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"THE POLICY IMPLICATIONS OF THE COMMISSION ON HUMAN SECURITY'S REPORT

PRESENTATION OF REPORT AND COMMENTARY

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MR. STROBE TALBOTT: I'm Strobe Talbott, and I have the easiest job in the world, by which I do not mean being president of the Brookings Institution, but being the moderator of this panel. This is a panel that can truly moderate itself. So unlike the rest of you, I'm here to watch and enjoy and, perhaps, occasionally participate in the interaction of these three extremely distinguished folks who have agreed to get us started here today.

But I would like to issue just a word of welcome on behalf of Brookings and the Center for Global Development, whose president, Nancy Birdsall, is sitting over here on the left, and I will introduce her in due course. This is an exceptionally important and timely topic, so much so that somebody in the other room has already burst into applause that we're here discussing it this morning. Welcome to Brookings, which is a multi-ring circus.

But without knowing everything about what's going on in the other rings, I can tell you that no discussion here today is more important than the one that you are going to be having. I've been fascinated throughout my own career by the word "security." Once upon a time, I had a passing interest in Russia -- and I see Cliff Gaddy is here. The Russian word for security means, literally, absence of danger.

And yet, defining the word security is itself a complex and politically supercharged issue, and what modifier or adjective you put before the word security is also a matter of importance and occasional controversy. We talk about financial security, we talk about personal security; we talk about national security for many Americans. National security has become a matter of personal security since September 11.

We also talk about international security. And then, of course, there is this term that is going to figure prominently in the discussion today, which is human security. And I suspect that our discussion leaders are going to spend some time defining that phrase and also examining its implications for policy on a national and international level.

I'm going to introduce the three panelists in the order in which they're going to speak, at least I think I'm right on that -- I know I'm right on the first one. And Sadako Ogata is going to get us started. And I don't think I need to either embarrass her or take up too much time with the group on her resume. You all know it very well.

You know that she is the co-chair, along with Amartya Sen, of the Commission on Human Security. You know that she's a former UN high commissioner for refugees. On a personal level, I can tell you that she has been a friend and a colleague, and mentor, and really, an exemplar to me for over 15 years.

If the phrase "citizen of the world" means anything, it means Ogata-san, and she is more than that. She is an international public servant, and I think that she is truly a world leader. She's also got a book in progress, which she hasn't committed herself to this, but I am determined will be on sale in the Brookings bookstore as soon as it comes out. We want to get her down here to launch the book and sign a few copies when she finishes it.

Nancy Birdsall, I've already mentioned. She, too, is a friend and colleague of longstanding. She is a neighbor of ours. And she is also a partner of the Brookings Institution, particularly on the Global Poverty Reduction Initiative, which Carol Graham is overseeing on behalf of Brookings itself. And I think there is a lot of obvious synergy and overlap between what we're going to be talking about today and the Global Poverty Reduction Initiative.

Last but not least, Robert Bates, who I cannot say is a friend and colleague of longstanding. He's a friend and colleague of about five minutes standing. But having spent a few minutes with him, I can tell you that I want to see a lot more of him, including on these premises. I asked Carol how to introduce Robert. She said, "That's very simple. Simply identify him as the guy on Africa."

And he has combined distinction in the academy and in the classroom with a great deal of fieldwork in Zambia, Sudan, Uganda, Kenya, and I also see, by the way, Colombia and Brazil. So he brings not just an Africanist perspective, but a global perspective. And I might also add, if I weren't concerned about taking up too much more time, I'd introduce a number of people around the table.

It's a great group, but Ambassador Kato, we're particularly pleased that you would be here with us this morning. And I hope you'll find a moment or two to give us your own perspective or put some questions to the panelists.

But Ogata-san, if you would be good enough to get us started.

MRS. SADAKO OGATA: Thank you very much, Strobe, and thank you for hosting this session on human security now. It's a particular pleasure to be able to launch the report in Washington, because I wasn't quite sure how I'd break into the Washington scene. And in this sense, I'm very happy that Strobe is opening the way for the Human Security Report to be introduced, and debated, and questioned in Washington.

He just said that he was debating what security is now. I think that for a lot of us, what is security, or is there such a thing as security, has been a question. And the assumption, for a long time, was that state provided security coverage for their people, and that security came from outside. But at the same time, very clearly, in today's world, the globalization process has really transformed relationships of people between states and within states.

Because money, and goods, and information, people move very fast, and no state can really control this movement in a way that would give 100 percent security to everybody inside the country. And this is the reality of the world in which we should really define and rethink about how do you give security in today's world.

I, personally, became more concerned about security matters because I was, in the last 10 years, exposed to people who were victims of wars, mostly internal wars, communal wars. And in those circumstances, very clearly, states lack the capacity to provide security to their people, but also states were often the causes of insecurity of their people. They were the ones who were threatening their own people.

And because I had to live with abuses of people by the states and, in this sense, began questioning, what is security to the victims, refugees, internally displaced poor people? I mean, states grabbing money, corruption -- they were all causes of insecurity of the people. And this is how I became very much concerned over what is security, as I left the office of the high commission for refugees.

And then, at that time, the idea of an independent commission on human security was launched in the year 2000. There were two backgrounds. One was, of course, the United Nations, the millennium declaration, and the secretary general talking about "we the people," trying to see how can you define security for the people now, that states cannot really assume full responsibility.

And in this sense, he was willing to come up with launching a commission on human security. At the same time, or maybe preceding that, was the initiative, or thinking, in the Japanese government. Prime Minister Obuchi was very much struck when the Asian financial crisis took place. And Asian countries are moving rather well in economic development -- but the total lack of social safety nets for the people.

And this is when he began to think that maybe security has to be redefined, putting in the social safety nets, concepts. And then, he started quoting the human security agenda. So with this combination between the United Nations and the Japanese government, the birth of the commission on human security took place. And it was really assigned to conceptualize human security in a meaningful way in today's world and then to move on to looking into policy implications.

And I'm happy to say that together with Amartya Sen, myself, and some of the colleagues who worked on it present, we were able to get this published on May 1, gave it to the secretary general. We gave an advanced copy to Prime Minister Koizumi, and I have been trying to go on, spreading the content of the message now, and this is the first time I come to this -- what shall I say -- challenging task of tackling the United States capitol, Washington.

