmental and civil society each with its own interest in the policy14.

In the 1990s when the security development nexus was being conceived, the policies recommended by the U.N. did not interfere with the interest of powerful

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external players. However, with issues like North Korea, Kosovo, Democratic Republic of Congo, Kashmir or Palestine, which represented a profound entanglement of the interest of various actors, difficult questions like whose agenda is affected and whose is given precedence have arisen.

3.4 Defining a Fragile State

Most definitions lack a practical and analytical sense necessary for historical and contextual study. For instance, poverty and economic degradation is often included in the definition of fragile or even failed states. The rationale stated is that poverty is often the cause, the result of or a precursor to a fragile state status. Although poverty is an unmistakable part of a fragile state it is but one of the many such traits of a fragile state. Thus we have to find a definition that encompasses all traits of a fragile state and not limit it to certain examples and stereotypes.

One international body that provides us a fairly accurate depiction of a failed state status is the Organization for Economic Co-Operation and Development (OECD). The OECD is a unique collaboration between 30 democratic governments of the world to address issues like economic well-being, socio-politico-cultural and environmental challenges of globalization. It lies at the forefront of international policy research for identifying challenges, best practices and coordination. Members of OECD include United States, Japan, New Zealand, Australia, Korea, Mexico, Canada and most countries of the Eurozone.

15 See http://www.oecd.org/home/0,2987,en_2649_201185_1_1_1_1_1,00.html
According to OECD a fragile state is one\textsuperscript{16} that is unable to meet the expectations of its people or manage changes in expectations and capacity through a political process. Traits like poverty, GDP growth, unemployment, human rights etc. comes later on and vary considerably depending on the history, culture and background of the state.

In a developed and stable country, the citizens expect certain services from the state like security, stability, favorable conditions for economic prosperity, welfare etc. and accept the states monopoly over these services including the application of force to maintain order. The state also in turn expects the cooperation of its people in the form of law and order and tax revenue. When these expectations are not managed the social contract between state and its people is weakened leading to unrest. Comprehensively speaking there are other factors that are also a part of this definition such as; relationships between politicians, resources at disposal, will of the elite etc.

So for instance a state might have all the resources but if it has an extremely weak legitimacy of its elites, such as in the case of Shah of Iran, the people may pose a challenge to the authorities.

More commonly a state has the well developed political process and governance mechanism required to fulfill its part of the social contract; however, it may lack the resources necessary to do so. An example can be Mozambique, which is heavily dependent on international aid.

\textsuperscript{16} Concepts And Dilemmas Of State Building In Fragile Situations FROM FRAGILITY TO RESILIENCE see http://www.oecd.org/dataoecd/59/51/41100930.pdf
The worse form of fragility comes when all factors of bad governance, incapability of government to meet expectations, lack of resources, historical instability, and rudimentary political processes are prevalent. This immediately creates a political problem with the potential to turn into a chronic crisis. Examples can be Iraq, Somali and Afghanistan.

3.5 Why Afghanistan

With a better understanding of the security and development nexus and a definition of a failed state we can now begin to analyze a country that serves as an excellent example, Afghanistan. The current situation in Afghanistan is demonstrative of the challenges faced in trying to stabilize and rebuild a war-torn nation. Since the Soviet withdrawal at the end of the 1980s, Afghanistan has been in a state of disorder and chaos. There have been no functioning state institutions, no police or judicial system, no health or education systems, an unorganized and vicious regime that forcefully took power and imposed brutal tactics of enforcement, a flourishing illegal agriculture industry for drug production and trafficking which funds terrorist factions. Due to Afghanistan’s geostrategic political significance of being located on the cross roads of Europe and Asia, a nation which has been fought over for centuries, it is an important case study as it draws the attention of the international community. Afghanistan poses a threat to international peace and security and it is vital to identify a solution to achieve security and economic development in an effort to reconstruct this historic and essential nation.
Nearly a decade after international intervention began, none of the four pillars of reconstruction have been achieved and the nation faces considerable obstacles to security and stability. Afghanistan’s political, economic and security characteristics are considerably unique, therefore creating a difficult challenge on the path towards reconstruction. Firstly, peace-building missions are typically conducted by a single mission where Afghanistan has numerous missions involved in building the state. For example the Security Sector Reform (SSR) process in Afghanistan consists of five parts: creating the Afghan National Army led by the US; creating the Afghan National Police led by Germany; establishing the judicial sector led by Italy; creating counter-narcotic measures led by the UK; and enhancing the process of disarmament, demobilization and reintegration (DDR) led by Japan. Secondly, Afghanistan’s economy is sustained through illegal and corrupt means. The economy is based on opium production and smuggling. Afghanistan produces 93 percent of the world’s opium\(^\text{17}\) and the income from its production and trafficking in 2005 was estimated at $2.7 billion, which is equivalent to 52 percent of Afghanistan’s legal gross domestic product.\(^\text{18}\)

Finally and most importantly Afghanistan is not in a “post-conflict” era as internal conflicts still progress and a ceasefire has not been reached. 2010 marked the deadliest year on record for Afghans and international forces, with more

\(^{17}\) World Bank

\(^{18}\) *International Herald Tribune*, 25 November 2005
casualties in the first nine months of that year than in the entirety of 2009\textsuperscript{19}. The security situation in Afghanistan has created economic barriers and is prohibitive of it becoming an economically productive nation. In turn, this has countered reconstruction efforts and further prevents significant progress on the economic development front. In terms of understanding the extent of these economic barriers, the World Bank Doing Business report lists Afghanistan 178th out of 178 countries in terms of investor protection and 174th in terms of cross border trade.\textsuperscript{20} Afghanistan is one of the last countries where an investor would consider making substantial investments within the formal economy. After several years of stalled progress, the nation is at a critical juncture; according to the United States think-tank Fund for Peace’s “Failed State Index” Afghanistan is still considered a “failed state” in 2010 and its status has progressively worsened over the past decade\textsuperscript{21}.

There are varying opinions on how best to resolve the situation in Afghanistan. Initially there were no clear schools of thought or ideological dividing lines; there was a wide spectrum of theories on how best to approach the reconstruction efforts. Similarly the implementation and policies have greatly varied\textsuperscript{22}. With nebulous direction, numerous participants and the lack of a solitary organization

\begin{flushright}
\textsuperscript{19}Ibid
\textsuperscript{20}International Financial Corporation, World Bank, \textit{Doing Business Report 2011} \\
http://www.doingbusiness.org/data/exploreeconomies/afghanistan/
\textsuperscript{21}http://www.fundforpeace.org/web/index.php?option=com_content&task=view&id=452&Itemid=900
\textsuperscript{22}For example the government and democratic process was established without the proper structures, the majority of aid was funneled outside of the governments control, the DDR program was never really implemented and warlords were assigned responsible for maintaining security
\end{flushright}
to mandate or oversee the process, the reconstruction efforts have become somewhat impromptu and ineffective. Although the general ideologies and policies fall under the umbrella of the liberal peace framework: the stated approach of the international community and the U.S.-led coalition was a three-pronged intervention. The goals were to: 1) defeat al-Qaeda and the Taliban regime through military operations inside Afghanistan\textsuperscript{23}, 2) craft a political process leading to the peaceful and at least incipiently democratic new government for the country, and 3) mount a long-term international effort to provide economic assistance for humanitarian relief and reconstruction.\textsuperscript{24}

Unfortunately, these goals are unachievable because the complex dynamics of the nation and the approaches of the international donor community do not align. Therefore, Afghanistan has yet to realize any major achievements of the reconstruction efforts nor is it a stable nation; this further jeopardizes national and global security fearing that the nation will remain a failed state. Emerging from this, there is now a copious amount of theories on how best to address and repair the current situation in Afghanistan. Some scholars such as famed revolutionist and author Ahmed Rashid claim that there is a need for greater emphasis on establishing security through continued and strengthened militarization\textsuperscript{25}.

\textsuperscript{25}87 Foreign Aff. 30 (2008)
From Great Game to Grand Bargain - Ending Chaos in Afghanistan and Pakistan; Rubin, Barnett R.; Rashid, Ahmed
Increased militarization would stabilize and secure the nation, which would be the main objective or short-term goal then he feels that we can better focus on reconstruction and development goals for the long-term outlook. Conversely, it is viewed that decreased military efforts and further economic development can also achieve the goal of security. President Obama’s national security adviser, James L. Jones, noted that:

“The piece of the strategy that has to work in the next year is economic development. If that is not done right, there are not enough troops in the world to succeed.”

This approach would primarily necessitate increased involvement of the communities, organizations and NGOs that specialize in reconstruction and aid. Because Afghanistan has been heavily reliant on drug production and trafficking which funds terrorism, these activities can be countered by engaging the people in alternate economic pursuits spurring development whilst creating a more secure nation. It is vital to find the intersection of these two approaches while addressing the complex problems that prohibit each approach from succeeding. The nexus of

Afghanistan: Crafting an Effective and Responsible Strategy for the Forgotten Front.” Center for American Progress.


these paradigms will afford the international community to accomplish reconstruction and security efforts.

Economic strengthening measures such as private investment are essential to Afghanistan’s economic progress and stability. Although, these measures cannot be properly implemented and maintained due to the weak security structure which is unable to support private investment. Although there are reports by the World Bank, US AID and the US Department of Defense on the Gross Domestic Product (GDP) growth in Afghanistan, these reports cannot be taken at face value.\textsuperscript{28} For example, since 2001 Afghanistan has realized double-digit growth rates, although this is primarily driven by donor-funded government investment which leads to a misrepresentation of the nation’s growth\textsuperscript{29}. In 2009, 47 percent of the GDP was attributed to donors making the nation highly aid dependent\textsuperscript{30}. In the same year private investment had fallen to 8 percent of the GDP.\textsuperscript{31} Without private investment, economic growth cannot be stimulated and the burden will continue to be placed on the international community.

Afghanistan’s economic future and prosperity is dependent upon the development of a thriving, dynamic, and resilient commercial sector. Yet, the commercial

\textsuperscript{29} Source: World Bank, World Development Indicators - Last updated March 30, 2011
\textsuperscript{31} Ibid
sector can only be spurred by private investment, which is crucial to creating stability in order to achieve long-term security. In opinion polls, the Afghan public consistently rates jobs and economic prosperity as the country’s greatest need, even ahead of security. In the long run, the nature of the business environment and the ability of Afghan entrepreneurs to pursue economic opportunity will determine if Afghanistan’s economy can become self-sustaining. Unfortunately, many businesses are fearful of pursuing any investments in Afghanistan because of the depraved security situation. The Center for International Private Enterprise conducted a survey in 2010 asking over 700 businesses to name three factors that most adversely affect the growth of the Afghan business sector. The top response at 78 percent was lack of security, followed by corruption and lack of electricity. With a dependency on aid and minimal investment Afghanistan’s economic situation is continuing to worsen. If more jobs are not created than many Afghan locals will revert to criminal activities, primarily poppy cropping. Increased criminal activities and poppy production will further deteriorate the security situation due to increased funding for terrorist operations and it will further detract investment which ultimately feeds the vicious cycle of security and development. President Hamid Kharzai called the opium problem “the single greatest challenge to the long-term security,

33 Participants were randomly selected from membership lists provided to CIPE by three Afghan business registry organizations. These included member businesses of the Afghanistan Chamber of Commerce and Industries (ACCI), and businesses registered with the Afghanistan Investment Support Agency (AISA) and/or the Peace Dividend Trust (PDT). Interviews were conducted in person between December 22, 2009 and January 29, 2010 with 738 business owners and executives of formal (registered) businesses in Afghanistan’s six principal cities: Kabul (204), Jalalabad (123), Mazar-e-Sharif (113), Herat (111), Kandahar (102) and Khost (85).
development and effective governance of Afghanistan.\textsuperscript{34} The question still remains whether well organized and concerted efforts such as subsidized security programs for emerging industries, legalized opium production or other potential courses of action could help achieve the simultaneous goals of obtaining a secure environment while achieving greater economic development. Further analysis of these options within the peace building liberal framework compared against models of growth may produce a desired outcome and pave the path to success.

Generally, reconstruction efforts in conflict and post-conflict situations are at times a greater challenge than ending a war. Most nations usually fall back into a violent conflict within the decade, yet there are solutions to avoid further conflict and create a sustainable environment. Reconstruction efforts for Afghanistan will be a great task but can provide for great opportunity to further develop and define reconstruction policies. A nation stifled by decades of war, repression and internal strife poses a great danger to the international community. The nation’s wars have not been single catastrophic event but have turned into a devastating way of life filled with chronic poverty and social injustice. Reconstruction is therefore a long process of development, which needs to be structured in a matter that is sustainable. The first steps in achieving successful reconstruction goals entails defining a policy approach by simultaneously achieving economic and security development whilst integrating the Afghan people into that process. By addressing the security and development dilemma and establishing the nexus for sustainable and prosperous economic and security structures the international

community can help lead the Afghan people to further develop their nation and build a better future for themselves.

