

Security,
Poverty Reduction &
Sustainable Development
*Challenges for
the New Millennium*

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Environmentally and Socially
Sustainable Development
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The report draws extensively on the contributions of Bank staff, outside experts, and participants at two meetings on security and development—a technical workshop and a senior management round-table. Excerpts from three papers prepared for the technical workshop (Boutwell and Klare 1999, Greene 1999, and Laurance 1999) are presented as boxes throughout the report; the full text of these papers is available at www.worldbank.org/postconflict, the Bank's Post-Conflict Reconstruction Web site.

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Foreword

This report is the outcome of a dialogue among technical experts, donors, and senior Bank staff to explore the relationships between security and development in a world increasingly affected by violent conflicts. The dialogue was designed as a series of learning events to raise awareness and understanding of a matter that is drawing growing concern: the impact of small arms, civil war, violence, and conflict on poverty reduction and sustainable development. It was not meant to be a prescriptive or an advocacy exercise but, rather, an attempt to better define the problems, share experiences and ideas, and lay the foundation for future work with development partners in this area.

The Post-Conflict Unit, in collaboration with the Directorate General for International Cooperation, Belgian Ministry for Foreign Affairs, Foreign Trade, and International Cooperation, brought together resource persons from the academic world, nongovernmental organizations (NGOs), the private sector, the UN Department of Disarmament Affairs, bilateral donors, and the World Bank to exchange ideas and experiences. Two meetings were held: a technical workshop and a senior management roundtable.

The dialogue had its roots in an international conference on Sustainable Disarmament for Sustainable Development, held in Brussels in October 1998. That conference was organized by Dr. Oscar Arias, former president of Costa Rica, and a Nobel Peace laureate, and Dr. Réginald Moreels, Belgian secretary of state for development cooperation, with the support of Nobel Peace laureates Ms. Jody Williams, Archbishop Desmond Tutu, and Mr. José Ramos-Horta. It called on governments, NGOs, and multilateral institutions around the world to support sustainable development through a program of practical disarmament (arms collection, demobilization, and the like) and human security. Leaders from Europe, Asia, Africa, and the United States proposed a wide range of steps that governments, NGOs, and international development institutions might take to create a more secure environment for development.

In its Call for Action, the conference embraced the concept of a “proportional and integrated approach to security and development.” This approach involves the integration of appropriate security assistance with development and other cooperation programs in the context of promoting good governance and respect for human rights. The conference noted that practical disarmament, while important, is but one element in a much broader security agenda that often affects a country’s ability to sustain growth, reduce poverty, and build peace.

In early November 1998, as a follow-up to the conference, Dr. Moreels visited the World Bank, where he met with Vice Presidents Masood Ahmed, Jean-Louis Sarbib, and Calisto Madavo and with Nat J. Colletta, manager of the Bank’s Post-Conflict Unit. Minister Moreels received support and encouragement for a senior Bank management dialogue on security and development. The Belgian government agreed to finance preparations for such a dialogue, including a workshop of technical experts to prepare materials on the subject.

In March 1999 the Post-Conflict Unit organized an experts’ meeting that brought together specialists from the academic world, development practitioners, donor representatives, and Bank staff to discuss the issues of security and development in the post-conflict world, with particular emphasis on how practical disarmament can advance development objectives in societies emerging from war.

The experts’ meeting reinforced what has increasingly become evident in the Bank’s recent experience with post-conflict reconstruction: the state of a country’s security has a major impact on the Bank’s ability to respond to the country’s needs. Addressing these concerns has been difficult because understanding of the nexus of poverty, insecurity, and development, and a strategic approach to dealing with it, are still evolving—although the Bank has long implicitly recognized the importance of human security as a cornerstone of broader economic recovery in societies emerging from war.