But I think I have a very friendly forum here, and so this is why we'll just try to go over the main points. The commission conceptualizes human security in terms of protecting people, people's vital freedoms from critical and pervasive threats, but also in

ways that empower them, so that they can fulfill their strengths and aspirations. So it is on people that we focus as main stakeholders of ensuring security.

And by people, we particularly refer to communities, because communities bind individuals along ethnic, religious, social links, and values. And public opinion and civil society organizations are really increasingly playing a very important role in prevention of violent conflicts, as well as in eradication of poverty.

The commission proposes a framework based upon the protection and empowerment of people. In the report, you'll see the caption, "Protecting and Empowering People." This is the true framework that we have focused on. Neither of them can be dealt with in isolation, as they are mutually reinforcing. By protection, we mean norms, processes, and institutions, required to shield people from critical and pervasive threats.

It implies a top-down approach, such as establishing the rule of law, accountable and transparent institutions, and democratic governing structures. States have the primary responsibility to implement such a protective structure. Empowerment, on the other hand, emphasizes people as actors and participants in defining and implementing their vital freedoms.

This implies a bottom-up approach. People can exercise choices. But when people are empowered, they can make better choices and actively prevent and mitigate the impact of insecurities. And so, it's the protection-empowerment framework that we think is the gist of the approach.

And I think in any good functioning, or good governed state, the empowerment and the protection framework are functioning. But I believe that it is also a framework for nation building, and it provides crucial insights into reconstruction endeavors, whether it is already -- we're trying to see how this works out in Afghanistan, but also, whatever is going to come, Iraq, Middle East.

There will always have to be a protection empowerment framework put into the nation building process. And we examined, actually, the situation in Afghanistan. We had, kind of, five central Asian countries outreach program in trying to see what they thought were the insecurities, what were the most important institutional inputs, and so on, using the tentative framework that we had in mind at the time.

We held public hearings in Africa, especially South Africa, and Benin. We have commissioners from both countries. And here, I think we went through a process of listening to how people defined their security, and we were reminded that, to them, security does not exist. Insecurity is the norm of their life. And how do you bring out of insecurity a more secure situation?

And this is the way we went out into the field, listened to people, and tried to develop this framework. I think there are three points that I'd like to make here. That is,

human security seeks to build on and combine insights from state security perceptions, but also two other human-centered concepts: human rights and human development. And both are widely known and already championed with records of considerable achievement.

And I would like to emphasize that human security, as a concept, does not replace human rights, nor human development, but it adds a special value to it. That's what I want to claim. Respecting human rights is at the core of protecting and empowering people. Because human rights identifies the rights and obligations to be upheld as legally binding responsibilities, as well as moral imperatives.

Human security, through the protection empowerment framework, gives better means to realize human rights. It gives equal importance to civil and political, as well as to economic, cultural, and social rights, and thereby, addresses the violations in a much more integrated and comprehensive way. We give the power of the people to be able to live and realize human rights.

Human development approach has also enriched development thinking. And in the last decade, I think there's a shift in development thinking away from inanimate economic growth to human lives and well being. And my co-chair colleague, Amartya Sen, insists that human development carries a positive quality of progress towards growth with equity.

So human security adds to the human rights implications of development thinking -- wants to build on the human development thinking, but especially focuses on people against downward risks, and reminds the important policy dimension of assuring security in sudden and very unforeseen downturns. And this is something that we'd like to emphasize an added value.

Development thinking is usually more linear. We would go downwards and then go upwards by bringing in social factors in the thinking. In a broad way, the commission examines six areas. And I won't go into the details, but first is the area of the situation people in conflict situations, protecting those who are the civilian victims -- women, children, elderly, disabled -- and remind much more the importance of the question of citizenship as something added to -- establishing citizenship, their rights, and their disadvantages when you don't have citizenship, these are added factors that should be considered in terms of a relation to people in conflict situations.

A second area deals with people on the move, mostly forced movement -- refugees, internally displaced, and migrants. At least in the refugee situation, there is a legal framework. In the IDPs -- and I know Ren has worked very hard on this -- there is some guiding principles and recognition. When it gets to migration -- and there, I think, Katherine, you have been working on it -- there's nothing.

And there has to be much more recognition of the economic -- the business they make, but also, their protection has to be some kind of an ethical framework, is

important. And I've been told that the United Nations is thinking of setting up a commission on migration to look at both some of the normative aspects as well as the economic aspects.

The third area is something very special to me personally, and that is the transition phase between war and peace. I think there has to be a much greater institutional and financial concentration on this particular phase. A few years ago, it was at Brookings that, a conference on the gap -- that is, the gap between humanitarian emergency assistance and longer-term development assistance was noted. And I'm supposed to be something like a godmother of gap.

[Laughter.]

That's what Jim Wolfensohn. But I think the gap is still there, unfortunately. But I think maybe we should focus it much, much more on a transition phase, an independent phase that requires much stronger inputs in thinking, combining developmental, financial, but also rule of law, security, all these various factors on a transition phase, and not just post-conflict.

So this is a new area that, in the course of studying, we have come to realize much more strongly. The fourth area concerns economic security, and we recognize the important role of markets, fair trade, but also a need for a perspective on balancing growth with ensuring minimum living standards, and social safety nets. It's a very controversial area, I understand, especially in this country, in policy terms.

But this emphasis on minimum living standards, social safety nets, were presented as essential requirements to economic security. And the fifth relates to health as an essential instrument to attain human security. Universal access to healthcare was explored. And in this connection, we explored also the intellectual property rights issue over pharmaceutical products, and working out the balance was also very important.

And the sixth deals with a broad range of issues covering education. Universal basic education, especially for girls, was emphasized as policy priority, especially in fulfilling the empowerment agenda. But also, we were looking at curriculum. How we realize this is another problem. But curriculum that emphasizes -- the kind of curriculum that cultivates mutual respect and diversity rather than setting standards of this, that, and the other thing.

It has to be an attitude of respecting and understanding diversity. And that would lead to foster more global kind of identities, trying to overcome divisive messages, not only in the schools, but also through the media and a wider range of information providing sources. And there are many other areas, which the commission examined, to further advancement of human security.