Resolving conflict in failed countries around the world, however, will not simply be a matter of matching the right framework of peace most beneficial for the people of that country. A careful retrospective study will have to be done on philosophy of peace, major theories of conflict and their application for failed states.

Only when we have a firm understanding of the origin, genealogy, structural framework, context, assumptions, success stories and singularities pertaining to critical theories of conflict, can we begin to understand the problems faced by conflict zones on all the six continents.
Chapter 4

Understanding Liberal, Realist and Democratic Theories of Peace to Resolve Conflict in Failed States

What is peace? Peace can be said to be the prevalence of a state of tranquility and the absence of violent conflict. It can also mean the formation of a healthy interpersonal relationship, positive exchange of ideas, culture, economic welfare, trade, human rights, a relationship that is mutually beneficial for all parties involved. According to the Galtung’s framework there are two forms of peace, negative and positive. Negative peace is quite simply the absence of direct violent conflict as in the instance when a cease-fire is announced in a battle between two nations. Positive peace is the absence of indirect and structural violence and is the notion of peace that we generally refer to when we hear the term ‘Peace’.

In this chapter we will do a comprehensive discourse on three major theories of peace and conflict currently being studies around the world; the liberal, radical and democratic theory of peace. Let us begin by understanding the meaning of liberal peace framework.

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See: http://www.friedenspaedagogik.de/content/pdf/2754, Violence typology by Johan Galtung (direct, structural and cultural violence)
4.1 Liberal Peace Framework

Liberal peace is the most promulgated notion of peace in the 21st century\textsuperscript{36}, typically because of its deep seated roots in the Western school of rational thought. It is an upgraded version of the Victor’s peace, a form of peace imposed by the victorious side that has been modified to suit the nation state and interconnected world of modern times. The universality and the ideal form of liberal peace is debated due to its ineffectiveness in numerous conflict zones of the world.

Liberal peace, however, depends on a careful balance of consent and coercion to maintain a state of non-violence\textsuperscript{37}, which also happens to be its biggest criticism. Opponents of this school of thought compare it with neo-imperialist and neo-colonial worldly views. While advocates believe that the problem does not lie with the theory but with the policy framework and laws based on this school of thought. Let us now discuss in depth the composition of the liberal peace framework -

In the Enlightenment and the post-Enlightenment era the world saw an increase in the involvement of the private sector, the NGOs and the civil society in the dialogue for peace. Hence, the foundation for a liberal peace framework was set and since the movement took its roots in Europe the concept became synonymous with the Euro-centric school of thought. Later on in the 20th century when

\textsuperscript{36} http://www.humansecuritygateway.com/documents/JID_CIF_liberalpeacemodel.pdf: Conflict in focus Issue no. 22, December 2007
\textsuperscript{37} http://www.st-andrews.ac.uk/intrel/media/Richmond_understanding_the_liberal_peace.pdf: Understanding the liberal peace
International Relations developed as a field of study, liberal peace became institutionalized as a formal theory of peace and conflict.

Liberal peace is created in a society that consist of likeminded liberals co-existing together, usually a society with a Western style of democracy, human rights, free markets, economic growth, multilateralism etc.

The fact of the matter is that an overwhelming influence of a great power or state is still a predominant feature of liberal peace where others can legitimately install peace and resolve conflict for those caught up in it.

In contemporary times the victor’s peace has been evolved such that greater autonomy is given to the locals. So now instead of direct military intervention by a greater epistemic power to forcibly install peace, states can take the ‘aid’ of others better versed in ‘peace’ to improve democracy, law and order and governance through Constitutional Peace or to make efforts for disarmament and
receive assistance to do so through Civil Society Peace or lastly, to replace those in powers or effect a regime change through Institutional Peace.

All these newer versions of the victor’s peace combine law, civil society, international community and NGOs to instill peace in a post-conflict society\(^\text{38}\). However, the fact remains that the direction of the peace process and more importantly the type of peace is still directed by the funders, executor and main sponsors of peace.

**4.2 Critique of Liberal Peace**

Peace can generally be characterized by two forms of social construction\(^\text{39}\); the thick form occurs when there is an adequate social contract in civil society, at both constitutional and international levels, as is most apparent in the Western democracies. The thin form occurs when there is inadequate social contract, physical violence is prevalent, social justice and welfare is uncommon. In both these cases instilling liberal peace is in the hands of international mediators led by a dominant military alliance. This has rightfully led to Henry Kissinger’s statement on liberal peace that:

“Whenever peace - conceived as the avoidance of war - has been the primary objective of a power or a groups of powers, the international system has been at the mercy of the most ruthless member of the international community.”\(^\text{40}\)


\(^{39}\) [Understanding the Liberal Peace by Oliver P. Richmond, Dept. of Int. Relations University of St. Andrews. P 14 link: [http://www.st-andrews.ac.uk/intrel/media/Richmond_understanding_the_liberal_peace.pdf](http://www.st-andrews.ac.uk/intrel/media/Richmond_understanding_the_liberal_peace.pdf)](http://www.st-andrews.ac.uk/intrel/media/Richmond_understanding_the_liberal_peace.pdf)

\(^{40}\) [A World Restored by Henry A. Kissinger, Chapter 1, P 1-3](http://www.a-world-restored.pdf)
Here the focus lies on the assumption that the liberal peace framework is a universal and an absolute notion of peace, which then gives legitimacy to the intervention of a greater power or powers who then offer insignificant rewards whenever certain policy measures are implemented. Thus, the basis of this critique is that the liberal peace framework becomes a tool for Western powers to extract its geopolitical, economic and strategic interest out of a conflict zone.

The other criticism of liberal peace is the idea on which it is grounded. The involvement of state with international actors means that the focus of reformation is top-down involving institutions and governance. This then comes into conflict with the bottom-up version of peace building where the common man feels that since they are the real benefactors of change they should be most actively involved in the process of reformation. This critique targets the fundamental nature of liberal peace framework by suggesting that because the framework involves implementation of democratic values, free elections, social justice, and welfare, it is actually an implementation of Western ideals and values. Thus any imposition of such values might be counterproductive in, say, Africa or Asia where transition to such a value system will be problematic and tedious. This critique thus questions the assumption that liberalization leads to peace.

In recent years, there has been resurgence of debate on indigenous and non-interventionist approach to resolving conflict where proponents claim that conflict will have a higher chance of getting resolved in due course rather than through a
template style liberal intervention, particularly in the light of the wars Afghanistan and Iraq.

In the next chapter, we will discuss the graduation of the liberal peace model and stages of its development with respect to certain conflict areas around the world.

4.3 Graduation Levels within the Liberal Peace Framework

The liberal peace framework has stages of evolution or levels\textsuperscript{41} which combine to form the entire peace building consensus. Each component of the peace building consensus - the method, the actors, nature of peace and ontology of peace - are expressed varyingly at each level.

The first stage in the peace consensus is the conservative model of liberal peace. It is often seen as a more coercive model of intervention and most similar to the notion of victor’s peace. It creates peace building efforts through force or dependency creation. In this respect the U.N. and World Bank are involved as major mediators in resolving conflict or rescuing countries from bankruptcy, while the United States’ unilateral peace building efforts have raised concerns that the conservative model serves the interests of the international community rather than a platform to demonstrate their concern or responsibility. Examples where this model can be seen are Yugoslavia, Afghanistan, Iraq and Somalia.

\textsuperscript{41} Understanding the Liberal Peace by Oliver P. Richmond, University of Andrews, P. 7
http://www.st-andrews.ac.uk/intrel/media/Richmond_understanding_the_liberal_peace.pdf
The next stage in liberal peace building framework is the **orthodox model**. At this stage a conflict region in question has actors that are well aware of the need for change and governance principles and yet sensitive about local culture and ownership. This model is dominated by negotiations between all parties and state actors; however, the mediation is still led by the sponsors of resolve and international bodies. The focus is less on coercion and more on a balanced state centric approach. Civil Society, NGOs, donors, officials etc. are all involved, which is why this approach is closer to the bottom-up approach to peace.

Example of this model can be seen in the efforts by the U.N. following the Cold War in East Timor. The conservative and orthodox models both uphold the supremacy of liberal peace framework as the most effective theory of peace building.

The final stage of the liberal peace framework is the **emancipatory model**. In this model the emphasis is on building a much stronger relationship with local actors and holding local sentiment as one of the key objective of achieving peace. Although the universality of the liberal peace model is still upheld, it is more akin to the bottom up approach. The peace building is not state led and instead directed by the private sector and social movements.
The figure below is an illustration of the evolution of peace along an axis, in a liberal framework:

<table>
<thead>
<tr>
<th>Conservative</th>
<th>Orthodox</th>
<th>Emancipatory</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Method</strong></td>
<td><strong>Method</strong></td>
<td><strong>Method</strong></td>
</tr>
<tr>
<td>Use of force and diplomacy, military intervention, mediation.</td>
<td>Top down peace building only some bottom up peace building.</td>
<td>Top down and bottom up peace building</td>
</tr>
<tr>
<td><strong>Actors</strong></td>
<td><strong>Actors</strong></td>
<td><strong>Actors</strong></td>
</tr>
<tr>
<td>State officials, regular and irregular military forces.</td>
<td>State officials, regular and irregular military forces, NGOs, International organizations.</td>
<td>State officials, regular and irregular military forces, NGOs, International organizations but all efforts led locally.</td>
</tr>
<tr>
<td><strong>Nature of Peace</strong></td>
<td><strong>Nature of Peace</strong></td>
<td><strong>Nature of Peace</strong></td>
</tr>
<tr>
<td>Victor’s peace, International peace treaty, Peace keeping force.</td>
<td>Constitutional peace, elements of Victor’s peace through coercion rather then force, civil governance, political and economic policies, settlement more important than justice.</td>
<td>Civil peace, social actors and issues, awareness of domination through external intervention.</td>
</tr>
<tr>
<td><strong>Examples</strong></td>
<td><strong>Examples</strong></td>
<td><strong>Examples</strong></td>
</tr>
<tr>
<td>Iraq, Afghanistan, Somalia, Kosovo, Rwanda</td>
<td>East Timor, Cambodia, El Salvador, Namibia</td>
<td>No examples yet</td>
</tr>
</tbody>
</table>
The above model indicates that the liberal peace process usually makes an entry at the conservative model. The aspiration of the actors involved is to evolve it to a level where they can graduate to an orthodox model of liberal peace. A good example can be Bosnia and Kosovo in the 90s during the Balkan wars. Civil unrest, instances of genocide and refugees were taken as a legitimate reason by the international community to take military action. The aim of the intervention was to stop the ethnic cleansing of Albanians in Kosovo and overthrow the government of Slobodan Milošević.

At present though international military presence is negligible with the Kosovan local municipalities in charge of most matters of governance. With each year that passes there is a decrease in international presence and one can safely say that the framework for peace, which initially started off at a conservative level, has evolved in to an orthodox model.

However, at the same time a UNICEF reports states\(^\text{42}\) the real GDP growth was around 1.5% between 2002 and 2007. Unemployment is at a staggering 46%. Perhaps this is not a serious impediment to economic development as the country is still very young but still a risk to long term stability and social security. Critics will further argue that the intervention of NATO and the U.S. had ulterior motives as they developed at the helm of the Bill Clinton and Monika Lewinsky’s Scandal\(^\text{43}\) and particularly because China and Russia both permanent members of

\(^{42}\) Kosovo Today read article: [http://www.unicef.org/kosovo/overview_15248.html](http://www.unicef.org/kosovo/overview_15248.html)

\(^{43}\) Lewinsky Scandal read article: [http://www.infoplease.com/ce6/history/A0829594.html](http://www.infoplease.com/ce6/history/A0829594.html)
the security council vetoed military intervention in Kosovo. Noam Chomsky another vocal critic has opposed the bombardment of water, electricity and other infrastructure installations by NATO.

These criticisms perhaps make sense if one considers that before the bombardment the displaced population was 100,000 people. This figure shot up to 800,000 people after the war was finally over. 

There is no doubt that liberal peace framework has deeply rooted hegemonic values, which some equate to a neo-imperialist worldview. The top down model of construction of peace dominates the epistemic communities engaged in the process.