The following points summarize the findings of the technical meeting:

- The next century is likely to see increased numbers of internal crises and violent conflicts. This will mean loss of development opportunities and destruction of assets.
- The proliferation of light weapons is both a symptom and a cause of increased insecurity. Criminal activity and violence in post-conflict societies often reflect the lack of opportunities for former fighters and other able-bodied workers, particularly youths. Most victims of crime and spiraling violence are among the poorest sections of society. Hardship and insecurity nurture arms proliferation, often putting investments at risk when reconstruction begins.
- The need for more coherent and comprehensive policies and approaches toward security-related issues is demonstrated by the effect on development of excessive military expenditures made at the cost of education and health and of people's well-being and "human" security.
- The work of development agencies on, for example, practical disarmament should be seen in the broader framework of human security-related programs such as community policing and judicial and penal reform.
- Just as AIDS, the environment, and corruption have become development issues, so human security issues should take a more central place on the development agenda. It is critical to have a comprehensive view of security sector reforms, with different development actors supporting the overall objective in accordance with their respective mandates and competencies.

Participants at the technical workshop noted and welcomed the Bank's current involvement in security-related initiatives. It was recommended that these issues and the agenda on security sector reform be mainstreamed in the

work of the World Bank, since they are central to the fulfillment of the Bank's mission of sustainable growth and poverty reduction in conflict-prone or post-conflict areas.

This security-related agenda was further explored at the senior management roundtable hosted by the Bank in June 1999. That meeting brought together representatives from the UN Department for Disarmament Affairs, three donors (Canada, the United Kingdom, and the United States) with particular interest or experience in the area of security sector reform, and senior Bank managers.

The World Bank, through its various lending and nonlending mechanisms, is increasingly demonstrating a sensitivity to security in its development work, particularly in post-conflict countries. Its work on public expenditure analysis highlights the tradeoff between "productive" and "nonproductive" expenditures. Demobilization and reintegration of ex-combatants and other war-affected populations, demining, and local capacity-building (empowerment of communities to manage their own reconstruction and reconciliation processes) are now common features of Bank assistance in many war-torn countries. The Bank's governance work in judicial reform and its growing anticorruption agenda are also directly related to security-related sectors of the state.

We hope that readers will find this report informative and thought-provoking. We look forward to a continued partnership and dialogue on the critical relationship of security to poverty reduction and sustainable development.

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September, 1999

No Shortcuts to Disarmament, Security, and Sustainable Development

Réginald Moreels

As a war surgeon, I have seen the direct impact of light weapons and small arms.¹ In field hospitals in Angola, Cambodia, and the former Yugoslavia, I have treated the physical wounds caused by small-caliber bullets. Most of the victims were civilians. Most of the tools of violence were light weapons and small arms. These weapons have become more readily available and have increasingly determined the scope and impact of violent conflicts in the post-Cold War era. We have seen the criminalization of conflicts, the democratization of human suffering and deprivation, and the privatization of humanitarian protection and assistance.

Arms destroy lives and squander development opportunities. The growing numbers of such light weapons lower the threshold for engagement of new or more actors in violent conflicts. Even children can handle light weapons, and in ever-growing numbers, they have been forced into armies or gangs. In Mozambique and in northern Uganda, I have witnessed the physical wounds that child soldiers inflict on societies. And I have spoken to nurses, doctors, and traditional healers who dedicate their energies to healing the psychological scars and traumas that these child soldiers have suffered.

Such experiences have profoundly affected my subsequent professional career. As secretary of state for development cooperation, I sought to strengthen the fight against the spread of light weapons. Controls on the supply side of the arms trade had to be improved. That was one obvious campaign path for those countries where guns and ammunition are being produced.

But on the demand side of the life-cycle of small arms, the challenge was even more daunting. Experience on the ground with respect to the proliferation of small arms in conflict-prone regions made it necessary to look beyond the gun and the bullet. Hard questions had to be asked as to the causes of the spread of light

weapons. Why did trafficking in such weapons persist, long after conflicts had formally ceased to exist? What underlying dynamics stimulated the demand for small arms? Even in areas where the erstwhile warring parties showed a willingness for peaceful change, trafficking in small arms continued. Inadequate border controls, poor performance of police and judicial services, and lack of regulatory mechanisms contributed to trafficking and proliferation. Fundamentally, however, the demand for light weapons was both driven by insecurity and created insecurity, reinforcing a vicious cycle of fear and poverty.