But we could not cover all of it, nor really try to. But I think these were the ways we went around at least to show, what do you mean by an empowerment and

protection/empowerment framework as a policy framework? And from here, what has to happen now is we have to carry on the dissemination in several languages -- French, Japanese, Spanish, Arabic, Russian, versions we foresee -- and within these various language versions, we hope to go to these countries with sometimes government, but sometimes with institutes, NGO centers to spread the message -- and we have already done several little launches here and there -- but also to get policy action plans.

And this is where the report comes up with so many different areas of enforcing security that I think a lot can be picked up by people like yourselves. I foresee already quite an input and response coming up in South Africa, where the report was presented to the president, and through him, to the African Union. There was recently, in this connection, some civil society hearings, again, and we hope it might work into process as well.

So there, I think there's a geographic possibility, or area possibility of moving on. I think there are certain other initiatives. Central Asia, we want to go back. Afghanistan, we certainly want to examine. And also on the health sector too, there are global health surveyance -- is that the right word? -- that has to be set up there. So a lot of policy implications, implied recommendations are here. We'd like that to be picked up. That's the message.

One thing is that I want to go back to the Japanese contribution. Japan gave a trust fund to the United Nations, which is, altogether, about $200 million by now. About half has been used on various projects proposed by various UN agencies. And in order to make this more -- the commission report is to give some kind of a guidance, policy direction to the usage of this trust fund.

And there will be an advisory board to setup, not to examine proposals, but to see how the trend moves in the project. So there are concrete ways of realizing the recommendations of the commission. And in addition, I understand that the Japanese government has decided to have, on a bilateral basis, grass roots human security grants, starting this year, 2003, 2004, of $100 million.

Which means that, on a bilateral basis, they can fund NGOs, local, national, international, in various parts of the world. So the hope of the commission is that other countries join in in this, not only the trust fund to the UN, but also in their bilateral efforts, something that looks much more on empowering the people, which is the only way, I think, in today's world, where we are all fighting against terrorism and dangers of all sorts.

Empowering people is actually the only way to really establish security. That's the thinking.

MR. TALBOTT: Thank you, Sadako.

Nancy?

MS. NANCY BIRDSALL: Thank you very much, Strobe, also, for your kind introduction. Before I start, I do want to acknowledge the terrific work that Carol Graham and Maggie did in bringing us all into this room, and then to congratulate the government of Japan for putting together and making a marriage of two great leaders in the world, one, Amartya Sen, who is a leader in development thinking, in a new way, and the other, Sadako Ogata, who has been a leader in thinking about security issues, refugees, in a very new way.

I think by putting together this marriage, we see today an incredible report. I'm a little frustrated about this report, and I'll tell you why. The report is a report written by idealists and for idealists. My guess is that almost, if not everyone in this room, is, in some respect, an idealist.

It's a brilliant report. It speaks to the great challenges of the 21st century. But it's also frustrating. Because it's written by idealists, it throws down the gauntlet, which Sadako Ogata just said has to be picked up, in something that sounds kind of anodyne, policy action plans. And that's part of the frustration, is how do we take this brilliant set of ideas, which is so much about the challenge of the 21st century, and deliver it to the cynics, the constructive cynics, and make something from it that we, as global citizens, can pick up and try, in a pragmatic way, to realize some of the challenges that are talked about.

The report is just full of radical and revolutionary ideas. They are still buried in incredibly elegant language. Sometimes, the most revolutionary ideas for future policy action are not in the short summaries at the end of each chapter that are called the policy conclusions. So for those of you who have not read the report, and are interested in the policy conclusions, don't read the policy conclusions of each section.

You've got to read and look for these radical, revolutionary ideas throughout the text. What doesn't come through, and what I think is the next report and the next challenge for the marriage of Sen and Ogata-san, is two things, really. First is, what do we do about a system we have, which is trying to deal with global challenges, but in a multilateral way across countries still; governments are still very much in charge.

And it's a weakening multilateral system, and I think we're all feeling that very much in the last year or two. It's weakening, it's not global; it's international still. It is not 21st century. We still have our 20th century international system. It is a weakening system in terms of multilateralism, and it is completely unrepresentative of the poor, who are the least secure around the world.

It's unrepresentative in two ways for the poor in developing countries. One is that their nations are not well represented in the global system. And the second is that within countries, of course, often, the national governments are not democratic themselves. So there is a kind of double democratic deficit.

The second thing I would say about the way the report is framed, and what the challenge is for the next report, is whom do we make accountable for the many different radical proposals to secure human security? Is it the United Nations? Is it poor countries? Is it failing states? Probably not.

What is the responsibility of people in rich countries, who want to be global citizens, better global citizens? The Center for Global Development, as I hope many of you know, has a kind of overall philosophy, which is trying to make the rich world more accountable for human development and, we should say, human security in the poor world.

And we've done this commitment to development index, and I'm wishing we had known about this marriage, so it would have been a commitment to development and human security. But that is the next step. So I wanted to say a few words about how we might think about responsibilities of the rich nations in the context of the radical proposals embedded in this report. And I put them into three categories.

The first is what I'd call sins of omission, and here is where we should start. The report brings out, for example, two major sins of omission on the part of the rich world toward the poor, which challenge human security. One is the issue of patent rights. And here, I think we have to think hard about accountability of the United States government, at least this year, at this time.

Because the U.S. government has been the major player installing what might have been an agreement on how to handle the trips portion -- well, the trips issue, the access to medicines issue in the WTO. Second example is agricultural subsidies. The rich world is sinning. It's a mortal sin, in many respects, because of its inability to manage its own politics around this problem of agricultural subsidies in rich countries reducing prices and reducing the economic security of some of the poorest people in the world.

A third area is arms sales. The report has this little nugget that 78 percent of all conventional arms exports are attributable to four of the OECD countries. Being kind of politically correct, the report doesn't say which four countries they are.

MRS. OGATA: They were there originally.

MS. BIRDSALL: They were there originally, aha.

[Laughter.]

MS. BIRDSALL: So let me say something about sins of omission. Here, I think those of us in the development community have been thinking about this and talking about it for years. The biggest sin of omission is that we are still not creating -- we are not transferring resources to deal with the health and education, refugee, post-conflict problems that inhibit and that undermine human security around the world.

Transfers are .22 percent of OECD GDP. Internal transfers in domestic economies for those kinds of things, even taking out pension systems, are closer to 20, 25 percent of GDP. So we don't have a global system that comes anywhere close to mimicking the social contract that mature Western economies have to maximize opportunities, and thus, human security within our rich countries.

