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Rebuilding Weak States

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CRITICAL CONDITION

“POSTCONFLICT RECONSTRUCTION” has become the foreign policy issue du jour in Washington. Multiple think-tank studies, a new State Department office, and no fewer than ten proposed congressional bills all tackle the subject. This flurry of activity to rectify a long-ignored deficiency is a welcome development: recent U.S.-led endeavors in Afghanistan and Iraq have demonstrated that the planning, financing, coordination, and execution of U.S. programs for rebuilding war-torn states are woefully inadequate.

But the narrow focus on postconflict misses a larger point: there is a crisis of governance in a large number of weak, impoverished states, and this crisis poses a serious threat to U.S. national security. The foreign policy architecture of the United States was created for the threats of the twentieth century—enemies whose danger lay in their strength. Today, however, the gravest danger to the nation lies in the weakness of other countries—the kind of weakness that has allowed opium production to skyrocket in Afghanistan, the small arms trade to flourish throughout Central Asia, and al Qaeda to exploit Somalia and Pakistan as staging grounds for attacks.

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Terrorism, conflict, and regional instability are on the rise throughout the developing world, and the repercussions will not just be felt locally. Weak and failed states and the chaos they nurture will inevitably harm U.S. security and the global economy that provides the basis for American prosperity. Yet the United States is doing too little to respond to this gathering storm. In fact, Washington's past efforts at nation building—some well intentioned and others ignorant of long-term implications for development and stability—have often eroded the legitimacy and capacity of the states they purported to help.

The United States needs a new, comprehensive strategy to reverse this trend and turn back the tide of violence, humanitarian crises, and social upheaval that is sweeping across developing countries from Afghanistan to Zimbabwe—and that could engulf the rest of the world. An effective strategy will embrace a four-pronged approach focused on crisis prevention, rapid response, centralized U.S. decision-making, and international cooperation.

A plan of such scope must first recognize that the roots of the weak-state crisis, and any hope for a long-term solution, lie in development: fostering stable, accountable institutions in struggling nations—institutions that meet the needs of the people, empowering them to improve their lives through lawful, not desperate, means. Washington must realize that weak and failed countries present a security challenge that cannot be met through security means alone; the United States simply cannot police every nation where danger might lurk. Thus, state building is not an act of simple charity but a smart investment in the United States' own safety and stability.

Development this deep and extensive will require Washington to re-imagine and re-energize not only its foreign policy but also its institutions. Weak and failed states pose a twenty-first-century threat that must be met by a streamlined, centralized, twenty-first-century operation. Over the past two years, U.S. policymakers have focused on improving the institutions of homeland defense and intelligence in the interest of national security. That same interest now demands that the institutions of U.S. foreign and development policy be remade, just as they were 50 years ago to fight the Cold War.

The startling yet obvious fact is that development in many so-called developing countries is simply not taking place, and this stagnation

endangers the United States. Turning weak states into effective states will not be simple. But the challenge is a profound price of the United States' outsized role in the world.

THE NATURE OF THE BEAST

THE TERMS “weak,” “failing,” and “failed” are frustratingly imprecise. Being poor, for example, does not necessarily make a country “weak.” Of the world's more than 70 low-income nations, about 50 of them—excluding well-armed hostile nations such as North Korea—are weak in a way that threatens U.S. and international security. The weakness of these states can be measured according to lapses in three critical functions that the governments of all strong, stable states perform: security, the provision of basic services, and protection of essential civil freedoms. “Failed” states—Angola, the Democratic Republic of the Congo, Haiti, Liberia, Somalia, and Sudan, for example—do not fulfill any of these functions. But even “weak” states, which are deficient in one or two of these areas, can still threaten U.S. interests.

A state's most basic task is to provide security by maintaining a monopoly on the use of force, protecting against internal and external threats, and preserving sovereignty over territory. If a government cannot ensure security, rebellious armed groups or criminal nonstate actors may use violence to exploit this “security gap”—as in Haiti, Nepal, and Somalia.

A government must also provide basic services such as education and health care to its citizens. An inability to do so creates a “capacity gap,” which can lead to a loss of public confidence and then perhaps political upheaval. In most environments, a capacity gap coexists with—or even grows out of—a security gap. In Afghanistan and the Democratic Republic of the Congo, for example, segments of the population are cut off from their governments because of endemic insecurity. And in postconflict Iraq, critical capacity gaps exist despite the country's relative wealth and strategic importance.