Now that we have some measure of understanding of the liberal peace process we will be able to better understand the hyper-conservative model it contains and what some say is the utter failure of liberal peace framework. If liberal peace is the correct approach to peace then one must determine which stage of graduation should be legitimized and which stage should not. If the conservative model is accepted by many as a model for liberation then the orthodox model, which is its next stage of evolution, does not give much to look forward to.

4.5 The Realist Theory of Peace

The continual failure of the Wilsonian Idealism in the 20\textsuperscript{th} century to prevent conflict and one of the worst man-made catastrophes, World War II, left a void
for a new paradigm in international relations. Political scientists, particularly in the West, saw that the ideals of democracy, capitalism, anti-isolation and intervention cannot have universal roots as was previously believed. There was a need for a new theory of conflict, which then came in the form of Realist Theory in international relations.

According to the Realist theory the decision of any one state to go to war is a result of the involuntary participation of all states due to their eternal quest to increase national power and security. The underlying assumption here is that the international political climate is a system of chaos marred by competition and rivalry where each member state pursues its own self-interest. The action of each state, therefore, represents its power position in the international community and disregard of any ethical norm or moral practice.

The perfect example of a realist worldview can be duly observed with the collapse of the Soviet Union and the end of the Cold War. There was a 180-degree shift in U.S. foreign policy, from deterrence, prevention of war and collaborative peace to military hegemony and global dominance.

Thus according to the realist worldview, collaborative peace is looked upon as a threat in the long term where the focus is on a state’s own military strength.

Continuing from the example of the U.S., it can be noted that instead of

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44 *Theories of Conflict and the Iraq War*, International Journal of Peace Studies Volume 10 Number 2, Winter 2005
demilitarization the Clinton administration continued to build up arms and strategic weapons. The resources spent on arms by the U.S. exceeded that of its rivals combined and in addition resulted in U.S. participation in the Kosovo War against a U.N. resolution, Operation Iraqi Freedom, the ongoing Afghanistan War and Operation Odyssey Dawn\textsuperscript{45} in Libya.

It is significant to note that the Bush administration promised a regime change in Iraq by removing Saddam Hussein’s Baath party and also vowed to avenge the September 2001 attacks on its soil, both incidents resulting in a U.S. invasion of Iraq and Afghanistan, which otherwise would have made it appear vulnerable, had it accepted a compromise or non-violent approach.

The philosophy behind the nature of realism is rooted deeply in the nature of humankind itself. Every person born in this world is locked in a perpetual struggle for survival and power. Since states are governed by none other than people, it follows that they will also be locked in this very struggle.

4.6 The Invisible Hand of International Politics

One wonders how in a system where National Security reigns supreme and moral code is secondary, if at all significant, can there be stability. Adam Smith once famously said about an individual that “By pursuing his own interest, he frequently promotes that of the society more effectually than when he really

\textsuperscript{45} Operation Odyssey Dawn commences to end Gaddafi onslaught on Benghazi, Guardian Saturday 19\textsuperscript{th} March 2011, see press clip: http://www.guardian.co.uk/world/2011/mar/19/operation-odyssey-dawn-tomahawks-libya
intends to promote it.”46 If we take this logic in to account we can have some semblance of understanding. The modern realist believes that an absence of international government and common code of ethics is very important for the world to function without conflict. Only when there are certain great powers, where ‘might is right’ and one state’s loss is another state’s gain, will nations around the world be deterred from attacking one another. Doing so will lead to a confrontation with Great Powers, which are striving at all times to bring weaker powers in their own spheres of influence and where every nation is an ally of one another.

4.7 The Security Dilemma of the Realist Theory

The notion of peace in the realist framework is not as clear as its proponents might believe particularly with respect to contemporary times. While it may be argued that the presence of one Great Power ensures that the rest of the world remains more or less submissive to avoid direct confrontation, the very principle that one Great Power must continually adopt a hegemonic stance and be hostile to any action that might even hint at challenging its status quo is inherently flawed. This is because the weaker states or potential enemies of the Great Power might deem it necessary to strengthen their defenses in response to constant threat from the Great Power. An example is the alleged build of nuclear arms by countries such as Iran, Libya and North Korea.

46 The Founder of Economics, see http://www.unc.edu/depts/econ/byrns_web/EC434/HET/Pioneers/smith.htm
Thus this evolution in international relations represents a dilemma in realist theory which is a matter of great concern.

Another more complex implication of the realist theory is the U.S. invasion and occupation of Iraq post 9/11 where the Bush administration blew out of proportion the potential of an Iraqi attack on the U.S. or its allies. Since there was no basis of asserting that Iraq will risk attacking the U.S for fear of facing overwhelming retaliation, the only logical basis for an attack is the threat to U.S. security in terms of reputation and material resources. So while this reasoning conforms with realist beliefs the appeal to the international community of Iraqi WMD and a global terror threat were baseless and, therefore, contradictory to realist belief.

4.8 Further Criticism of Realism

Although there is no doubt that realism is a very relevant theory in international relations it has its fair share of criticism apart from the dilemmas discussed earlier. One of the biggest criticisms comes from the Liberal Peace Framework.

Liberalist such as Woodrow Wilson and John Maynard Keynes argue that Liberalism has an inherent advantage over Realism due to the optimistic view and a strong emphasis on peace that liberal governments have. Thus, Liberalists focus on the fundamentally peaceful side of the human nature, which is completely against the assumptions of realist thought.
Liberal governments are generally peaceful, prosperous, democratic and stand to lose much more from waging war then a developing agrarian economy. Even if the elected government decides to go to war it is answerable to its citizens. If this assumption holds true this is one area where the liberal theory will dominate realist theory.

Plural liberalists claim that the unfair distribution of power and wealth as in the case of states involved in cut-throat competition to increase their power creates a social divide, which inevitably leads to conflict.47

Lastly and perhaps very important to contemporary times, liberalists argue that in the globalized world where cooperation is paramount and states are interdependent on one another for survival and growth it is far easy to reach peace through cultural exchange and trade rather than military supremacy.

4.9 The Democratic Theory of Peace

“Democracy and the hope and progress it brings are the alternative to instability and to hatred and terror. Lasting peace is gained as justice and democracy advance,”- George W. Bush48

These were the words of President George Bush at a speech given at London’s Whitehall Palace after the fall of Bagdad in November 2003. What the U.S. president was implying as a justification for American invasion in Iraq was the

47 Being Liberal in a Plural World see article: http://www.shunya.net/Text/Blog/BeingLiberal.htm
supremacy of the democratic theory of peace; democracies do not go to war against other democracies and a world dominated by democratic governments will thus be a peaceful place.

At first glance, the democratic theory of peace sounds reasonable enough. Statistically speaking there have been far less instances of democracies fighting other democracies. According to “The Politics of Peace” an article that appeared in Economist in 1995, of the 416 conflicts that took place between 1816 and 1980 only 12 were fought between democratic states. But an in depth look will reveal some gross overestimation about the democratic process to uphold peace. For one thing, democracies may not fight one another but they definitely go to war with non-democratic states. Further the U.S. government’s violent intervention in Latin America, Middle East, Caribbean and Asia has profoundly implanted the image of the U.S. claiming to be the sole propagator of democracy around the world, as an agitator and imperialist. More on U.S. policies will be discussed in detail as we progress through this chapter but to understand the subtleties of a democratic system it is imperative to first take a historical perspective.

4.10 The Kantian Ideal

The 18th century philosopher Immanuel Kant is credited as the father of modern day democratic peace theory. According to Kant, “peace among men living side by side is not the natural state.” He was a firm believer of the idea that monarchies cannot survive for long or stay at peace with each other in modern times. He contested that the structure of a republic makes it difficult for war to
take place due to its inherent nature. This is because the executive authority is
directly elected and is answerable to its respective constituencies, which are in
turn represented by the common people. The public is well aware of the costs and
hardships of going to war and will thus vote against going to war. This
mechanism will thus ensure peace as the number of republics around the world
increase and create a ‘pacifist union of nations’.

Given the world political climate in this time it is understandable why a ‘pacifist
union of nations’ would seem like an excellent development in peace theory. The
world was dominated by certain European Great Powers in an era known as the
colonial period. These Great Powers namely Britain, France, Portugal, Spain and
Holland vied for dominance through imperialist policies aimed at acquisition,
expansion and establishment of colonies in territories thousands of miles away
from their borders in Asia, Africa and the Americas. The colonialist agenda was
coercion and forceful subjugation, exporting of culture, religion, values and
extracting valuable raw material and resources.

Conquest of vast territories resulted in violent conflict, slave trade and gross
violation of human rights. Often colonialist would wage war on each other for
better real estate. Marxism views colonialism as an “instrument of wholesale
destruction, dependency and systematic exploitation producing distorted
economies socio-psychological disorientation, massive poverty and neocolonial
dependency.”

49 Encyclopedia of International Development by Tim Forsyth published in 2005 by Routledge
So while some may argue that the world is still gripped by remnants of neocolonialism, the nation-state sovereignty in accordance with the treaty of Westphalia and its evolution as a modern day nation-state system has abolished once and for all the concept of territoriality and external agents in domestic structures. Doing so can possibly be dealt with as crime against a state in the international court of law.

Thus in contemporary times the Kantian ideal of peace through formation of republics and pacifist union of nations is obsolete as the sovereignty of a state and her independence is taken for granted.

4.11 Emerging Democracies

The assumption that democracies do no attack other democracies has two basic flaws, which we are going to discuss in this chapter.

Previously we have established a premise that the Kantian ideal of a republic involving democratic elections and a constitution as the sole harbinger of peace is flawed in our modern day nation-state system.

Continuing from this analysis let us further explore the shortcomings of the Kantian model by understanding the nature of modern day conflict, which has more grounds in civil war and revolutions rather than interstate disputes.

According to a study conducted by Ted Gurr a political scientist, out of the 58

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50 Bush And The Theory Of The Democratic Peace By Omar G. Encarnacion
significant armed conflicts that occurred in 1995 only one was an interstate
collision; a border dispute between Ecuador and Peru.

Contrary to the belief that the increase in democratically elected governments
around the world has reduced the number of interstate wars the more compelling
reason perhaps is the end of colonialism. A reduction in wars is more likely due
to economic interdependence, conflict resolution and regional and global co-
operation with institutions like the U.N. Democracy in fact has often been used as
an excuse by ultra-nationalist regimes as an excuse to crackdown the rights of
minorities, justifying their actions as the will of the majority. Example of such
ethno-political crackdowns can be seen in countries after the breakup of the
Soviet Union and Yugoslavia.

The other more compelling argument against the establishment of democracy as
the only way to global peace is that the democracies may not fight other
democracies but only if they are firmly grounded in all aspects of state. Only if a
country has the proper structural and normative requirements for a democratic
system can it have shared objectives with other mature democracies and therefore
rare chances of war.

The reality today is that there aren’t many mature democracies around the world.
These new democratic governments, such as India, Egypt, Pakistan and South
Africa lack the fundamental ingredients that make democracies aversive to war.
Such ingredients include proven human rights record, transparent governance,
independent judiciary and social justice to name just a few.
The fact of the matter is that history has proven that a transition of a state in to a functioning democracy is a period of violent protest, civil strife and war. This relationship between democratization and war has been a subject of research by Edward D. Mansfield and Jack Snyder who contend that a rise in democratic values simultaneously results in the rise of nationalism and entry of new political players and social classes. The political elites are forced to make incompatible and fragile coalitions, which result in weak governance at the center. The demise of Communism in the 20th century, the eruption of violence in Latin America and the civil war between the Shias and the Sunnis in Iraq are perfect examples of the consequences of forced democratization.

In the next chapter, we will discuss the shortcomings of the U.S. policy of coercive and violent democratization since the beginning of the 20th Century. We will also highlight instances where democracy has alleviated the conditions of the people as a possible recourse.

4.12 Woodrow Wilson’s Troubled Legacy

The notion that a world comprising of democratic republics will enable peace to flourish exponentially can have severe implications particularly when one powerful mature democracy makes it her prerogative as the global promoter and in its worse form an enforcer of democracy. This is because military intervention and coercion can have immediate consequences like the rise of discord, civil

unrest, terrorism and in the long run many adverse implications for the host
country.

This notion regarding the spread of democratic theory of peace was first realized
by the actions of President Woodrow Wilson who adopted a hegemonic policy
towards Latin America in the beginning of the 20th century and is regarded as a
 patron saint of democracy promotion. Indeed, the U.S. has a very long history of
military intervention spreading over a century of violence. The most recent
campaign for democracy by military intervention is the ongoing war in Iraq. Thus
in this pursuit of liberal democracy around the world it seems that the U.S. will be
in a perpetual state of war.