Third category after sins of commission and omission is what I think brings up the more revolutionary part of the report. One is that we have these coordination problems among countries in the weakening multilateral system, and it has to be the rich countries that take leadership in managing all kinds of coordination issues, issues that cry out for global collective action.

What are some examples from the report? One is migration. Just on the radio today came up again the issue of Mexicans who are dying, trying to cross into the United States, and the fact that, because the war on terror interrupted what might have been a good prospect for managing better between Mexico and the United States, this great problem, it's an economic problem, but it's a problem of human security too, when people are dying in trucks.

We don't really have any data. It's amazing. When we did our commitment to development index, we saw -- it's unbelievable. The OECD does not have information that can be used, even on legal immigration, legal flows of immigrants into the OECD countries, by where they're coming from, and how long they're staying. So at the global level, we have not -- the rich countries, who need to take leadership, have not yet taken leadership. And this report calls on them, in my view, to do that.

Another example is world citizenry. This report actually suggests that there ought to be a system to create citizens, multilateral or world citizens, in the case of stateless persons. That's a radical idea. It's been much discussed. Who's accountable for really thinking that through and taking on what it means? I think it has to be the G7; it has to be the U.S., the Europeans, and the Japanese.

The international financial architecture, an issue very familiar to economists and development economists. After five years -- six years now since 1997 and the Asian crisis -- of talking about improving the international financial architecture. The only real outcome is that the developing countries should do better in terms of transparency of their own accounts.

Now, there's increased surveillance, and so on, and so on, but we have not really come to grips with the serious problems in the way that global financial crises affect the poor of the world, and some of the ingredients of that crisis have to do with the way we manage the capital markets in rich countries, or, in some cases, fail to manage.

The fourth area after sense of omission, commission, coordination problems, is even more radical and revolutionary, and that is, when is it okay to intervene? When is it

acceptable for the rich world, with its democratic governance to intervene in the insecure world, or the less secure world, often the developing world?

I brought this little picture from a set of comments made on the index in Geneva. And it's hard to see, but this is an exclamation point here, and this is a whole lot of exclamation points. And this one little exclamation point represents the number of people who have died in terrorist acts in the last six years throughout the world. It's 25,000. One exclamation point.

And this is the number of people who have died from preventable hunger, malaria, and other completely preventable causes in the last six years. It's closer to 25,000 a day. The question is, what's the right way to fight the war on terrorism? We have the terrorism issue. We have the Iraq issue, of course, for U.S. citizens. But most of all, we have the question of how, what is legitimate when states are failing, when states, even more than failing, are murderous?

What is the issue in terms of sovereignty that the 21st century has brought to us, and that this report, very quietly, puts on the table? How do we handle that? Even the traditional issue of military security, how you think of that in terms of accountability of the rich countries, is very, very difficult. We've struggled with that in our commitment to development index.

Is the military spending of the U.S. in Korea and in Germany a positive force for human security? At the same time, what about the arms sales? Is military spending to keep the sea-lanes open a positive force? Yes. But how do you unbundle that military expenditure from military expenditure that, in an unintended way, ends up producing lots of small arms, first in Afghanistan, then in Pakistan, and creating and contributing to criminality and terrible human insecurity.

Let me close saying this is a stunning document. It is so much more radical than you will realize until you look closely and think about what it says to us about our unrepresentative and undemocratic multilateral system, and about, fundamentally, in an unrepresentative and undemocratic multilateral system, what is the responsibility of the rich nations, the G1, the G3, the G7, in rectifying this situation, in order to bring about the kind of marriage of human development and human security that this commission has defined.

Thank you very much, Strobe.

MR. TALBOTT: Nancy, thank you. That was an absolute model of a response and a critique. I do, however, need to point out that I think there's another Ogata-san who might object to this notion of a marriage between Sadako and Amartya.

[Laughter.]

Sadako, I just want you to pass on to your husband that I'm looking out for marital security in addition to all the other things we have on our minds here today.

Robert, over to you.

MR. ROBERT BATES: Thank you. I am somewhat technologically challenged, so hang with me for a moment.

[Pause.]

Sorry about that. I appreciate the help.

I agree with both much of the tone -- well, certainly, all of the tone and much of the substance of what's been said. This report is subversive in an extraordinarily progressive way, and I think it's going to make us rethink in terms of economic order, global economic order, the nature of the legal order, the nature of the political order, and who knows whether the three can be brought into constructive interaction such that the political order transforms the legal order, such that the economic order can be altered. I certainly hope it can.

But my concerns in this talk are going to be of a slightly different nature. They're going to be not about the element of absorption and the transformation of our mindset, and our movement towards policy advocacy, but rather, movement towards research, towards looking at one particular aspect of the world as it's portrayed so compellingly in this document, and trying to come to grips with it in an analytic way, and in a way that we can evaluate the validity of our conclusions, even though we may wish to debate their implications.

In particular, I want to look at work in one of the locus of intense human suffering, which is contemporary Africa, and to look at an aspect of it, which is highlighted in the report, but, I think, remains fairly poorly understood, which is the element of violence and conflict.

And the way I'm attacking this is in three ways, and I'll describe them, and then, I want to, at the end, point to where I think we ought to be dialing in a little more tightly and moving ahead beyond what I've done. The first way in which I've been attacking this problem is through the collection and dissemination of data. And I've done that through a website that is now accessible to researchers throughout Africa, who are working with me.

We have teams throughout Africa who work with the African Economic Research Consortium, and also with the network that's being put together on political reporting by a group out of South Africa, and based in Ghana and Tanzania as well. And so, this is a database that is available to people on political violence and its correlates in Africa.

The second way I've been trying to do this work is through fieldwork. My own, which began in Uganda in 1981 when I went in to try and restructure agricultural export markets after the fall of Idi Amin and walked into a world that was like a painting of medieval Europe, with killing, and suffering, and violence, and a world where you planned your day around getting your work done and not getting killed.

And my students -- I'm now of an age where I don't do that so much any more. But my students are young and adventuresome, and they are continuing in fieldwork. So people like Peter Singer, who's here at Brookings, who's worked on private armies and their role in Africa and child soldiers and their role in Africa. Or Jeremy Weinstein, who's just coming out and taking a job at Stanford, who's worked on what we call the industrial organization of violence, which is to look at the movements and how they transform capital, and people, and human capital and resources into outputs or streams of violence which then are optimized, depending on the nature of the train, the physical constraints, but also the anticipated response of governments.