Experiences in conflict and post-conflict situations have shown that an international program for peace-building and practical disarmament is likely to fail if the structural causes of insecurity are not addressed. There are no shortcuts: efforts to tackle the proliferation of arms require complementary actions in order to create a secure environment. This was the underlying idea when Nobel Peace laureate Oscar Arias and I started working on an international conference on Sustainable Disarmament for Sustainable Development.

That conference, held in Brussels in October 1998, brought together experts and practitioners in the fields of disarmament and development from North and South.² A noteworthy finding was the convergence of experiences and lessons from different disciplines and backgrounds. The UN Group of Governmental Experts on Small Arms, for instance, stressed the need for a “proportional and integrated approach to security and development” and emphasized that practical disarmament measures such as arms collection and demobilization have to be complemented with development initiatives to strengthen good governance in the area of security. The development community, for its part, stated that the proliferation of light weapons cannot be ignored when working in conflict and post-conflict regions. A number of donors and multilateral institutions were already involved in certain security-related aspects of governance.

Similar conclusions were drawn at the technical experts' meeting organized in March 1999 by the World Bank and the Belgian government. That meeting helped reformulate the outline for further dialogue with the Bank and shift the focus from measures for improved arms controls and practical disarmament initiatives to a more integrated and comprehensive approach to human security, poverty reduction, and sustainable development. The means by which a society controls the availability, flow, possession, and use of small arms go

Without a better sense of social justice, our cities will not be safe and our societies will not...be stable. Without inclusion, too many of us will be condemned to live separate, armed, and frightened lives.

— James D. Wolfensohn, President, World Bank, Annual Meetings, 1997

far beyond the legal and regulatory mechanisms that specifically relate to such weapons. They relate centrally to governance and security—to all of the country's institutions and norms bearing on the management and resolution of conflicts and violence, national defense security, domestic policing, law and order, cultural traditions, and many historically contingent factors.

Clearly, this security sector reform agenda requires the collaboration of different types of organizations. In view of President Wolfensohn's holistic vision of development, as reflected in the Comprehensive Development

Framework, it is clear to me that the Bank should fully participate in this collaborative effort. I encourage the Bank to determine how to strengthen its expanding work on security-related issues through its programs on post-conflict reconstruction, its governance activities, its resource mobilization, and its coordination activities. Insecurity related to complex postwar situations is particularly demanding and requires urgent interim measures.

While work toward a more comprehensive view of security sector reform in accordance with the Bank's mandate and competencies goes on, immediate actions are possible. Among the concrete steps that the Bank could—and should, in my view—consider in order to integrate security issues more fully into its work and to support the actions of the international donor community in this field are the following:

- Security-related considerations should be integrated into the Bank's analytical work, watching briefs, and transitional support strategies.
- Security sector concerns should be integrated in a comprehensive way into country assistance strategies to promote understanding of how activities in the security sector influence the establishment of a policy environment supportive of growth, poverty reduction, and sustainable development.
- Because of the central role of the World Bank in consultative group (CG) processes, these issues should be integrated into the agenda of CG meetings.
- The effort to build a knowledge base on security-related issues should include specific analyses of the types of arms proliferation in conflict areas or regions, the causes of proliferation, and the potential for practical disarmament measures.
- Further support should be extended to newer areas of operation such as demining,

demobilization, and reintegration. Specific attention should be paid to programs for demilitarization and for destruction of surplus arms.

- The political will to promote, along with partner countries, reforms that help create a secure environment should be integrated into the Bank's framework of performance indicators.
- Consideration should be given to my initial idea of "debt reduction for small arms destruction." Although perhaps premature today, this is a comprehensive and analytically sound approach that opens an opportunity to link two issues of crucial importance for most post-conflict countries: debt and small arms. For example, General Van der Graaf, Special UN Adviser to the Secretary-General, has suggested to me that

there might be opportunities for cooperation with Albanian authorities and civil society on reducing the number of weapons in circulation in Albania. One incentive for such disarmament programs would be to reduce the debt burden in exchange for weapons collection and destruction programs.