Finally, to foster its legitimacy a government needs to protect the basic rights and freedoms of its people, enforce the rule of law, and allow broad-based participation in the political process. Intervening to help correct a weak state's “legitimacy gap” can be a risky, even

controversial, undertaking. Often, respect for national sovereignty and maintaining stability trump the desire to promote democracy. Additionally, influencing autocratic regimes—that of Robert Mugabe in Zimbabwe or the military junta in Myanmar, for example—is very difficult. But the growing instability in these countries underlines why this challenge cannot be ignored.

Securing 50 weak or failing states may seem like a daunting, even overwhelming, task, but it is necessary. In today's globalized world, weak states threaten the United States, regional stability, and international safety in a wide variety of ways. Places such as Uzbekistan and Sudan are particularly attractive to illicit transnational organizations specializing in everything from terrorism to narcotics trafficking and other organized crime. These nonstate actors take advantage of porous borders and underground economies to establish operational bases from which they secure financing, recruit soldiers, and plan attacks. And with weak governance structures, even major regional powers such as Indonesia and Pakistan are far from immune: Pakistan's border regions are virtually lawless and may harbor Osama bin Laden, and the al Qaeda affiliate Jemaah Islamiyah has taken root in Indonesia.

In addition, the violence, epidemics, and refugee crises that plague decayed nations often spill into neighboring countries, destabilizing entire regions. Liberia provides perhaps the best-known example. Before his eventual ouster, Charles Taylor took advantage of a power vacuum created by a non-existent state apparatus to install an avaricious regime and incite a string of conflicts throughout West Africa.

Although the economic implications of state weakness are often overlooked, many volatile countries also control natural resources vital to other nations. Nigeria is among the top ten exporters of crude oil to the United States. In September, when rebel leaders in the oil-rich Niger delta vowed to launch an "all-out war on the Nigerian state," instability helped propel global oil prices to more than \$50 per barrel.

None of these threats is a recent phenomenon, and the United States has a long history of trying to counter them. Unfortunately, past engagements with faltering states often elicited outcomes that were not only negative, but the exact opposite of the desired result. After failed U.S. and UN interventions in Somalia in 1992–93, for example, the country disintegrated into an anarchic battleground of

competing warlords. A UN investigation of recent terrorist attacks in Kenya documented the ease with which militants used Somalia as a staging ground and escape route for these operations.

Before it adapts its foreign policy, Washington must examine and learn from these former attempts—and failures—at aiding, developing, and stabilizing failed or weak states. Four essential lessons can be gleaned. First, money cannot buy effective governance. At the height of the Cold War, U.S. foreign aid filled the coffers of dictators such as Zaire's Mobutu Sese Seko and Pakistan's Muhammed Zia ul-Haq.

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This aid guaranteed their cooperation in the fight against communism, but it did little to promote broad-based development. Strengthening good governance requires much more than just transferring cash. It also relies on building a state's capacity to protect its borders, provide essential public services, and ensure basic human rights for its people. Transparency—in a developing government's decision-making, its allocation of budgetary funds, and its administration of the rule of law—must also be promoted. These goals defined U.S. support of El Salvador and Nicaragua in the early 1990s; now, more than ten years later, both nations are negotiating free-trade agreements with Washington, an unmistakable sign of progress.

A second lesson is that Washington cannot simply avoid or wish away dealing with local elites, for ultimately their actions, not those of the United States, will strengthen or undermine institutions. Neither isolation nor indulgence alone can meaningfully affect an elite's stance. Increasingly authoritarian leaders in Central Asia, for instance, see little need to respond to Washington's tough talk on reform, particularly because that talk has been accompanied by new and unconditional infusions of aid, along with supportive visits from high-ranking U.S. officials. Such shortsighted approaches are potentially costly. Instead, U.S. policy must use a dynamic and sophisticated mix of incentives and sanctions to both co-opt and coerce the elites, while simultaneously working to expand public participation in the political process.

Third, in using short-term measures to resolve complex crises, the United States must be careful not to inadvertently exacerbate the situation or create new problems altogether. The tragic history of

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Afghanistan hammers home this lesson: after helping Afghan resistance expel Soviet invaders more than a decade ago, the United States stood aside—because of donor fatigue and a poor appreciation of the implications—as mujahideen factions turned on one another. The bloody civil war consumed Afghanistan, paving the way for the Taliban and al Qaeda to take control of the government. Arms given to the mujahideen to fight the Soviets were used against American soldiers in the Afghan war following the September 11, 2001, terrorist attacks. In attempting to end foreign conflicts quickly, policymakers must avoid planting the seeds of future instability.