So we being to understand the internal incentive systems and the production functions that underlay the sowing of misery throughout this part of the world. [Unintelligible] Humphrey is another one of my students who's now in Sierra Leone and who's produced a brilliant mathematical social science thesis that really cares about Africa and is working on peacekeeping and applying his dissertation work on peacekeeping around the trials that are going on now with Foday Sankoh, and other people in that area.

So this is the second dimension, is in depth fieldwork. And the last dimension is just sitting down and thinking. And the thinking that I will be describing to you today is some work that I did with an economist by the name of Avner Greif, who works on medieval Europe, but is a game theorist, and who also was in the Israeli army in Lebanon, and knows what it's like to see children with hand grenades and AK-47s, and wanted to get his mind around this set of issues as well.

So this the sort of -- or these are sort of the three dimensions we're putting on violence in Africa, the data dimension, the fieldwork dimension, and then sitting down and trying to just understand it, usually by oversimplifying it on purpose, creating little toy models that you can manipulate at your fingertips on the desk. And they will tell you. If you set them up in a way that's in accord with your understanding of reality, they'll allow you to cut deeper into the reality than you sometimes can do without the assistance of such modeling efforts.

Well, let's get on with the substance then. What I'm looking at is what Africa looks like, and it's a world in which states are broken down, and the question then is, so what? What can a state do for you? Isn't a state actually a source of misery as well as a source of solutions to state breakdown? And this is what I call the Weingas (ph) paradox, which is that if you have an agency that's powerful enough to protect property and lives, it's also powerful enough to destroy property rights and to take lives.

And the question is, how do you get this agency to be called a state, but also create incentives for it to be a custodian and a guardian instead of a predator? And we're confronting this problem of the state as part of the problem, state as part of the solution, in the context of Africa. And we start by looking at what the world looks like without states, what a world could look like with states, and then, how do you tame the state.

Well, here's the problem. This is from the Prio (ph) overview of where contemporary conflicts are. And as you can see, they're rather where you would expect them to be. But Africa is clearly a player in that --

Q: [Inaudible.]

MR. BATES: Good question. I think those may be ones that were terminated briefly, or no -- I don't know. I can look it up, but I don't know. And here is the, over time -- the first was over space, this is the over time accounting o f conflicts. Africa is the white band that has a large percentage of them. And the build-up is coming, actually, when you desegregate it, from the fact that these conflicts aren't stopping.

So they start at a regular rate, but they're no longer being terminated. And part of the reason, of course, is that it's no longer in the interest of the large states to terminate them for fear that they will get the backing of their enemies, as was the case during the cold war.

What is a world like without states, that is, one where there is a potential for violence? Well, the basic lesson that we have found from our modeling efforts is that the political institutions place a constraint over what's attainable. That constraint implies a tradeoff between prosperity, on the one hand, and peace on the other. What I mean by that is that if you want to be peaceful, you have to be poor.

Now, why is that? The reason is because if everybody's providing their own defense -- and I also, in addition, use my time and my energy to accumulate assets that are desirable -- then I anticipate that somebody else is going to try and steal those assets. And in order to prevent that person from stealing the assets, I have to prepare to defend myself militarily.

So in a world where security is privately provided, and where you don't have a public agency providing it, if you're going to get rich, you're also going to want to militarize. And so, communities, and families, and industries will start to hire on private means of protection in order to defend their wealth. But if you want to be peaceful, the best way to do it is to have nothing worth stealing. That is your best defense.

Now, the analysis comes out of a model that I can briefly, briefly take you through, which is we have a total amount of assets, STI. You can allocate them between work, which is W, military preparation, which is M, or leisure, which is L. People want income or leisure -- that's a standard assumption in all these models. If they work, they can produce profits, or output, which is F of W.

And you can also get income by stealing, and the amount you can steal depends on the amount of your military preparation and the military preparation of the other person who's with you. So total income becomes the result of your own production, it becomes what you raid from other people, what they've produced, and also what you lose when other people raid you.

Now, in that world, which you want, of course, if you want the welfare maximums, you'd want people not to spend any money or any effort on military activity. It's not productive. All it does, at best, is to redistribute income, not to create it. And often, because of accompanying mayhem during this period of raiding, resources, in fact, are destroyed.

So what you ideally would like to do is get M, that is, the amount of resources that go into military activity, to zero. Now, the problem we find is that in order to do that, for M to go down, then what you have to do is to shift resources out of production and into leisure. This is that movement towards unproductive activity in order to reduce the incentives for other people to raid.

Or if you want to get rich, that is, if you want to work hard and increase output, you then have to militarize in order to defend yourself. Well, so, what you get is a Hobbesian state where you either stay poor or, if you have things worth stealing, you're living in fear, in danger of violent death, and the life of man, solitary, short -- it has to be brutish and short -- I screwed up something in that, didn't I?

I'm so sorry. I'll never make it at Harvard. Very, very short, that's right. Diminutive.

[Laughter.]

Now, what Abner and I now do, having sort of through about when you don't have a state, and what's the world look like when you don't have a state -- it's either poor, or peaceful, or rich, and violent. The question is, then, can you bring in somebody who's a specialist in violence to tame things down? Can you bring in a government --

[Tape Change.]

MR. BATES: -- I mean, somebody who doesn't work for a living in a factory or in a job working with machinery, or shovel, or muscles, or stuff, but rather, who earns money either by stealing it or by being paid for military services. And if you do get that person in, can you address the Weingas paradox? That is, can you make this person part of the solution instead of part of the problem?

And what we do is to explore a contract that we could offer a person like that, and to see what that contract would be like, and it involves trying to create incentives that will lead to equilibrium in the choice of strategies, which' I'm about to tell you about. The first, on the part of private agents, which is where you refrain from raiding, and you pay your taxes, so long as the other people don't raid you, and so long as the government has refrained from engaging in predation. Otherwise, you revolt, refuse to pay taxes, and go back to the state of nature.

And the strategy of the government is, the government will refrain from predating if private agents behave themselves. And if they don't behave themselves, then the government comes down on them like a wolf on the lambs. He turns predatory.