I have traveled a long way: from the hectic immediacy of the field hospitals, where I vowed to fight light weapons and small arms, to the world of development policy and policy development. Meanwhile, I have come to appreciate that there are no shortcuts to disarmament. But in making security more central to the development mission, we will ensure a more sustainable form of disarmament, ultimately contributing to a more secure environment for durable development. I am particularly pleased and honored that the World Bank has taken up this challenge.

Security, Poverty Reduction, and Development: Putting the Issues in Context

During the Cold War era, conflicts in developing countries were largely seen as by-products of East-West rivalries. Superpower ideological and economic struggles overshadowed local political dynamics. With the passing of the Cold War, and with economic decline in many corners of the world, deeply rooted local rivalries have resurfaced in a growing number of internal civil conflicts. Many of these conflicts are fundamentally over control of power and resources, but they are manifested in ethnic and religious struggles as local elites mobilize their constituencies, effectively masking the underlying economic causes (see Collier and Hoeffler 1999).

Of 101 armed conflicts around the world between 1989 and 1996, 95 were internal disputes. In these conflicts, standing armies and heavy weaponry play an ever-diminishing

role. Instead, a variety of new actors, mainly equipped with small arms and light weapons, has moved to center stage, fundamentally altering the impact, scope, and duration of these violent conflicts or civil wars.

Traditional wars affected the security of the state; modern warfare or violent intrastate conflicts largely affect the security of individuals and communities. The proportion of civilian casualties has soared from 5 percent of total casualties in World War I to 80 percent in the 1990s. It is this persistent insecurity of people and communities that substantially hampers post-conflict reconstruction and the potential for sustainable growth.

Because of the lower level of technology of the instruments of violence, the destruction of infrastructure associated with intrastate conflicts is usually less substantial than in interstate wars—but the effect on governance potential and on social capital can be devastating. Civil wars frequently lead to the diversion of government expenditures away from the provision of social services to military forces that are often already bloated. In addition, these conflicts destroy trust, divide communities, and weaken social cohesion.

Cold war rivalries kept the lid on conflicts during the decades between independence and the current era. But the advent of the “global village,” coinciding with the end of the Cold War, brought a change. Suddenly, the Eritrean diaspora could transcend national boundaries as readily as did the marketing of Coca-Cola. This makes for a very different view of state-building, identity formation, and the marketplace. In the contemporary world, international trade replaces colonial imperialism, and security is everyone’s concern, from impoverished citizen to multinational investor. Advances in communications technology and the ease of international financial flows bring people, ideas, goods, and services more readily together in ways that can integrate or fragment societies. As the gap between rich and poor widens, entire regions and subregions of the world have

The Underlying Economic Causes of Conflict

Empirical research shows that conflicts are more about “greed” than about “grievances”—about control of natural resources and the opportunities arising from criminalization of economies. A kind of dissavings sets in as consumption is sustained while assets are run down. Asset substitution ensues through both human and financial flight, leaving NGOs and civil society to substitute for rather than complement state and social capital investments.

In Africa, in particular, the underlying causes of conflict are high commodity dependence, poor governance, and a high incidence of poverty. Destruction, diversion, and disruption are the primary economic manifestations of conflict. In recent civil wars, particularly in Africa, social capital is more damaged than physical capital as societies move from high-trust to low-trust status, with multiple effects on investor confidence and the costs of doing business.

Source: Adapted from Collier 1999a, 1999b.

Mortgaging the Future: Natural Resources and the Trade in Small Arms

The proliferation of small arms and light weapons in conflict and post-conflict areas poses a special threat to the creation of a secure environment for peaceful management of conflicts and for reconstruction and sustainable development.

Whereas heavy weapons are normally held and operated by national armed forces and large rebel armies, small arms are also widely held and used by the police, bandits, criminals, and ordinary citizens. Large accumulations and flows of arms, both legal and illegal, can increase tensions and destabilize regions or societies. Their widespread availability perpetuates insecurity and instability; escalates, prolongs, and intensifies the lethality and suffering caused by conflicts; and contributes to banditry, crime, and social violence. The presence of these weapons undermines economic and social development and frustrates or weakens efforts to implement peace agreements, carry out post-conflict reconstruction, and promote poverty alleviation and sustainable growth. The corruption and criminality associated with arms trafficking usually affect other sectors of the economy.