Finally, U.S. policymakers must be candid about the long-term nature of the state-building enterprise. This may seem politically unpalatable, but there is no excuse for launching limited engagements in countries mired in political and economic chaos. If the United States cannot sustain its engagement, it would do better not to intervene at all.

FROM HERE TO THERE

THE BUSH ADMINISTRATION has started to recognize the importance of encouraging democracy and transparency in developing countries with its hallmark development initiative, the Millennium Challenge Account (MCA). Although the MCA is a bold experiment, representing one key piece of a comprehensive U.S. foreign aid program, it fails to address directly those nations that represent the greatest risk to the security of the United States.

Instead of distributing aid to spark reform in weak states—as development plans have in the past—the MCA narrowly targets “good performers,” such as Ghana, Mongolia, and Senegal, which are “ruling justly, investing in their people, and encouraging economic freedom.” The MCA ignores the countries that, by definition, lack security, capacity, and legitimacy—in other words, the very poverty-ridden and disease-racked states that most threaten U.S. interests abroad.

But plugging the three “capability gaps” that plague weak states will require more than increases in aid. A comprehensive state-building strategy must rely on the entire range of tools in Washington’s foreign policy arsenal, including trade policy, debt relief, security assistance, and

diplomacy. The United States must also be prepared to get tough with sanctions and military force when necessary to advance development.

Washington needs a bolder, broader strategy that moves beyond the MCA—one that focuses on blunting the dangers of “poor performers” using every available means. This comprehensive plan needs to rapidly identify high-risk states, respond to immediate threats, and initiate and sustain long-term interventions. Development cannot be seen as just serving diverse strategic purposes; it should itself become a strategic imperative. Once it does, it should be followed by four fundamental initiatives: investing in preventing state collapse, taking advantage of opportunities of political or governmental transition in weak states, renewing U.S. institutions to reflect future development challenges, and persuading allies and international organizations to help the United States.

MORE THAN AN OUNCE

THE BEST WAY to avoid state failure is to prevent it, and the best way to prevent it is to support broad-based economic growth. According to the World Bank, low-income countries are about 15 times more susceptible to internal conflict than countries in the Organization for Economic Cooperation and Development. Helping poor nations to stabilize and diversify their economies—empowering them to fight poverty and meet popular expectations—must be a vital facet of U.S. efforts to significantly reduce the risk of total state collapse.

Expanding world trade is the surest way to invigorate stagnant economies. To that end, Washington will have to jump-start the recent framework agreement for the Doha Round of World Trade Organization negotiations and implement a new framework for reducing agricultural subsidies. Agricultural trade disputes, which have repeatedly threatened to derail talks, must be settled. At the same time, the United States must unilaterally give poor countries access to its markets through initiatives such as the African Growth and Opportunity Act. William Cline of the Center for Global Development estimates that worldwide free trade could help 500 million people escape poverty, while injecting \$200 billion annually into developing nations.

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Debt relief, if implemented correctly, would also be a major boon to developing nations. The finance ministers of the G-8 group of highly industrialized states plus Russia continue to discuss strengthening the existing framework for relieving the debt of the most heavily indebted poor countries (HIPC)s—possibly by as much as 100 percent. This is an important start, but it is only a start. Despite projections to the contrary, countries currently enrolled in the HIPC program are not escaping unsustainable debt burdens. The G-8 should increase debt relief to ensure that its effects are lasting, not just palliative. And the United States should rally others to expand debt-relief eligibility to all low-income countries—not just to HIPC)s. To prevent further outbreaks of unsustainable debt, the World Bank needs to issue more grants instead of loans, a measure Washington has already been pressing it to take.

State collapse can also be prevented by helping weak states reform their security forces. Congressional restrictions and their narrow interpretation stop many U.S. government agencies from using funds to advise, train, or support foreign police and military forces, except under exceptional circumstances. Of course, the United States must continue to prohibit engagement with forces that violate citizens' human rights. But current restrictions often hinder U.S. efforts to improve security forces abroad. In postwar Sierra Leone, for example, overbearing rules kept the U.S. government from providing food assistance to ex-combatants in disarmament camps—surely the best place for them. Strengthening a weak state's capacity to police its territory is a crucial element of state building; U.S. laws that undermine security-sector reform must be reconfigured.