U.S. intervention in Mexico in 1914 to force Victoriano Huerta, a military leader
and later President of Mexico to hold free elections exacerbated the civil war in
Mexico and brought Mexico and the U.S. at the brink of war. Riots and anti-
American protests spread to other countries in Latin America, including Uruguay,
Costa Rica, Guatemala, Chile etc. Although Huerta was ousted, the Latin
Americas since then have viewed U.S. policies with skepticism and a mask for
imperialism.

The Bush Administration led the invasion of Iraq in 2003, one of the most recent
examples of a U.S. crusader approach to democratization around the world. The
war waged under the pretense of liberating Iraqi people from the ‘tyranny’ of
Saddam Hussein, the Iraqi president, has resulted in a staggering 654,965 Iraqi
casualties by conservative estimates as of 2007. U.S. casualties up to date have been more than 4000. Apart from the gross failure of the U.S. to restore a semblance of order it sought out to achieve in Iraq, the invasion has received widespread criticism from countries all around the world including traditional U.S. allies such as France, Canada, New Zealand and Germany.

The import of forceful and coercive democracy has never led to favorable results as history has evidently revealed. Interventionist policies of the U.S. resulted in violent dictatorships in Latin America and the Caribbean, civil unrest, and further rise of terrorism and anti-Americanism in Iraq. Ironically, it was the U.S. that exported institutions in these regions that aided in escalating violence and anarchy.

But not all U.S. policies have been of military intervention. The lessons learned from the failure of campaigns in Latin American and Caribbean resulted in a shift in U.S. policies from regime change and democratic election to other important aspects of democracy like improving human rights records, social justice and poverty alleviation. Certainly, the policies of President Jimmy Carter and J.F. Kennedy resulted in dozens of new democracies in former communist countries of Eastern Europe.

There is no doubt that democracy on its own merit is the most effective political and social theory. But it needs to be based on the values, customs and history of the many diverse cultures around the world. One model of democracy might work

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effectively in one region but not the other, and any effort to impose it on indigenous people will prove to be counterproductive and a sign of neo-imperialistic worldview reminiscent of the time of Immanuel Kant.

Now that we have a firm understanding of the notions of peace and development through the study of the latest theories in international relations, we are in a position to discuss the practical implications of these theories. Thus in the next chapter we will do an in-depth analysis of the challenges faced by some of the most fragile states of contemporary times.
Chapter 5
Development Models and their Connection with Peace Theory

The announcement by the US\textsuperscript{53} to withdraw 40,000 troops from Afghanistan by the end of 2012 and all combat missions by 2014 makes the Afghan conflict the most debated and current topic for the development and security nexus.

Afghanistan is the perfect example of a state which, according to the liberal theory of peace, has not surpassed the first state of graduation, as was explained earlier. Not only that, it is also a region that reflects a near failure of the international community to bring stability. Thus it is imperative, under the current political climate to discuss the challenges faced by Afghanistan, conduct an analysis of the policies that have been implemented and to understand how much work still remains to be done.

Besides Afghanistan, we will also be talking about the peace and development nexus with respect to policy measures in Southern and Sub-Saharan Africa. According to a study conducted by Susan E. Rice and Stewart Patrick \textit{The Index of State Weakness in the Developing World}, 141 countries of the world were ranked according to a set of criteria. The findings indicated that 80\% of fragile states, i.e. 20 out of 25, in the world are located in sub-Saharan Africa where Somalia and Democratic Republic of Congo represent two out of three failed

\textsuperscript{53} Withdrawal From Afghanistan: 40,000 Troops To Leave War Zone By End Of 2012 see http://www.huffingtonpost.com/2011/11/29/withdrawal-from-afghanistan_n_1117972.html
states of the world (Afghanistan being the third). Indeed, the importance of sub-Saharan Africa cannot be overstated and for this purpose, we will try to understand the role of the state, gender equality, position of women in society, economic opportunities and much more with respect to Somalia as our core case study.

5.1 Security and Development Nexus in Somalia

By 1960, Somalia had won its independence from British and Italian rule. However, in 30 years, an economy in shambles and a governmental collapse brought the country to a state of civil war in 1991. Since then there has been no central authority governing all regions of Somalia. The country is run by changing coalitions, clans, businessmen and religious clerics. Each of these ruling elites has its own system of governance, justice, security force and infrastructure. At the same time though an informal private economy has emerged, particularly in recent years based primarily on livestock, telecommunications industry and money transfer companies. This increase in economic activity has been mainly due to the remittances sent by Somali diaspora and heavy international aid.

The civil war of the 1990s severely disrupted food supply and agriculture. The fighting was primarily to win allegiances and a competition for resources. The resulting famine caused the death of 300,000 Somalis and invoked the United Nations Security Council in 1992 to authorize a limited peace keeping force.

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55 Secondary Wars and Atrocities of the Twentieth Century see http://necrometrics.com/20c300k.htm#Somalia jump to Somalia 1989
peace keeping forces have generally been seen as a threat to their power by warlords such as Mohamed Farrah Aidid, which in turn have caused frequent clashes between U.N. coalition forces and Somali militia. By the end of 2009 an estimated 678,000 Somali refugees were under UNHCR, which makes it the third largest refugee group after Afghanistan and Iraq.

In recent years, the collapse of law and order and a perpetual state of civil war has resulted in piracy along the coast of Somalia.

The protracted state of civil unrest, law and order situation in Somalia has given rise to a time honored concept in developmental studies known as the ‘Vicious Cycle’\(^56\); the downward spiral of a worsening crisis as a result of an already existing crisis. In the case of Somalia, we see it in the form of lack of resources resulting in poor governance but at the same time the poor governance results in ineffectiveness or failure to collect taxes and buildup of resources. This perpetuates an economic collapse and consequently a state failure; or, conversely, a state failure that results in an economic collapse.

Yet studies have shown that out of this protracted conflict emerges a new political order. These conflicts are not static and are in fact constantly evolving. If provided with conflict assistance and analysis, over time informal channels of governance emerge, conflicts become more predictable and anarchy gets replaced with the pursuit of livelihood. Businesses emerge that understand that instability is a constant threat to their growth.

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\(^56\) Vicious Circles And The Security Development Nexus In Somalia By Ken Menkhaus see [http://www.relooney.info/SI_Expeditionary/Post-Conflict-Vicious-Circle_1.pdf](http://www.relooney.info/SI_Expeditionary/Post-Conflict-Vicious-Circle_1.pdf)
Thus in this chapter we will study the development and security nexus by discussing the ‘vicious cycle’, which is a direct consequence of the nexus. This will allow us to derive a conclusion and recommendations on the way forward for the Somali people.

5.2 The Power of the Poverty Trap

The poverty trap\textsuperscript{57} is any self-reinforcing process that causes poverty to persist. It can also be called the vicious cycle, as has been explained above, if not treated with adequate steps it can lead a state or an administered zone into abject poverty, crime, broken families and fragility. This is why it is a trait often found in most failed states of the world.

The poverty trap provides us an explanation of the complex and difficult social and political context of civil wars and revolutions. Thus, instances like the Darfur conflict, Palestine and, more relevant to our paper Somalia can be better understood by studying the poverty trap. An alternative theory for the failure of the Somali state can be the realist perspective that – protracted conflict reaches a point of a stalemate, which naturally evolves into a ceasefire and a resolution. But given the extraordinary destruction of the civil war it will be wise not to approach the issue with a realist or neo-realist theory. Linear approaches like the realist peace theory do not take into account demobilization, international aid and assistance projects.

Another aspect of the poverty trap that gives it relevance and hence adds to its significance is the ‘political economy’ of modern war. This terminology reflects the belief that politics is one of the chief and often detrimental influencer of economic outcome. In fact, what we now term as Economics was synonymous with Political Economy as far back as Adam Smith who mentioned the relationship between political agenda and economics in his most famous book *Wealth of Nations* in 1776. Thus, advocates of this aspect of ‘poverty trap’ believe that civil wars are supported by external or internal actors interested in maintaining a perpetual state of ‘controlled disorder,’ which can then be exploited, pillaged and extorted for personal gains.

Violence entrepreneurs like warlords, child soldiers, suicide bombers and arms dealers are a product of lawlessness and collapse of state authority where they become a means of livelihood and not vices to be overcome. The conflict diamond scandal in the U.K.\(^{58}\) and Sierra Leone is a case in point.

The complexity of the poverty trap and failed states as its been highlighted above leaves agents of change in quandary as to the right approach for a conflict resolution. Traditional approaches of health and education sector reforms are limited in their scope; demobilization efforts, a focus on good governance and security sector reforms need to be implemented if the poverty trap has to be broken.

Some observers believe that the vicious cycle of poverty and civil war simply requires more resources than external agents can provide and any efforts thus are futile. The World Bank disagrees with this belief; however, it does agree with the fact that breaking the vicious cycle and restoring order needs a major commitment for resources, time, and a high level of intervention.

5.3 A Recourse to the Vicious Cycle

A possible recourse to the vicious cycle has been the American and, later on, ‘The Global War on Terror’, first coined at the aftermath of September 2001 Twin Tower and Pentagon attacks by the terrorist organization Al-Qaeda on U.S. soil.

Although fragile regions such as trans-Saharan Africa, Horn of Africa and Afghanistan were already considered breeding grounds for terrorist activities like smuggling, shipment of arms, drugs, and trafficking prior to the 9/11 attacks (and did result in U.S. operations in these areas such as the United Task Force (UNITAF) in Somalia in 1992-1993 and Operation Desert Fox in Iraq in 1998), the notion that fragile states were breeding grounds of terrorism got firmly impressed upon the global community for the first time after the 9/11 attacks.

The War on Terror campaign initiated by President George W. Bush after September 2001 marked a shift in the global thought, from whether nation building and intervention works, to nation building and intervention as a necessary solution to fragile states. This marked a new chapter in the way the world saw fragile states.
Consequently, a worldwide action against terrorism was initiated where fragile and rogue states became prime suspects. Notable operations relevant to our topic include:

1- Operation Enduring Freedom launched in Afghanistan to root out Taliban government and Al Qaeda militants. We will talk about this war in the upcoming chapter.

2- An Extension of Operation Enduring Freedom was launched at the Horn of Africa to root out militant activities and prevent the build up of militant cells in collaboration with cooperating governments. It also collaborates with the navies of Australia, Canada, France, Pakistan, Italy and other countries to monitor suspected shipments from entering Africa and affecting U.S. operation in Iraq and counter sea piracy activities.

3- Operation Iraqi freedom began in March 2003 and was launched to oust President Saadam Hussein and the Baath Party. Although US led coalition succeeded in capturing Baghdad, the invasion led to an insurgency and an escalation of violence to unprecedented levels making it the most controversial campaign in the War on Terror.

The Global War on Terror does not only include military force as the only form of intervention but also training of the armed forces, military and economic aid, infrastructure development, education, trade concessions and poverty alleviation among other efforts that bring stability to a fragile state.

59 The Thin Blue Line between the US and the UN by Marjorie Cohn see http://globalresearch.ca/articles/COH308A.html
Continuing from our discussions above, the aim of any interventionist operation is to ultimately provide security, establish international standards of accountability and restore law and order for the citizen of the fragile state. The external intervention to root out terrorism is believed that it will increase the security of a state necessary for developmental and economic activities to flourish and vice versa. However, as was discussed when studying the democratic theory of peace; intervention to uphold Western ideals of a mature democracy in a fragile state can have violent repercussions. The ongoing Iraqi post war insurgency has caused greater casualties for the U.S. and its allies than the Iraqi war, which lasted for hardly several months. A more comprehensive approach will be required to take in to account Somalia’s numerous cultural and historical obstacles before policy measures can be recommended.

5.4 Beyond the Security Nexus

The issue of Somalia is a complex one. Security lapse, rampant corruption and a lack of stable consensual ruling body have their roots in a problem endemic and unique to most states of Africa; a colonial past. Except Liberia and Ethiopia, two sub-Saharan countries, the entire African continent has been a colony of European Great Powers. These Great Powers divided the continent without regards to ethnicity or natural barriers and exploited the indigenous inhabitants and their resources.

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60 The Security-Politics-Development Nexus: The Lessons of State Building in sub-Saharan Africa by Necla Tschirgi
Research Associate, Centre for International Policy Studies University of Ottawa
Somalia was still unique due to its colonization by two great powers, Britain and Italy. The British ruled the northern part of Somalia also known as Somaliland through an indirect form of governance that allowed local institutions to remain strong. The Italians on the other hand used coercive methods to rule and displaced large swathes of population in the process.