Now, the properties of this equilibrium are several. One is that people demilitarize, and this gets rid of one of the sources of welfare loss. The second property, and this is actually quite interesting -- I haven't really explored it that much -- but the second property of it is you get rid of the only other source of welfare loss, which is distortions from taxes.

Because as the government becomes more patient, or as the shadow of the future becomes less onerous, the amount of money it takes to keep the government on the equilibrium path goes to zero. So tax distortions go to zero. What this is telling us is that we can attain regions, which are here shown as dark regions, that are not attainable given the constraints of the political institutions when you don't have a state.

So you can actually get to break through that frontier to higher levels of welfare and, in principle, to the welfare maximum. Now, what this is telling us is something else that Hobbes understood, which is the fundamental political premise of the good life, which is what this report is trying to urge us to explore, that the good life is not only the absence violence, but it's all the other things that now make sense, given that there isn't violence.

That is, it becomes rational now, investment now, in human skills and human capabilities, in infrastructure, becomes a rational act. In the absence of the peace, such activities are not rational acts. They're only acts undertaken by extraordinary people, by dreamers, by people who are doing it not for rational reasons but for their own instrumental reasons.

To make this point, I put up the terms of the World Bank mission I was on in Uganda in '81 against the quotes from Thomas Hobbes. The mission says, "You'll promote industrial development." Thomas Hobbes says, "No, there's no place for industry, because the fruits, they're over uncertain." We were supposed to increase agricultural production, but he says, "And in the state of nature, there's consequently no culture of the earth."

We were to promote foreign trade, but he says, "There's no navigation, nor use of commodities, that may be imported by sea." We were supposed to accelerate physical

reconstruction, but he says, "There's no commodious buildings, no instruments of moving and removing, such as may require much force." And we were supposed to reorganize the university and research system.

He says, "No, there's no knowledge on the face of the earth, no account of time, no arts, no letters." And it's because of the danger of death and the fact that we have insecurity. So this fulfillment of the human potential that's being called for in this report has a political premise. And the premise is, can we keep on the equilibrium path, this government, that will prevent predation between private parties, and that itself will not engage in predation?

Now, this forces us to look hard at the equilibrium conditions. And when we explore them, one of them is that the government, to stay on the equilibrium path, has to be paid for its services. But if you pay it too little, then the specialists in violence pay themselves. The soldiers start collecting tolls at roadsides, and stuff like that.

If you charge too much by way of revenues, then the people say, "We got a better deal. We can provide road protection," and they withdraw from the contract. So the level of the revenues is constrained both from below and above as a region in which you can get peace. Then the second set of conditions have to do with what the government anticipates if it goes off the equilibrium path.

One is, does it care if the world plunges into violence? And that has to do with its discount rate, how much it values the future. If it has a high degree of risk, faces a high degree of risk, it may just gamble and loot, not worrying about the future. Now, think about that, because this has a lot to do with the reactions to introducing political competition and democracy in Africa, which increases the level of risk for incumbent regimes.

The last expression, which tells us what the value of the equilibrium path is, is how well could the government do when the state of nature returns? And if it's sitting on a gold mine, if it's sitting on a diamond mine, if it's sitting on oil wells, maybe it will do very well, so it doesn't care if political order fails. And that's the grievance literature that's been coming out of the World Bank and other places.

So these are the conditions that have to be obtained, that have to obtain to have the government behave in a way that does not reveal the Weingas paradox. That is, to have the power, but to use it as a custodian as opposed to a predator. Now, what do we, in fact, find in Africa? I've asked to pass around some data, which didn't get passed around because the system, I think, has been somewhat overwhelmed.

But one of the things that I found extraordinary is that if you have a regression that has all these elements in it, first of all, revenues enter, they enter the right way, they enter quadratically. The coefficients are such that if the governments are paid about 35 percent of the GDP in public revenues, they can keep the probability of violence to a minimum. Below that, they're paid too little. Above that, they're asking too much.

And so, public revenues turn out to be an important source of lowering the probability of violence. A second thing that shows up is that when you democratize, the level of violence goes up. So that discount rate is playing its expected role. And this is a short term effect, because when you look at the long term effects, that is, how long you've been in power, if you're an authoritarian or a single party regime, the longer you are in power, the more likely you're to have violence.

But if you're a democracy, the longer you are a democracy, the less likely you are to have violence. So that initial transformation sparks violence and conflict, but if you can get over that initial transformation and lock it in, then the probability of violence goes down. So you have this entry barrier, speed bump that you've got to cross.

The last thing that I found extraordinarily interesting is on this slide here, which are the fixed effects estimates of what happens with prosperity, what happens with wealth. What the estimates are showing is in the cross-section, wealthier countries are more peaceful. In fixed effects estimates, as wealth goes up, the probability of violence goes up. Which means that Africa is more like our first model than our second model, that is, Africa is facing a tradeoff between peace and prosperity.

It means that states are weak. Because if you go to a place like Western Europe or North America, you run these regressions, you're not going to get that change, you're not going to get that positive sign on income or the modernity variable that I use. You're going to find that you can get richer and stay peaceful. In Africa, you get richer, you get more violent.

So Africa, I think, faces two transformational problems. One is that of economic growth, because when economic growth gets going, life gets mean. And the other is a transformation to democracy, because once you democratize, governments with short time horizons begin to try and loot the store while they're in power, because they know they're likely to be out of power fairly soon.

And those two are blocking the economic and political transformation that we need in that part of the world in order to move Africa into the mainstream of a world in which people can live well, that they don't fear the shadow of death on a day to day basis. They can get rich, and prosperous, and educate, and do all those things that Hobbes says you can do if you have peace and prosperity.

And if we're going to get them there, I think we're going to get them there on the basis of understanding some of the incentives that are at play of the nation that I'm describing here. Let me end with one last thing, which is where I think a lot of future work has to be done.

The thing you learn very quickly when you work on problems of violence is that you have a high element of what we call time dependency, that is, violence doesn't turn on and off. It turns on and stays on. One year of violence increases the probability that

next year will be violent. And one of the reasons are that violence is not only tit for tat, but it's also based on organizations.

And these are political organizations, and they can do sort of one of three things. One is to be involved in crime. Another is to be involved in violence. Or a third is to demilitarize and move into the public sector as a political party. And I think part of what we want to do is to understand how those organizations are working, what their incentives are, so that we can move them away from the violence and crime line towards the lower left, to get them to participate as party organizations, and to move out of the backwoods, demobilize, demilitarize, and become civic associations competing for power through the ballot box instead of through the gun.