WHEN OPPORTUNITY KNOCKS

ALTHOUGH ANTICIPATING and deterring state failure should be the overriding goal of U.S. policy, prevention will never work perfectly. The United States must be able to respond rapidly and effectively to crises in foreign lands, particularly when local leaders can re-establish order with timely help. Transitions—from dictatorship to democracy, from unrest to peace—provide short-lived opportunities to strengthen weak states and arrest a slide toward chaos. To take advantage of these

opportunities, Washington should develop a set of “surge capacities” that provides policymakers with a menu of immediate, nonmilitary courses of action.

Funding, committed quickly and strategically, is the cornerstone of any rapid-response strategy. One of the fundamental reasons for the U.S. military’s success in reacting to emergencies is its almost limitless supply of contingency funding. U.S. development agencies have

Sparking worldwide economic growth is the best way to prevent state failure.

no comparable capacity. Congress should give the president a “country-in-transition” fund to finance unforeseen reconstruction or peace-keeping operations. The Bush administration has proposed, and Congress is considering adopting, such a contingency fund—totaling \$100 million, which could easily be swallowed

up by a single disaster. Indeed, the United States is now spending more than \$200 million on the Liberian reconstruction alone. To realistically counter the dangers of the modern world, Congress should grant the president a replenishing emergency fund of at least \$1 billion, to use at his discretion.

But effective and rapid response is not a question of financial resources alone, as demonstrated by the stagnating rebuilding of Iraq, where less than a quarter of \$18.5 billion appropriated by Congress has been spent. The United States needs to create a cohesive rapid-response unit, a centralized pool of interagency experts on state building—the rule of law, governance, and economic reform—trained to work together and able to deploy rapidly, unencumbered by bureaucratic inertia, to crisis spots. Pockets of specialized knowledge are currently scattered throughout Washington, poorly coordinated and isolated from one another. The Bush administration recently established the office of coordinator for reconstruction and stabilization at the State Department with a staff of 25—yet another example of a good first step that may fall short. To coordinate interagency efforts, this new entity needs the kind of resources, staff, and authority to make a real difference. Otherwise, it will be retired to the graveyard, just another layer of government bureaucracy.

Of course, when other forms of intervention fail, stabilizing a weak or failed state may require outside military force. But the United

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States cannot and should not undertake to ensure the world's security by itself. Fortunately, regional powers such as Nigeria and Brazil, as well as organizations such as the African Union (AU) and the Association of Southeast Asian Nations, have shown an increased willingness to take some responsibility for containing turmoil in their regions. Consider, for example, the deployment of AU troops in the Darfur region of Sudan. But as Darfur has also demonstrated, regional troops can mobilize only if they have adequate logistical and transport capabilities. Washington must be prepared to provide its allies and regional organizations with the political and operational support they need for preventive military action and peacekeeping missions—as it has started to do in Darfur. In a world that expects the United States to take the initiative on global security, this is the only alternative to having Americans bear the entire burden alone.

A CHANGE IN PROGRAM

ANY POLICY, no matter how well conceived, depends on adequate government institutions to implement it. As it is, U.S. development programs are dispersed among more than a dozen agencies, slowed by multiple layers of bureaucracy, conflicting priorities, and a dearth of political capital.

To revamp its institutional architecture, the United States must begin by replacing the Foreign Assistance Act (FAA)—the law that governs all U.S. foreign assistance programs, and one of the most Byzantine pieces of legislation on the books today. Enacted in 1961 and updated in ad hoc fashion over the past four decades, the FAA's overlapping mandates and patchwork of restrictions render it complex and confusing. If institutions are to do their job, they must operate under a new set of guidelines created for the modern era, not the Cold War.

As a central part of this new legislative mandate, the government needs to establish a cabinet-level agency that would give development issues a single, strong voice, taming the current bureaucratic disarray. Such an agency would coordinate the actions of the tangled octopus of entities that now delivers foreign assistance. It would establish a single development budget while integrating U.S. state-building strategies for various countries and regions. And instead of enlarging

government, the new cabinet department would comprise already existing organizations such as the United States Agency for International Development (USAID), the Millennium Challenge Corporation (MCC), and some of the foreign assistance programs run by the departments of State, Treasury, Defense, Health and Human Services, and Agriculture.