After Somalia achieved independence in 1960 it got immersed in economic turmoil and degenerated into a police state not able to sustain itself without international aid. The aim of the international aid, however, was always to achieve domestic stability. Never was it focused on, or encouraged establishing, local polities that can evolve into independent institutions. This was particularly true during the Cold War when international politics regarding Somalia was primarily concerned with state stability, just as long as it affected the regional balance of power.

Thus it is of no surprise that Somalia has emerged as a mediated state; during both the colonial and post colonial era the government, heavily under the influence of external agents, presided and retained authority over the judiciary and ceded authority of the public sector to clan leaders. So when the precarious central authority was dissolved in the civil war of the 90s all major internal actors such as warlords, businessman, war profiteers, clan leaders, religious groups and more, claimed a piece of the territory as autonomous. And to understand the dynamic relationship between state collapse and these local actors we will discuss four major components that it comprises of:
1- Collapse of the central government

2- Protracted conflict

3- Lawlessness

4- Demobilization

**Collapse of the central government**

Since the civil war of 1990s there has been no central government controlling all regions of Somalia. This makes Somalia the longest running instance of state collapse in modern times.

Since then numerous attempts have been made to restore a central state structure and an almost successful attempt did arise out of the creation of the Transitional National Government (TNG) in August 2000. But the TNG failed to sustain itself beyond its three year mandate.

However, it may not be fair to call this failure to establish a central authority as a sign of anarchy. On closer observation it is revealed that the Somali state comprises of an intricate pattern of formally declared autonomous regions, patches of governed lands and informal polities dot the Somali landscape. The most successful of all these informal arrangements has been the emergence of self-declared administrative regions and one such region is ‘Somaliland’, an autonomous state existing in the northwestern region of the country. This state has existed and maintained some semblance of order since 1996, performing better then even some sovereign African states.
Though not as close to the success of Somaliland, the other large autonomous state that came into existence is ‘Puntland’ in the arid northeastern region of Somalia with a modicum of authority, perhaps not as well established as that of Somaliland, but prevailing nonetheless.

The motivation behind the establishment and collaboration among such autonomous authorities across Somalia varies. But a common interest has been the emergence of commercial enterprise. For instance, the all-weather seaport in Berbera⁶¹, Somaliland is a vital source of revenue for the autonomous state and so prevalence of law, order and national security is directly associated with economic development. Similarly in Kismayo, the Jubba Valley Alliance (JVA) has maintained law order simply to benefit from the monopoly of trade through another all weather seaport.

In other instances of stability, the motivation behind maintaining peace has political roots rather than economic growth. Here politicians and clan leaders have established order to use the region as a potential constituency in the event of a future national government or to secure greater resources from external actors such as international aid.

But by far the most effective form of local day-to-day governance has been at a neighborhood or municipal level. The most common manifestation has been the alliances of clan elders, businessmen, religious clerics and intellectuals to finance and administer Sharia courts. These courts are able to restore a modest form of

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⁶¹ Berbera: First Steps Towards Strategic Urban Planning UN-HABITAT 2008
judiciary and law enforcement. In some instances with the more dedicated professional mayors and involvement of NGOs, municipalities have been provided with running water pipes, regulated market places and even moderate taxation.

Somalia has emerged quite a unique case study in stark contrast to the shanty towns and thread bare landscape depicted by Robert Kaplan’s notion of failed states. It comprises of commercial city states and villages separated by expansive pastoral land. The municipalities endeavor to maintain order and do what they can. The pastoral zones are mostly occupied by nomads who are least effected by anarchy as their land does not belong to any one.

This system of municipalities and autonomous regions providing a modicum of law and order is often overlooked by external players who are preoccupied with a central state structure, which has historically done more harm then good in the horn of Africa.

**Protracted conflict**

Since 1988 Somali remains a land where armed conflict prevails. This was particularly true in the 90s when the country was in a state of civil war. In those days pillaging, looting, rape, atrocities and collateral damage was rampant. However, the intensity of fighting has reduced to a considerable degree since the

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civil war. We will examine the reasons and the result of this shift in armed conflict in this chapter.

In the civil war vast sweeping campaigns across inter-clan lines used to take place. With the southern party of the country and the outskirts of the capital Mogadishu among the worst affected areas. Looting was an essential objective of such campaigns as ‘War merchants’ and ‘Warlords’ supporting their clans made fortunes from the plunder.

Since UNOSOM intervention\(^6^3\) and the establishment of informal autonomous states across the region; however, there has been devolution of fighting to lower levels of clan lineage. This means that instances of all out clan warfare have become almost negligible since 1995, where fighting has become limited to personal feuds inside clans and localized within municipalities. There are several implications for this development.

Firstly, conflicts have become short and less intense as clan elders avoid disrupting the semblance of order mainly due to inter clan commercial ties. Lineage member’s support to instigators has also gone down because resources, arms and ammunition to fight have become scarcer.

Secondly, although civilians often become a target in any confrontation between clans, specific looting of citizens has gone down. This is due an instigator’s fear that he will be held accountable when the reconciliation process takes place\textsuperscript{64}.

Thirdly, the nature of conflict itself has evolved to bring its own demise. When a conflict does take place it does not result in large swathes of land grabs, as was the norm in the 90s, this means less loot for instigators. And most items worth grabbing will be in the hands of a businessman who will generally keep a militia force to protect it. These factors coupled with the militias’ actual salary worth a dollar or two per day has made guns for hire a very non-attractive profession in Somalia.

Thus in this changing scenario the cost of looting and discord is getting higher than the potential rewards it promises. The incentive to live peacefully has become much greater than fighting. However, these conditions have given rise to the problem of kidnapping and ransom.

\textbf{Lawlessness}

Lawlessness in Somalia has also evolved in nature since the time of the civil war. While the most severe instances of security lapse resulting in rape, murder, looting and clan violence have passed it has given way to white collar crimes committed by politicians, businessmen and other major actors many of whom already having a record of questionable practices during the civil war.

\textsuperscript{64} Somalia: State Collapse, Multilateral Intervention, and Strategies for Political Reconstruction By Terrence Lyons and Ahmed Ismail Amatar
Neighborhoods and municipalities generally have a primitive law enforcement of vigilante system in place to catch perpetrators and prevent street crimes but their scope is limited. Kidnapping and ransom in a major problem in particular in the troubled south where it has developed into an industry. But the most damaging impact is of white-collar crimes committed by people in power. These politicians and businessmen instigate violence for political and commercial gains, hoard and embezzle international aid, produce counterfeit currency causing hyperinflation, export charcoal, which was banned by past governments and some are even involved in piracy. These crimes are more damaging to the economy and the Somalis then the widespread petty crimes that are more rampant and get more international media attention.

These changes have taken place due to changes in the Somali political landscape. The war economy created opportunistic enterprises such as scrap metal merchants that stripped the already scant infrastructure, land grabbers and Warlords in addition to other war merchants. With a semblance of some form of order, particularly the business community in Mogadishu, more respectable business practices have arisen; the telecommunication sector has developed more significantly in the capital Mogadishu, sophisticated remittances companies have emerged to cater thousands of Somali expats.

The decision by businessmen to refuse paying warlords and recruiting their militants as security personnel in 1999 was a decisive moment for law and order. The point where economic interest of the elite shaped polity and outweighed disorder.
Demobilization

The evolving nature of issues highlighted above serves as a constant reminder that the security development nexus in Somalia is a dynamic one and the vicious cycle of poverty, crime and under-development is no longer a constant devolving spiral as it once was in the early 90s. A further proof of why the most adverse consequences of the vicious cycle may not hold true for Somalia or whether the vicious cycle even exists, to begin with, can be gaged by the demobilization efforts that have taken place since the civil war.

Progress in demobilization is one of the vital characteristics of a post-conflict zone on its way to stability. The U.N./World Bank Joint Needs Assessment committee gave an estimate of the number of militiamen from anywhere between 53,000 to 200,000. In 2005 after demobilization efforts and supporting political landscape, some of which we will discuss here, the number had reduced drastically to an estimated 11,000 to 15,000, mostly localized to the southern region of the country.

Among the major demobilization movements the biggest success story has emerged from Somaliland. In the 90s the Somali National Movement (SNM) drove the Somali National Military and its remnants out of northern Somalia. A ruckus ensued when thousands of militia personnel entered the capital of the region, Hargeisa. But instead of the looting, plundering and discord between the clans, as was the norm in those days, the business community, clan elders and

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politicians brokered a deal in Boroma in 1991\textsuperscript{66} declaring the region a secessionist independent state called ‘Somaliland’.

The biggest impact of this deal was the consolidation of the entire militia force inside Somaliland into a united Somaliland army. Thousands of militiamen were recruited and 70\% of Somaliland’s budget was allotted to maintain and pay wages of this army, without much support from external actors. The new government that emerged may not have achieved much in terms of effective governance but it did accomplish an essential component of the security nexus and thereby security levels here became comparable to any African nation in the Horn of Africa.

The relatively effective external demobilization came in the form of UNOSOM’s initiative in 1993-1994. These programs were limited in scope but the programs conducted in the capital Mogadishu. This program resulted in hundreds of millions of dollars in international aid being poured in the country in support of the movement. The funds created jobs and introduced legitimate methods of making a living for militiamen.

Other notable forms of demobilization efforts included endeavors led by business community and educational charities such as Al-Islah\textsuperscript{67}. As with any prolonged conflict or state of war, nothing beneficial comes out and all parties involved suffer exponential loses. The civil war and resulting insecurity was bad for not

\begin{footnotesize}
\textsuperscript{66} Human Development Library see http://www.greenstone.org/greenstone3/nzdnljsessionid=0D65D3DBACBF7AB7C23D85ED710971B?a=d&d=HASH01c8959af055f5b4fbdb1836.1.np&c=hdl&sib=1&dt=&ec=&et=&p.a=b&p.s=ClassifierBrowse&p.sa=

\textsuperscript{67} Somalia’s Islamist Groups http://www.pbs.org/newshour/indepth_coverage/africa/somalia/keyplayers/islamistgroups.htm
\end{footnotesize}
only the business community but also the militiamen themselves, who were facing fewer incentives to use coercive measures. The business community was now maintaining its own security force comprising of militiamen and that meant these ‘lootable’ targets were heavily protected.

Education charities like Al-Islah emerged in Mogadishu where the militia concentration was highest. The idea behind providing subsidized education to the masses was to enable the younger generation to work and contribute to the society constructively rather than join the militia, which literally had no other skill other than to become guns for hire.

5.6 Underlying Lessons from Somalia

It is clear from our study of the ‘Somali way’ that the issues facing the horn of Africa are quite unique and challenge the conventional wisdom about the security and development nexus. For one thing, external actors in many instances overshadowed local solutions to a problem, which would have succeeded in all probability, had these actors not been stringent about implementing imported template like solutions. A case in point was the widely held belief that armed and autonomous militia posed a threat to civilians and stability whereas in reality it was quite the opposite in many regions. Pockets of informal municipalities arose where civilians co-existed with the militia in a mutual relationship; the militia offering security and civilians offering ‘taxes’ for services rendered. While the method of this approach was questionable, a form of order did emerge out of this arrangement.
A perpetual state of conflict is not beneficial for anyone and so naturally the anarchy gravitated towards risk management and law enforcement. The case has been made for the dynamic nature of polity in Somalia; that central government may not have been formed yet but the existing landscape is perhaps the best solution to rescue the nation from conflict. International actors and aid need to work closely with local bodies rather than installing pre-packaged solutions of conflict resolution such as the democratic peace and liberal peace framework. Over the years, a relationship has become institutionalized in Somalia whereby local businesses serve as contractors to support international aid operations. The private sector can help further development. The London Conference on Somalia in February of 2012 agreed that "Somalia's long-term reconstruction and economic development depended on a vibrant private sector".

In the next chapter, we will analyze and recommend some important areas and a set of recommendations that external and internal actors can benefit from.

### 5.7 Policy Implications for Somalia

In order to formulate a policy roadmap for a fragile state such as Somalia, we should first go back to the definition of failed state according to OECD. A fragile state is one, which is unable to meet the expectations of its people or manage changes in expectations and capacity through a political process.

Now if we hold this definition as the basis of our discussion, we will need to think of a framework that enables the state to fulfill the needs of its people. However, it
is important to realize that the state-society contract is firmly grounded in a specific historical and informed assessment of the state.