And I think, you know, when we talk about democratization and we talk about peacekeeping, this is what we have to be talking about, are these organizations, their inner workings, and what's in it for them to change their behavior in ways that are compatible with the public good.

Okay.

MS. CAROL GRAHAM: Thank you, Bob. I'm not Strobe Talbott. I'm Carol Graham from Brookings. And thank you for the very provocative presentations, both Bob and Nancy, and Sadako for the presentation of the report. I think we have 10 minutes for questions, which is going to cut into our coffee break. We'll still get a bit of one, but I think it is really worth letting the audience chip in now, because we have a great group of people here, and probably worth sacrificing some of the coffee break to make sure that people get a chance to talk.

So let's open it up for questions, comments.

Q: I'd like you all --

MS. GRAHAM: Would you mind just identifying yourself? Thanks.

MR. RICK BARTON: I'd be happy to. I'm Rick Barton from the Center for Strategic and International Studies, and used to be Mrs. Ogata's deputy. I'd like to have you all comment a little bit on the sovereignty question, because you've put it out there, and it's clear that we've been going through a redefinition. We have so many states and leaders that qualify as tyrants or abusers, or exploiters of their people, and the secretary general has spoken to that issue a bit.

And I wonder if you might enlighten us further on where you see this definition going in the next few years, because it's still held so proudly by most of us, and yet, it's a bit of a, to me, it seems like the refuge of many scoundrels at the same time. So how do you see it opening up, and what's the role of this kind of a report in doing that, since it really – it puts – it puts the people first?

MRS. OGATA: The issue of sovereignty was debated. And I think it's on page 12, there's an issue: interdependence and sovereignty. Because the reality of an interdependent world does not allow any state to really exercise its own right without affecting itself as well as the others. So sovereignty is not the concept of doing unrestricted exercise of your own will and your own power.

In the context today, whether you like it or not, whether you admit it or not, is interdependence. Anything you do, or anything you do not do, does affect your own people and the others. Now, sovereignty is also -- I think that maybe I can just give an illustration over sovereignty.

The issue of the internally displaced is always hotly debated. And when UNHCR had to work not only on refugees but on internally displaced, it was usually the government, the sovereign state -- Russia asked us to come and help the Chechen people in that situation, the displaced. Or Yugoslavia asked us to come and assist the displaced, which started in Croatia.

So I think even sovereign states recognize the need to receive some assistance. And you can call that intervention if you want, but I'd much rather -- don't want to go into intervention as if an external will is imposed. Most states, I mean, do recognize some need for some help, because of the nature of the world that we live in.

MS. GRAHAM: Thank you. Ambassador Kato, did you want --

AMBASSADOR RYOZO KATO: Thank you. First of all, thank you very much for a very stimulating and illuminating in the presentations by the panelists. And I'm here today more as a layman, and I am a learner. Therefore, let me ask a very simple and a layman's question.

The MDG, millennium development goals, which has been adopted by the United Nations General Assembly. And yet, of course, the current MDGs in the process does not take – does not seem to take full account the dynamic process of protection and employment in weak states or in post-conflict situations where it's difficult for anyone even just to maintain minimum necessary order of the community.

And how can MDGs and the human security approach be interlinked? This is first question. The second one -- as I heard from Mrs. Ogata, the core, or the most important point from now on is apparently the implementation and the policy action. In that context, what is the relevance, the model case approach, and the model case area-wise and otherwise?

Of course, this requires a very rigorous prioritization of the -- as you mentioned in your presentation. But individual success can be identified and compiled -- it might become easier for the human security approach to be recognized as useful, helpful, effective for policy-making of relevant governments, including the United States and Japan. This is somewhat like a self-interested point and comment on me and on my

government. But what is your view on this point? And finally -- sorry for taking up too much time -- when we consider concrete measures for promoting the protection/ empowerment framework, I still believe that the replenishment of economic and social infrastructure is needed to enable the overall economic development, in many of the cases, and sustain the evolution of the framework itself.

Now, how can this infrastructure element be combined with the concept of human security -- these three, and MDGs on the human security, and model case approach, and infrastructure on human security?

MRS. OGATA: Yeah, on the MDG, the issue of millennium development goals, personally, I have found that just as an aspect or a part of the millennium development declaration, which is much, much more comprehensive, and deals with the kind of issues that you have asked about -- displacement, conflict, security issues are included in the millennium development declaration.

But the development part of the millennium development declaration has been brought into the millennium development goals. I have no objection to the goals, but I do feel that some of the assumptions that are required for development -- and it's very much the measurement approach -- has not been included enough, and I have said that myself.

Because, you see, development depends a lot on more social, security, these measures, these issues, which are not really so measurable. And there, I think, Nancy -- measurable things depends -- I'm not a measurement person, so this is my prejudice. But measurement on -- you have to bring in very interesting, in basis for comparing the measurement.

If you just take conflict, there's so many different kinds of conflict, and to just put that as a conflict in a figure does not satisfy me, but it might satisfy others as an indication of the direction. You see, conflicts are different in so many situations, or even military action is so different. And to put that together as a category does not satisfy somebody like me, which is much more a fieldworker.

And this is where I think the development goals exercise fine. All the figures are fine -- children, education, health, all things are there. But even this reducing poverty by half, or something, by the year so and so depends, for example, what happens to China. I mean, that is much more crucial in understanding the global development trends than I would say all the figures. But that's my prejudice. And this is where I'm all for people who are doing millennium development goals. By the one exercise that I'm involved in, I said I would like to see much more of the preconditions of security, and so on, included in the considerations of the millennium development goals.

Now, how do I -- the implementation? You see, both Amartya and myself have really looked at what happens with the real people in the real world. And some kind of security [unintelligible] has to affect the real people. In general terms, we can argue all

sorts of things. But you say this was an idealistic paper by idealists -- you have to have some idealism if you want to change the fate of the people, individuals in the real world.

At the same time, it cannot be so far from the realities. And there, I think the implication -- we cannot have across the board global human security established. I don't think that is possible. But in areas that you choose, or in situations that you choose, you could bring in some difference by using this model. That's what we're trying to see.