The proposed cabinet agency runs against current trends in U.S. development policy, but these trends are not doing enough to ensure U.S. security. The MCC, which manages the Millennium Challenge Account, was explicitly created outside of the existing bureaucracy to free it from the myriad constraints that USAID faces. But without strategically centralized leadership, U.S. development efforts will continue to remain on the outside of debates about trade policy, security, and diplomacy. More important, they will also lack the high-level political mandate they require.

As critical as this step would be, however, a new agency cannot on its own reverse decades of U.S. neglect of civilian development programs. The agency will need strong partners at the State Department, a new set of allies in the White House, and enough intelligence resources to press its case. The National Security Council should establish a new early-warning directorate, charged with monitoring short-term crises and mobilizing a rapid response. As part of Washington's efforts to reform the intelligence system, the intelligence community must reinvigorate its coverage of the developing world, while taking advantage of the knowledge already possessed by other governmental agencies, nongovernmental organizations, and academia.

WORKING TOGETHER

FINALLY, the United States must leverage its prominent position on the global stage to convince its allies to help combat state weakness, ideally by using international institutions. Of course, developing nations bear primary responsibility for strengthening their governing institutions. But neighboring countries and regional powers suffer most from the immediate consequences of state collapse. And by virtue of their status and strength—and of course, self-interest—the major powers have a duty to promote security and economic growth worldwide.

Recently, the G-8 seems to have embraced its role in the bigger picture, delving into issues of conflict, poverty, security, and development. Its members have spearheaded international responses to state failure and instability: the United States took the initiative on Afghanistan, France on the Democratic Republic of the Congo, and the United Kingdom on Sierra Leone. Under Prime Minister Tony Blair, the United Kingdom, which will host this year's G-8 summit, has shown interest in addressing the issues that bedevil development in Africa and the most downtrodden nations. At the summit, G-8 member states should deliver on their prior commitments to market access, higher aid flows, and deeper debt relief for the poorest countries.

But for lasting solutions to the problems of weak states, the governments of major developing countries must play a large part in designing and carrying out new strategies. For proof, one need only look at the radically different international responses to the locally initiated New Partnership for Africa's Development (which was embraced) and the Bush administration's Greater Middle East Initiative (which was not). Reconfigured, the G-20—an economic body that consists of the members of the G-8 and major emerging markets such as Brazil, India, Indonesia, Saudi Arabia, and South Africa—could play a vital role in brokering consensus on a wide range of intractable political and security issues. The G-20 has already established itself as a key voice in global economic policy, and with an elevated profile it could address political and security affairs as well.

Together with its G-8 and G-20 partners, the United States must support the UN and the World Bank, which in many respects are far more advanced in creating innovative strategies and tools for engaging with weak states. Regional and international organizations regularly work on the front lines of global hot spots, and the United States must re-invest in these organizations. The report of the UN's High-Level Panel on Threats, Challenges, and Change—devoted in large part to the emerging security challenges of this century—could provide the starting point for renewed multilateral efforts in the developing world.

U.S. institutions
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not the Cold War.

BEYOND POLITICS

THIS STRATEGY does not promise a silver bullet. Instead, it is designed to improve the U.S. government's state-building capacity, to strengthen international resolve to help weak nations, to prevent crises before they occur, and to respond quickly and effectively when they do. Promoting economic growth, building legitimate governments, and developing capable police and military forces demand much more than a simple response.

But none of this will happen without fundamental commitments from the highest levels of U.S. leadership. From the Marshall Plan to the Bretton Woods institutions to the Department of Homeland Security, the leaders of the United States have shown a remarkable ability to respond to crises with innovative solutions. Republicans and Democrats seem to agree that state building is a critical security challenge of this era, but they have not come to a consensus on how to meet it. The task demands presidential leadership and dispensing with the partisan politics that currently retard government action.

The United States must not acquiesce at a time when its own security is threatened by the weakness of other states. Washington must confront the development problems of faltering states now, before they fail and become unmanageable threats. By taking the lead in revamping ailing development policy and institutions and by addressing the underlying causes of state deterioration, the U.S. government, with its partners in the developed and developing worlds, can shape a future of stronger, legitimate governance, and a more stable world order. 🌐