**Political Reconciliation**

In the chapters above, we were able to assess some of the challenges Somalia faces and the issue that overwhelmingly comes to light is that of consolation between local actors. State building is a process involving dialog and settlement between affected parties. This means that to pacify the needs of all affected groups, there needs to be a reduction in inequality and greater political freedom. However, in a region like Somalia where state building is not a static but a dynamic process, particularly in a climate of diverse political interest and changing allegiances, it might also be possible that a greater cultural mix, heterogeneity and political autonomy become counterproductive.

Conflicts within states, especially civil war, are political issues. The only difference between a peaceful resolution and an armed conflict is that an armed conflict will only occur when it is financially and strategically viable. Keeping this assumption in mind it might be fair to say that the civil war in Somalia and other corollary issues are political in nature.

Now political issues in Somalia have aroused out of shifts in power balance among clans. As the government became increasingly dictatorial at the end of the cold war, Somalis became discontent with the ruling elite. One clan leader, Mohamed Farrah Aidid, started accumulating the national arsenal and arming his clan and other allied ethnic groups. This turned into a political issue as the rival
clan saw it as an obvious threat. The resulting inter-clan hatred turned into an all-out civil war and the ensuing turmoil of the 90s.

Thus, in the case of Somalia, it might not be wise to concentrate power and wealth in the hands of one single tribe. But the way the region has turned depicts a confusing picture; we see Puntland, Awdal and Somaliland in the north, Marexaan clan, Hiiraan state and finally Ahlu Sunnah at the center, Al-Shabaab dominated region and Azania state in the south. Most of these regions are divided along ethnic and clan lines. Further, the fact of the matter is that any attempts by international and even internal actors to consolidate all ethnic groups of the regions in one unified state have failed.

Perhaps political diversity is not the way ahead; a recent example of Yugoslavia comes to mind. The country was once highly heterogeneous and a diverse mix of cultures. The richest province of Slovenia broke off first, followed by the secession of Croatia. These secessions caused an all out civil war resulting in thousands of refugees, genocide and foreign military intervention.

In such a situation where the international mediators recognize that internal actors have a varying degree of compatibility with human rights, democratic and reconciliatory values, the most effective method of shaping the political landscape will be through economic reforms and assistance. International actors should concentrate on creating economic incentives that have an impact on the polity.

Mediation should take place through international bodies like the U.N. through peacekeeping missions or through bilateral talks with EU diplomats. It is
important here to not underrate the importance of regional bodies like the African Union (AU) that are striving to play a greater role in African stability. They should also be involved in multilateral talks.

Peace talks and negotiations have the capacity to reform complex power structures and implement governance framework. However, given the historical context of Somalia, reforms should be introduced gradually. Any attempt to introduce template styled reformation such as the democratic peace framework, as applicable in other fragile states may not work.

**Governance Programming**

The definition of governance according to the United Nations Development Programme is: ‘the exercise of political, economic and administrative authority to manage a nation’s affairs. It is the complex mechanisms, processes, relationships and institutions through which citizens and groups articulate their interests, exercise their rights and obligations and mediate their differences’.

There are many definitions of governance but the one above affirms to our central idea behind state and citizen contract; by connecting the political aspect of governance with the technical aspect of governance.

However, there is often a dichotomy between the concept of governance and the actual form of governance that takes place. This then results in challenges in governance and state building. A common example is the strengthening of state institutions in developing countries in order to extend their reach by offering transplanted mature democratic solutions.
Rueschmeyer\textsuperscript{68} has argued that social contract cannot be effective unless local actors along communal lines are not heavily involved. In fact, we will recommend that fragile states need to create their own institutions through negotiations and deal making through a domestic reconciliatory process.

There are, however, some instances of governance that have universal application. One of them is ‘accountability’. In this perspective, a free and fair election irrespective of the form of government is crucial. Free elections can also increase social cohesion and agreement when more and more people come into contact, possibly even giving rise to an independent press. A model of holding free elections is the PRSP mechanism, which is given significant credibility by the international community. The model places great emphasis on public participation and accountability.

**Economic Growth**

Of course, development cannot begin without economic growth and in this respect the Somali governing authorities will have to play a major role for wealth creation, regulating the market and planning.

Specifically, the authorities must devise a legal framework that governs issues such as property rights, insurance and banking and commercial law. These are absolutely essential for the formation of markets. These laws should be coupled with health, safety and environment laws that protect human rights and the environment in the long run.

\textsuperscript{68} The Self-Organization of Society and Democratic Rule: Specifying the Relationship January 1998
The annual budget is the government’s most important tool for planning. In the case of Somalia it will be especially important due to the political mediation that comes along with setting up a budget. Priorities will need to be worked out and complex decisions will need to be made involving multiple actors. In this respect, international aid and multilateral talks can also be organized to facilitate the planning and execution of the government’s budget.

The government is also responsible for providing a stable supply of money for services it renders. For this purpose international aid should also look to strengthen any existing taxation and redistribution systems. And lastly, provision of a viable infrastructure is a must since it is imperative for the economy to grow. In the civil war of the 90s merchants pillaged the country’s infrastructure for scrap metal, which had to be replaced adding additional burden on the fragile state. Infrastructure is a vital tool for growth as it increases accessibility and reduces the income gap.

The pillaging of infrastructure for scrap metal falls under the predation of primary commodities and is widespread in times of conflict. It follows from this example that in times of war most citizens have to lose but some people profit and a prolonged state of unrest is actually in their interest. Thus often at times the real cause of conflict is not deep-seated hatred among ethnicities but the consequential profiteering opportunities. One way Somalia can deal with this problem is to create awareness among the masses by highlighting this issue to the gullible population.
Crime and Corruption

One of the many banes of a fragile state is rampant corruption and organized crime. Corruption can lead to widespread distrust of the public and international actors for the government leading to the weakening of state legitimacy.

Contrary to popular belief, corruption and crime are causes of state failure not the other way round. However devastating the consequences of corruption may be, it is a technical challenge for any state to overcome and often efforts to do so create even more challenges. For instance, an enforcement led approach to reduce corruption can be readily politicized by the opposition. This approach also leads to the expectation of the public for reforms and when these reforms do not get implemented or fail for any reason the question for state legitimacy comes in to questioning.

Thus, the need of the hour for the Somali states would be to increase the incentives for compliance, to research economics that lead to low-level corruption with the assistance of international bodies and to increase transparency and free flow of information to bring the public into confidence. This will empower the citizens and increase state’s legitimacy.

Fragility of state also leads to problems of organized criminal activity by actors to generate funds and fuel their respective agendas. Such actors can be politicians, insurgents and terrorist groups. The other form of criminal activity is done by criminal enterprise that can be involved in anything from selling and producing fake medicinal drugs to extortion, kidnapping, robberies and prostitution.
Combating crime is challenging and requires significant multilateral effort. Some of the tools local actors with the assistance of regional bodies such as the African Union can enact are financial sanctions; freezing of assets and improving regulatory mechanisms, especially in areas where political will hinders the domestic law enforcement to dedicate themselves to their duties.

Although post conflict countries are at a higher risk of corruption and crime, the problem is prevalent in all parts of the world. The U.N. Charter offers opportunities to engage in comprehensive countermeasures including international judges and courts. These are especially important for transnational criminal activities such as that in Sierra Leone.

Security & Development

The policy recommendations mentioned above can lead to achieving security and economic development. All of the factors discussed; governance, political reconciliation, economic growth, crime and corruption can be best addressed by supporting development. Taking into account current achievements such as; the decrease in militiamen by providing other methods of making a living, the development of industries due to opportunistic enterprises created in a war economy, the initiative by private sector businesses to support international aid, the involvement of the business community in brokering the deal to create Somaliland, the decision by businessmen to refuse paying warlords and recruiting their militants as security personnel has all led to strengthening the current security situation and furthering development. In addition these actions have in turn created jobs aiding in economic development. Whether future policies will be
shaped around economic decisions or whether these factors will be dealt with on an individual bases we have seen examples of economic development driving security in Somalia.
Chapter 6

Security and Development Nexus in Afghanistan

With a better understanding of reconstruction theories and the efforts made in Somalia, in this next chapter we will now analyze the situation in Afghanistan. We will look into the challenges this nation faces while amid an international effort to reconstruct the nation crippled by decades of war. We will review the current challenges to security, human rights, economic and social development.

In two crucial provinces of Southern Afghanistan, most men are still not aware of the 9/11 attacks on United States soil or the involvement of miscreants inside Afghanistan in the execution of those attacks, from over a decade ago. These two provinces namely Kandahar and Helmand are the strongholds of the Taliban, an Islamic extremist military outfit with strong links to Al Qaeda a terrorist organization responsible for the 9/11 attacks and other terrorist activities all over the world.

According to a report by International Council on Security and Development\(^6\) (ICOS) out of 1000 men surveyed in the above stated provinces, 92% were not aware of the 9/11 attacks. These findings are quite shocking and fairly explain the discontent and lack of understanding between the Afghan people and the presence of International Security Assistance Force (ISAF) inside Afghanistan.

\(^6\) Few Afghans know reason for war, new study shows by Paul Tait
ICOS President Norine MacDonald has said, “The lack of awareness of why we are there - contributes to the high levels of negativity toward the NATO military operations and made the job of the Taliban easier.”

There is still a lack of understanding between the Afghan people and the international community that has intervened heavily in their affairs. So even though the Afghans remember the atrocities committed by the Taliban; the women right’s abuses, massacre of Shi’a population in Hazara province and adherence to the strict Sharia law during several years of their rule between September 1996 and October 2001, they also remember the Afghani Nationalist agenda they brought with their harsh regime.

For the first time Afghanistan was free from the clutches of the warlords. The Taliban rule was welcomed by Pashtuns, the largest ethnic group and even those living in the West supported them and saw them as a harbinger of order in a society, which was otherwise controlled by de facto Tribal Khans in the most dangerous country of the world.

Thus, when U.S. President Barrack Obama made an announcement late last year for the planned withdrawal of about 30,000 personnel from U.S. armed forces by end of 2012 and most of its operation by 2014 the Afghan people and other critics of the U.S. led invasion of Afghanistan wondered whether any objectives of the war have been achieved so far. The Taliban insurgency campaign seems to be incessant, the international community has failed to provide access to clean water
and food to Afghan civilians and no significant ground in security and development seems to have been made.

Further, foreign armed forces are looked upon as interventionist and an inherent hatred with incidents like night raids and drone attacks that Washington claims to be the most effective military tactic against insurgents and terrorist leaders, at the expense of collateral damage, are making civilians angrier by the day.

A host of concerns are lurking now in the background as U.S. forces prepare an exit strategy. The Afghans are concerned of a resurgence by the Taliban once foreign forces depart, they are not confident that Hamid Karzai, the current President of Afghanistan, will be able to provide adequate security without assistance of external actors.

In addition the Afghans fear that development will remain stagnant if international aid is decreased or withdrawn then the resulting outcome will be detrimental to the society. According to the World Bank the departure of foreign forces is also expected to lower international aid that the Afghan economy is heavily dependent on.70

However, it seems that the U.S. is committed to the Karzai government, with the recent trip of President Obama to Kabul for the signing of an aid pact and promise of continual support. It seems the U.S. is still taking steps to ensure they are fulfilling its four vital objectives for Afghanistan: establishing a reliable security force, ending the insurgency, reducing corruption and ensuring rights of women.

70 Investing or a-whoring? http://www.economist.com/node/21540316
and minorities. Development, specifically economic development is not considered one of the vital objectives. Despite the U.S.’s actions and intentions in an effort to achieve its objectives one questions whether it is the tactics that have hindered success or whether it is the core objectives that are misaligned.

In this last most crucial part, while understanding the security and development nexus we will focus on some of the issues that make Afghanistan the most dangerous and complex place in the world. We will discuss the reasons why the conflict theories of liberalism and democracy fail, some of the oversights that have been made in this regard and what should be the way ahead.

6.1 Challenges to Security

The legitimacy of any government or expeditionary force depends on that authority’s ability to provide security to the state’s civilians. Same holds true for the government of Karzai and the ISAF in Afghanistan. Although at a broader level, security not only implies human security but also human rights protection, economic development and governance, in this chapter we will discuss several aspects of human security for the Afghan people.

In this regard, the short term and long term security of the Afghan people are under threat mainly from predation of petty warlords, militias, gangs, insurgents from the South and also by getting caught up in the crossfire between U.S. and coalition forces and insurgents. Many of these local power mongers are engaged in drug trafficking, forced marriages, land grabbing, theft, illegal taxation and preventing people from starting legitimate businesses.
These security issues have existed in Afghanistan for centuries and have enabled it to survive foreign invasions and threats but, ironically, they are also the reason why Afghanistan has always remained a victim to anarchy and disorder.