So it's a kind of a restrained idealism that I think we were trying to look into. And where do you make the choices? I mean, for example, why did we look into South Africa? Because we had a group of people, parliamentarians, some university, civil sighted, who wanted to do this. And this is where I think our inputs might make a difference.

So if you're Japan or the United States, you may be focusing on a particular situation that you want to address -- then take joint initiatives. That's what I would like to see. And here, in the whole, you talked about replenishment of economic and social infrastructure. I think we have to look much, much more into the social. Economics are rather well known. But it's in the social that a difference between stability and conflict seems to come in.

And I think we can look at the equity issues. These were the ones that we thought we should look into much, much more, and we've suggested that. But what the report has done is to suggest areas of direction and how we move on, but not answers to all of it. So it's a modest --

MS. BIRDSALL: I think the question about the MDGs is really an important one, and I think there's no question that they are development goals. And the issues of human security are better framed in the millennium declaration. However, at the same time, I think what's important about the millennium development goals is, ironically, that they are framed as outcomes, and progress toward those outcomes can be measured.

No measurement isn't important in itself, but it is what creates accountability. And it is too bad that the development goals were not framed more recently with the human security concept, so beautifully defined in this report, embedded in them. However, the fact is that were we to achieve the millennium development goals in every country, that would imply incredible advances in economic and social security.

The eighth millennium goal is not well thought through. That's the goal that says what the responsibilities of the rich world are. And it's very important in itself, because it's the first time that that has been put on the table. And here's where the idealism comes. I think to be idealistic is absolutely critical as the first step in changing norms. And what the United Nations did with the conference in Beijing on women, and the conference in Copenhagen, and the conference in Cairo, all these things have helped create a global norm about human security, which makes this report potentially, I think, more -- I can imagine it can be more highly leveraged.

The world is ready for it, in part, because of these earlier attempts. It's now ready to internalize a larger view of what human security is about and how it should be related to the human development goals. The other thing I wanted to say is, you know, because Robert talked about Africa so much, one of the interesting things that's happened, in part, because of the globalization of norms about development goals and about security, is the NPAD, the New Partnership for African Development.

That, in a way, is a fantastic representation of the best part about globalization, which is this internalization of these new, ambitious norms about democracy, and the rule of law, and human security in this new, broad sense.

MS. GRAHAM: Thank you. We have time for one last question. And I'm not sure if it's a good idea to give the last word to the IMF, but we'll let Peter Heller of the IMF have the last word for this panel anyway.

MR. PETER HELLER: Professor Bates, your talk was very interesting, and it made me think about this wonderful poverty reduction strategy process that we've got going in many African countries, where the essence of it is ownership, and where we give the government the responsibility to take the lead. And I kept thinking, given what you said about governments and how they evolve in these post-conflict situations, and what their incentives or disincentives are, I mean, one wants to give it to the government, when I also can see, they may not have the right incentives, at a certain point in time, to take the lead in a way that's productive. And who plays the role to kind of ensure that that ownership is a constructive ownership?

Second question, I guess, which is more to Madame Ogata, is I kept thinking that to worry about human security, you need almost as much to think, in a proactive way, about the sources of human insecurity that are likely to emerge. I mean, I think about, you know, globalization and its effects on demand. I mean, we see the demand for petroleum -- my exploration in Africa, which creates the wealth, which creates the insecurities that you're kind of laying out.

You know, everybody is aware of the looming competition for water resources in certain parts of the world, in the Middle East, in south Asia, and what that is likely to do in terms of the insecurities -- as you mentioned, fairly dramatic insecurities that might arise in north Africa as well. So that struck me as something that, in a proactive sense, one almost has to be worried about what one can see as looming sources of insecurity.

And I guess the third thing was just simply an endorsement, that I think the migration issue is an extraordinarily important issue. Because as we look at an aging industrial world, we've got massive concentrations of youth in south Asia and Africa, and looming scarcities of labor in the industrial countries. You know, migration can play a very powerful, positive role if it's conceived in a way that both benefits those who export the labor and those who import the labor.

MS. GRAHAM: Bob, do you want to start?

MR. BATES: Yeah. As I say, governments are both part of the solution and part of the problem. And I think one of the reasons that we get as much breakdown as we do is that the lack of incentives at the center, I mean, for local, regional elites, and potential warlords to defect to the center, that is, to defect from their power base, from their supporters, from their clientele, leave them to their own devices and move to the capital, and seek their fortunes there.

That process of demobilization of local elites requires that the capital have the money. In medieval Europe, they used to call it the "fountain of privilege," and you attach yourself to the fountain of privilege. And I think governments, recently, because of privatization, because we've broken up command and control economies, because we've turned things over to the market that, formerly, used to be in the public sector, have fewer and fewer incentives, or inducements to offer regional elites to defect.

And so, I think, channeling revenues through the center may not be an economically efficient way to achieve some goals, but it may be a politically wise thing to do.

MRS. OGATA: It's a question about the sources of insecurity, and you referred to the issue of water. You see, I think sources of insecurity are broad, varied, but maybe, for any kind of an issue, there are several dominant sources of insecurity. And I would suggest -- the commission debated these things, and we felt that coalition building is the best approach to problem solving.

By that I mean, if it's an issue of water in North Africa, there are certain countries that are directly affected, and there is a regional organization, and then there are certain experts on water management. I think there are always several different centers of expertise that approach certain sources of insecurity.

And instead of proposing an organization, which we also debated, like the Organization for Global Security, or something like that, we think active coalition building is the best approach. And, you know, this is not so easy, because, today, we know that most institutions are vertical entities; they're silos. And how to do you break the silos is the big issue.

And so in order to break silos -- I think if, for example, Japan or the United States could fund coalitions of new initiatives, try to bring in different partners to work on the solution of a certain -- this is what I think we wanted very much. Coalition building was one of the proposals that we were making. We were a little bit inspired by the UN aid's approach -- instead of getting one organization, it was a coalition of several.

That approach also breaks the barriers. And I think in a policy direction, maybe IMF could, because you could also come up with initiatives, you can identify sources. But bring the sources together, especially if they're not working together normally.

MS. GRAHAM: Thank you very much to Mrs. Ogata, to the whole panel. Let's take a really go and get your cup of coffee kind of coffee break. So five minutes, and we'll reconvene. And there'll be plenty of time for discussion over lunch, for any of you that had comments that you didn't get in. And we'll reconvene at a quarter to 12:00.

[End of Session.]