There are several factors that hinder the establishing of law and order in Afghanistan:

**Limited Authority Over Use of Force for the State**

The widespread availability of arms, ‘thuggish’ rule of warlords and a culture of self-preservation due to never having a formal state army means that the new Afghan army under the rule of President Karzai has limited scope and reach.

Although the responsibility of a functional state includes protecting the rights of its citizens and their freedom of movement, the ability to deploy, train and recruit new recruits and, most of all, protecting its people, the limited monopoly of the Afghan army means that over use of force severely restricts its authority.

**Structure and Sustainability of Security Forces**

Of the meager and traditional economy that Afghanistan has, 17% of the GDP is occupied by the armed forces. This not only represents the challenges of law and order but also the non-sustainability of such a heavy burden on development and planning when resources can instead be used for education and infrastructure. As the NATO forces prepare to leave they have committed to $7 billion in aid.

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However, this aid has to be used in other areas of development and poverty alleviation. Besides this commitment will not last forever. As reforms take place in the armed forces there will have to be pay raises, restructuring, an increase in recruitment and equipment, which will further burden the treasury. Afghanistan needs to find a way to make the most taxing burden on its economy, the armed forces, sustainable.

**Porous Borders**

The Afghan Border Police and Afghan National Police both have the responsibility to prevent illicit smuggling and trafficking across its borders. However, this has proven to be very difficult due to lack of resources and highly developed smuggling networks through neighboring countries.

**Resource Conflict**

Afghanistan is one of the poorest nations of the world. There are many areas where there is no water supply and squabbles over resources are common. People lack enough food to sustain themselves and lack access to the marketplace for trade. Then there is no formal regulatory mechanism for such marketplaces or governing of resources. As a result, most communities have stockpiles of arms and ammunitions to protect themselves and to fight to gain control of resources. This situation is exploited by warlords and politicians who support certain communities in gaining resources and, in return, recruit militants and criminals.
6.2 Challenges to Governance and Human Rights

A large part contributing to the criticism of the Afghan government and U.S. policies in Afghanistan is the discontent of the Afghan people when their high expectations from the new consolidated government of President Karzai were not met since 2001. The government lacks trained personnel to run its civil services, finance and communication.\textsuperscript{72} It is greatly in need of a justice and a legal system to protect its citizens and regulate investments. Let’s talk about the most important challenges faced by Afghanistan in this regard.

Limited Legislative Experience of Authorities

If the complete overarching aims of the constitution are to be realized, the democratically elected government would need to involve all actors including Islamic institutions, private sector organizations and other diverse non-state actors. These actors may not necessarily have the same agenda as others so power will have to be shared. The actors in turn will have to be accountable to their constituencies. In an ethnically diverse region like Afghanistan, formulating a legitimate and effective government requires a level of maturity which has yet to materialize.

Illicit Power Holders

Despite the centralized government much of the local polity is under the \textit{de facto} rule of non-state actors. These actors are powerful, have traditionally existed for

\textsuperscript{72} Stabilizing Afghanistan: threats and challenges by William Maley Carnegie Endowment for International Peace \url{http://www.carnegieendowment.org/files/stabilizing_afghanistan.pdf}
centuries and have vested interest in real estate, narcotics and other resources. This enables them to maintain militias and private armies and also bribe officials for benefits. In fact, many people in the government are part of this illicit rule, which further enables them to make an income far superior then state compensation.

**Shortage of Disciplined Staff**

Without educated and well compensated employees working in the civil services the Afghan government will never be able to do its job. Due to poor salary compensations it is difficult to attract and retain skilled workers, which then leads to appointments by patronage and nepotism. This ultimately leads to corruption in the government. Similar is the case with the judiciary system; due to the complexity and lack of judicial reforms the judges supplement their wages by selling their services to the highest bidder. This means that the public looks for alternative sources of judgment due to low confidence of the state judiciary system.

**Lack of Financial Resources**

The Afghan government spends about 5.4% of its licit GDP on government spending. A country that has requested $4 billion in annual reconstruction from NATO, the percentage mentioned is dismal. The government is spending a lot more then it is collecting.
Ineffective Decision Making Structures

More than one third of the government ministries and civil services are located inside the capital Kabul as opposed to being located in provinces and district councils. This makes for a very centralized *de jure* form of a government which can sustain corruption.

Limited communication between ministries, especially those located beyond immediate reach of Kabul, leads to overlapping functions and unclear responsibility. This then makes accountability of the employees difficult.

6.3 Challenges to the Economy and Social Development

The importance of economic development can never be exaggerated since they form a vital part of the security and development nexus and the poverty trap. The exact dynamics of this have already been discussed earlier in our analysis of Somalia. Afghanistan also has its own set of unique economic problems:

Incomplete Institutional Framework for Growth

Just like the *de jure* legitimacy of the government many reforms that have been made passed in the banking, agriculture, land, customs, taxation, etc. sector but there has been no proper implementations of these reforms. This creates problems such as in the case of slow land reforms the land sits idle of what can be otherwise a productive agricultural land or an urban development project. In the financial sector, this means ineffective mobilization of services to the poor who then miss the market opportunities.
In addition the current taxation system is a deterrent to economic growth. It takes close to 30 days just to get the necessary signatures, and tax must be paid in cash by hand. Along the way there are demands for bribes. This structure does not offer many incentives for an entrepreneur to engage in the formal economy.

**Poor Infrastructure**

Decades of conflict and lack of investment means that the infrastructure in most of the country has always been neglected and is shanty. The existing derelict infrastructure makes access to the markets difficult. Poor rural infrastructure provides access to drinking water, physical access, and electricity in such areas, which creates problems of sanitation and livelihood. Whereas in urban areas it hinders major economic growth.

**Cost of Doing Business**

Overall cost of doing business in Afghanistan is high and running the enterprise itself is a complicated affair. A World Bank Report in 2005 stated that in a survey conducted of Afghani companies in a comparison with other companies in the region, only 16% of the 355 firms stated human security as the major cost of doing business. This seems to show that the security situation may actually be improving. However, close inspection reveals that businessman have started relying on other powerful elements of the society to seek protection. Although this might provide a short term solution, reliance on this informal mechanism limits business opportunities within the breadth of a patronage system providing

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73 Afghanistan National Development Strategy Volume 1
http://www.nps.edu/programs/ccs/Docs/Pubs/unands_Jan.pdf
patronage. The figure below illustrates the cost of security as a percentage of sales for Afghani businesses as compared to others in the region.

Further to the problem of security, 58% of the firms cited endemic corruption as a major hurdle to new business entrants. Thus the combined security and bribery cost accounts to 18% of the cost of doing business in Afghanistan, which is alarmingly the highest in the region.

### Opium Economy

The size of the opium economy was 185 metric tons, near the end of the Taliban rule. This has grown to 7700 metric tons by 2008. Cultivation of opium leads to criminalization of the economy where drug barons are able to bribe politicians, levy tributes, maintain militias, stockpile weapons and control the credit market. In many rural areas, the poor have little incentive to grow anything other than opium and eradication of their poppy fields increases the level of resentment against foreign forces.
Weakening Social Capital

Afghans have traditionally been poor people but they were rich in terms of a society, connections and patronage. Prolonged state of war and turmoil has caused massive immigration and dispersal of people among clans. This has broken the safety net that kept communities together and ensured their survival. Afghans have dispersed to all parts of the world, especially to Pakistan and West Africa where they are exploited and work under unfair conditions while Afghanistan has suffered from this.

6.4 Challenges of Monitoring and Corruption

Due to the destruction and, in worse cases, complete absence of mechanisms for statistical inferences and data collection it is very difficult to base policy on hard facts and effectively monitor progress. In what little of institutions that still remain there exists a serious dearth of human resource and equipment. There is an urgent need to record the number of households, population census, gender based data, provincial and district boundaries etc.

These shortcomings facilitate corruption already rampant due to the opium economy, which is an estimated $ 2.7 billion domestically in 2005.
From what has been discussed about Afghanistan, it does not seem that Afghanistan has presented the international community with a set of characteristics very unique from other fragile states. A problem arises due to unavailability of preconceived development models. In this last chapter we try to summarize the challenges to development in Afghanistan by explaining two popular development theories.

7.1 Rostow’s Model of Growth

This liberal economic model on development was conceived by W.W. Rostow and is based on the ideas of free trade and theories of Adam Smith. The model basically describes the stages of evolution of an economy starting as, traditional to preconditions for takeoff to take off which leads to maturity and ultimately to the age of mass consumption.

Characteristics of the traditional society are subsistence agriculture based primary sector economy, limited technology, a highly unstable political environment and a highly rigid class system. With advancement in agriculture and rapid changes in socio-political order, conditions can be set for the economy to reach the next stage of development.

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74 See [http://www.nvcc.edu/home/nvfordc/econdev/introduction/stages.html](http://www.nvcc.edu/home/nvfordc/econdev/introduction/stages.html)
Pre-conditions for ‘take-off’ is the next stage of development where the economy begins to respond to external demands for produce or raw material, large amount of raw produce begins to be exported, societal structures changes and there is a great sense of national identity.

If, however, the attitude of people changes towards greater risk taking, savings, expecting drastic changes and an increase in the comfort level for a pluralistic society, then a ‘take-off’ stage is reached. This is characterized by specialized production in certain secondary products, such as a greater ratio of locally manufacturing secondary goods to primary goods.

The next stage of growth is a prolonged period of growth where the government strives for best practices and the latest technology in all economic activities. The standard of living for the people improves greatly. The society continues to prosper and reaches a stage of high mass consumption where people have greater disposable income then they require, specialized services and industries prevail and the primary economy is diminished.

Afghanistan it seems belongs to the first stage of economic development in a Rostovian model of growth. However, critics say that this model is based on a Western model of modernization and incorrectly predicts that economic development only takes places in a linear system where many nations of the world particularly in Asia and Africa have followed a non-linear path to progress. An example can be Russia, which after a period of mass consumption had to take a 360 degree shift at the end of the cold war.
7.2 Unbalanced Model of Growth

A more accurate model that explains the condition of Afghanistan is perhaps the Unbalanced Model of Growth conceived by Albert O. Hirschman, another economist most notable for work in development economics.

According to this model, developing or underdeveloped countries share common characteristics such as low per capita incomes, agrarian economies, primary manufacturing, unpredictability, poor infrastructure, widespread poverty etc. Hirschman says that due to these characteristics it is only natural that investment and development of various sectors also takes places unpredictably.

In an unbalanced economy where entrepreneurs and investors are not always available investment is ad hoc, which creates imbalances; when the next investment that takes place, this prior imbalance is rectified. However, a new imbalance is created and the cycle repeats. Thus, for a developing economy to grow it is important for it to maintain an environment of tension and disequilibrium.
Chapter 8
Policy Implications for Afghanistan

Afghanistan’s geo-strategic location means that it is a vital contributor to regional and global security and that is how the international community has viewed it at large. We have explained in our last chapter that the complications due to security have been a constant source of harassment for Afghan governments in the past. We also explained the relation of economic development with respect to security.

Now we are in a position to understand Afghani issues through policy implications, which will allow us to formulate an overall picture of the security and development nexus in Afghanistan. We will then discuss some policy recommendations and review the possibility of pursuing economic & security development by focusing on business and industry development.

8.1 Recommendations for Security

If we continue from our discussion from chapter one, liberal theory entails that the strongest and most violent member of the international community usually upholds peace.

From the Afghan point of view then it becomes necessary for ISAF and U.S. armed forces to maintain a considerable presence in the country. The U.S. in particular since it has been the most influential player in maintaining the balance of power in the region.
This has two major implications for the current situation in the country; firstly, whether the planned exit of a majority of coalition forces from Afghanistan within the next few years is a wise solution considering the very fragile situation of not only the country but the spillover effect of insurgents into neighboring countries like Pakistan, Iran and quite possibly India.

Secondly, if we reduce prevalence of ‘peace’ simply to a matter of law and order then it seems that countering the insurgency, warlords, resource conflict and porous borders with Pakistan as discussed in the previous chapter is not the only issue that coalition forces face. The strong international presence has a very traumatic effect on ordinary Afghans, who have maintained a fragile social contract with the occupying force. Ironically, according to a widely publicized survey last year, about 92% of Afghans in the southern provinces, particularly Helmand, which is considered the stronghold of the Taliban, are not even aware of ‘the event foreigners call 9/11’\textsuperscript{75}.

Thus, it seems that coalition forces in holding true to the liberal perspective of peace must maintain a permanent presence in the region irrespective of a security lapse that arises out of this very presence.

Contrary to what seems to be the general consensus in Washington regarding the Western model of democracy as the foremost harbinger of peace and stability, our research shows that might not strictly hold true as the Kantian ideal and Woodrow Wilson’s legacy in the first chapter demonstrated.

\textsuperscript{75} http://www.huffingtonpost.com/2011/09/08/afghanistan-september-11-survey_n_953910.html
Afghanistan remains a country with numerous varying tribes with shifting allegiances. The right to top executive offices lay in the hands of the powerful elite. A truly mature democratic system cannot only be implemented but will be counterproductive. Even today the elected government is criticized for being misrepresented and has its writ limited to the capital, Kabul.

A successful system of government accepted by the majority will not be achieved overnight and will take many years to realize. It will be a continuous process of improvement, trial and error. But there is hope; underlying lessons from Somalia have shown that even in small pockets of autonomous communities run by warlords, an informal writ of law, ‘taxation’ and security did emerge, since a prolonged state of unrest is harmful even for the insurgents.

At a micro level, however, practical measures for maintaining a security apparatus must be implemented irrespective of the future of the country or the presence of foreign forces as it is imperative for law and order.

Thus, as a matter of principal there should be complete and transparent cooperation between the Ministry of Finance (MoF) and all other government departments responsible for development and growth. This is due to the fact that a large chunk of Afghanistan’s GDP depends on international aid, for which accountability is a major criterion.
Since the security sector occupies almost 90% of Afghanistan's financial budget, complete transparency and coordination is of paramount importance. For this purpose the Ministry of Finance should be a necessary part of any security sector reform, annual budgets, decisions of troop size, recruitment and equipment, pay scales etc. These decisions should only be taken after the MoF and National Security Council (NSC) come to an agreement.

Secondly, there should be a National Assembly Oversight Committee responsible for regulating and monitoring of the security sector. They should be responsible for creating periodic reports, recommendations and an oversight mechanism, which they should present at the National Assembly for approval. This is an important aspect of any democratic governance when even democratic peace theory is not applicable, since it just makes logical sense.

To increase the legitimacy of the state even further there needs to be a demobilization campaign to disband and disarm the 1800 Illegal Armed Groups (IAG) that have a combined strength of 125,000. These armed militants are engaged in a wide range of illegal activities like human trafficking, smuggling, insurgency, private armies, poppy cultivation and illegal taxation. For any stable central government to function properly it needs to own the security apparatus.

We have seen examples in the previous chapter on how the financial agenda of a nation can shape help the security situation. When referring back to Somalilands budget we saw that it helped consolidate the militia to create a state army in

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76 Afghanistan: Tracking Major Resource flows 2002-2010
addition the programs in Mogadishu helped create legitimate jobs deterring militiamen from joining rogue forces.

8.3 Recommendation for Economic Growth and Social Development

At the heart of advancement in Afghanistan lies economic development and growth. Let us begin this section by taking your attention back to the shortcomings of the security and development nexus. It is indeed a vicious cycle but even in this perpetual economic downfall there is an inherent advantage.

Yes, we are talking about the recourse in the vicious cycle; the world has realized that fragile and rogue states cannot be left on their own, since they risk becoming hot beds of criminal and terrorist activities. These activities can have widespread ramifications, the 9/11 attacks and Somali pirates are just one example of why rogue states need to be provided assistance for the restoration of law and order.

The War on Terror is more than a drone strike program on anonymous targets set by the CIA; it has a far wider reach that covers areas such as education, economic aid, infrastructure and development. Thus, it shouldn’t come as a surprise that the world has pledged $16 billion in assistance to Afghanistan up till the scheduled withdrawal of most coalition forces by 2015.

However, international aid, which at the moment stands at 7.5% of the Afghan GDP, will continue to play a major role in economic development for Afghanistan.
But the Afghan government will need to work on sectors such as infrastructure for utilities and market access, agriculture productivity, education and natural resources irrespective of foreign assistance.

Fifty percent of Afghanistan’s licit economy is based on agriculture. This economy is the bread and butter of 80% of the population. There is a massive potential for various fruits, vegetables, livestock apart from the illicit poppy cultivation, which we will discuss shortly.

Of the total arable land only half is actually used for cultivation due to lack of water supply and poor infrastructure. For this reason it is imperative for the government to increase the arable land and increase investment in the sector. It needs to promote agri-businesses such as leather goods and honey. By improving government records and land sector reforms the government can also ensure proper land utilization through titling and creating legal ownerships.

Regulating the illicit poppy farming is another major hurdle to the economy mostly because it does not contribute anything to the nations budget in the form of tax revenues and it is still growing rapidly. There are two ways to go about the narcotics policy, firstly the traffickers and drug barons involved in the trade must be brought to justice and restricted, supporting other agricultural produce so there is more incentive to cultivate other crops and developing institutions to study and research. At the same time the industry can be legalized by tracking and registering the fields all over the country. There is a big gap in supply in global supply of Morphine; this is where Afghanistan can come in to play. An example
of such a framework can be taken from Turkey\textsuperscript{77}. We will discuss this option in more detail in the next section.

Afghanistan also has the potential for becoming a transit center of Asia due its strategic position at the crossroads of Asia. However, at present it has one of the worst systems of road anywhere in the world; major areas are connected by impartial and destroyed ring roads. There is an urgent need for a road master plan, especially for Kabul, which is undergoing rapid industrialization.

Education is another area that needs significant improvement. At the moment adult literacy is 34\% as per the Central Office of Statistics for Afghanistan. Lack of education greatly reduces the size of the labor force and availability of vocationally skilled labor. There is an urgent need to work on primary and secondary education, increasing the quality of teachers, increasing enrollment through awareness campaigns and using innovative education methods such as distance learning.

8.5 Recommendation for Concerted Efforts for Achieving Development & Security

In light of the complex situation in Afghanistan there are some feasible options that may help achieve reconstruction goals and fulfill the two main pillars of reconstruction; development and security. Subsidizing security for emerging

\textsuperscript{77} The Case for Legalizing Heroin by Jeffrey Rogers Hummel
industries that face security challenges is a possible option. Currently this topic seems to be unique in that there is not much literature or research regarding this opportunity. Yet, it seems simple enough; create government subsidies to help establish industries that are lacking by providing security for projects such as the railway or alternate agriculture industries. This would increase security in the regions the projects are occurring and in turn create jobs which spurs development.

Another option to address the security and economic development problems is to have Afghanistan fulfill the global demand for poppy-based medicine. According to the International Narcotics Control Board, 80 percent of the world’s population currently faces a shortage of morphine; morphine prices have skyrocketed as a result. The ICOS estimates that Afghanistan could supply this market with all the morphine it needs. The International Council on Security and Development (ICOS), a policy think-tank with offices in London and Kabul, have proposed abandoning the futile eradication efforts in Afghanistan and instead licensing farmers to legally grow poppies for the production of medical morphine. Similar programs have been successfully implemented in other nations such as Turkey. The situation in Turkey was similar to that of Afghanistan’s; they had a long tradition of poppy cultivation, there was a fear that poppy eradication could bring down the government, at the time they were a main source of the heroin sold to

the West, the drug trade also threatened the country’s political and economic stability and the government was unsuccessful in prohibiting poppy cultivation. As a result in 1974 Turkey notified the U.N. that they would legalize poppy cultivation and production. Turkey gained the support of the U.S. and technical assistance from the U.N. Farmers registered to cultivate poppy for the purpose of producing morphine, codeine and other legal opiates. Legal factories were created and licenses were issued resulting in greater control over the industry, increased security, increased jobs for the locals and additional revenue for the government created by taxing the industry.

There is enough cause and reason to believe a program similar to Turkey’s would work even in a fractured nation like Afghanistan. There are many advocates of the program, such as The Senlis Council, an international security and development think tank that has been pushing for legalizing the poppy industry to achieve development and security. The Senlis Council says that legitimizing the poppy crop is the only feasible solution to Afghanistan’s drug crisis. Licensing not only would cut out the drug-lord insurgents, but also correct the shortfall in painkilling medicines available to the developing world. On the other hand there are many arguments against licit drug cultivation primarily due to the lack of security to enforce the rules and regulations to minimize illegal distribution.

General Mohammad Daud, Afghanistan’s deputy interior minister, is skeptical

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80 UNODC, Bulletin on Narcotics (1975) ‘Poppy cultivation under properly controlled conditions so as to meet the world’s requirements for opium for medical and scientific purposes’, Issue 3
82 See article: http://news.bbc.co.uk/2/hi/south_asia/7075389.stm
stating that “The proposal is unacceptable and is against the interests of Afghanistan as a whole, our police and security forces are not able to control the cultivation of licensed poppy. The government of Afghanistan cannot accept this idea, because it does not have the necessary capacity.”

General Mohammad Daud’s argument is understandable yet there are ways of achieving licit drug cultivation. The industry can be phased in with tax revenues directly apportioned to building and strengthening the industry’s security, licensing, taxing and control measures.

If we take into account some of the earlier mentioned policy recommendations such as: a more transparent government and collaboration amongst the MoF and the NSC we see that there is greater potential for this proposal to succeed. In addition a continuing presence of ISAF and U.S. forces can further help the security situation while this industry is transitioned into place through a phasing plan.

If a successful legal poppy production industry is created in Afghanistan we will see a significant spike in tax revenues, an increase in private sector business’ within the industry and an increase in both public and private job creation. Roads will be required for the increased transport needs so the countries logistics will improve and it will not be surprising to see the private sector take a stronger lead in this effort as it will prove beneficial to their businesses. We will then start to see greater security measures along roads and trading zones in addition to increased control measures this will lead to decreased illegal cultivation which is
what has been supporting the regions terrorist organizations. If this industry is
created it will be a great economic reconstruction initiative which will improve
security conditions as well. Security is not the prerequisite in this situation, the
policies and programs developing this industry are what will shape the nation’s
security environment.
Conclusion

In my thesis we have seen how and why international political discourse has drastically broadened in recent times with an increased need for reconstruction efforts, with development and security issues at the forefront of international relations. We have seen how these two matters are intricately tied together, yet it is still accepted as evident that security is a prerequisite for development. Arduous reconstruction efforts in vital failed states such as Afghanistan show that this mindset still prevails. With many failed attempts there has yet to be a significant shift in focus to development led initiatives. We are at a critical juncture because Afghanistan poses a threat to international peace and security and therefore it is vital to identify a solution to achieve security and economic development in an effort to reconstruct this historic and essential nation.

Afghanistan has suffered turmoil for decades, which has created complexities unlike any other nation in the world. This is what the Western leaders and other stakeholders involved in rebuilding must realize. Template democratic or liberal framework solutions offer solutions very specific to mature democracies but fails miserably in oriental and other Eastern cultures. It is high time that the West realize this since an unstable Afghanistan will spread its toxicity to neighboring regions and then to the world at large.

Although Afghanistan presents a major political and economic challenge to Western powers, intervention is perhaps the only viable solution. However, democracy in its purest forms is not the solution. Afghanistan as a nation needs
counseling; it needs Afghan leaders with a vision, someone that can unite the nation towards a common objective of collective peace and prosperity. It needs people with a mindset for development and change, to break free from typical customs and practices.

But even so the notion of collective security and the millennium development goals are going to fall on deaf ears in Afghanistan when thousands of Afghans are still impoverished and have to fight for basic necessities like education, water and food let alone freedom of speech, women’s rights and religion.

To address these issues a strong leadership must go hand in hands with international support as explained in the chapter on policy recommendations. This global support and the realization by ordinary Afghans that they are the forbearers of their own future is the only sustainable solution for this nation.

Reconstruction is a long process which needs to be structured in a sustainable manner. To succeed it is essential to define a policy approach by simultaneously achieving economic and security development whilst integrating the Afghan people into that process. We have seen evidence of security led initiatives that have failed. We have also seen evidence of many economic led initiatives in our case study, Somalia, which have succeeded. It is now evident that security is not a prerequisite to development. The policy recommendations discussed in the previous chapter are feasible solutions and can further security with a stronger focus on economics. Whatever approach is taken we know that these two intrinsic issues, security & development, must be treated with the highest degree
of importance and both must be dealt with together. By addressing the security
and development dilemma and establishing the nexus for sustainable and
prosperous economic and security structures the international community can help
lead the Afghan people to further develop their nation and build a better future for
themselves.
ICOS  Feasibility Study on Opium Licensing in Afghanistan for the Production of Morphine and Other Essential Medicines (September 2005)  


*International Herald Tribune, 25 November 2005*


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