Also important from a development perspective are the direct links between trafficking in small arms and light weapons and the mortgaging of a country's natural and economic resources. In addition to the well-documented connections between the narcotics trade and the illicit trade in light weapons, governments and rebel leaders often barter natural resources under their control for light weapons or military assistance. Recent examples include Liberia, where Charles Taylor exchanged timber, iron ore, and agricultural products for light weapons and military training; Rwanda, where the Hutu government used future tea harvests as collateral for weapons supplies from Egypt; Angola, where UNITA exploited the diamond mines to finance its military operations; and Cambodia, where the Khmer Rouge traded gems and timber to senior officials in the Thai military in return for weapons and for sanctuary across the Thai border. To the extent that a country's natural resources and wealth are exploited for short-term gain during a conflict (usually on very unfavorable terms), its long-term economic recovery becomes more difficult.

The UN Panel of Governmental Experts on Small Arms noted in its 1997 report, "Accumulations of small arms and light weapons by themselves do not cause the conflicts in which they are used. The availability of these weapons, however, contributes toward exacerbating conflicts by increasing the lethality and duration of violence, by encouraging a violent rather than a peaceful resolution of differences, and by generating a vicious circle of a greater sense of insecurity, which in turn leads to a greater demand for, and use of, such weapons."

Source: Adapted from Boutwell and Klare 1999.

become more and more removed from formal, legal-rational systems of progress, falling prey to informal, illegal means of survival, widespread violence, political instability, and failed development. Illicit cross-border trade in drugs, high-value commodities (diamonds, timber), and small weapons fuels conflict and criminal activities.

Against the backdrop of increased globalization, some states, particularly in Africa, have virtually collapsed. Many others are failing to provide rudimentary conditions for stability

and development: the rule of law, basic services, a predictable commercial environment, and personal security and well-being. Warlords, businessmen, and some key government officials often conspire to undercut the very existence of the state through their single-minded pursuit of wealth-enhancing rents. This behavior has reduced security and increased risks for legitimate private foreign investors, as well as local citizens, thus undermining the potential role of the private sector and local resource mobilization in promoting recovery and sustainable development (Reno 1998).

As, in many impoverished, war-torn societies, the nation-state is eclipsed by conflict, local identities are manipulated, creating a precarious dialectic seemingly immune to the quest for a balanced equilibrium that harmonizes citizen and ethnic identities. The colonial era may have created the modern developing-country state under the banners of “nation-building” and the “rule of law,” but it more often than not violated “identity formation” and the “mores of local communities.” Indeed, one might see the

roots of the current rising insecurity in developing countries as historically grounded in the geopolitically determined and natural-resource-based boundaries set by modern imperialism, which sought rents in collusion with local elites (for example, through indirect rule) at the expense of the people.

The changing nature of violent conflicts in the post-Cold War era poses new challenges for the international development community. The

Countering Armed Violence: How the Business Community Can Help

The prevalence of armed violence in a society affects businesses in a variety of ways.

- The difficulty and danger of travel may keep customers away.
- Private sector assets, and customers of business establishments, become targets for criminals—who may be better armed than government and private security forces.
- Goods or products that have to be transported to a shipping or distribution site are targets for armed criminals, who are able to attack at a place of their choosing rather than at a fixed site that can be better protected.
- Business activities can be disrupted by armed violence that, for example, cuts off supplies of natural resources and power.
- Armed violence in the society as a whole may affect the firm’s ability to recruit adequate qualified labor.

Businesses respond to these problems in several ways.

- They hire private security forces.
- They put pressure on the government to provide security.
- They organize and pool their resources for the first two purposes.
- They expend time and resources on educating their workers about safety measures to be taken both at the work place and while traveling to and from work.

But simply building a wall between business and armed violence is not a full or long-term solution. Reliance on private security is costly and can be counterproductive, as in the case of tourism. The time may be ripe for governments and industries in post-conflict settings to begin working together at the national, regional, and international levels to reduce armed violence.

One set of efforts is directed at the root causes of violence. There is a move by companies, as “good global citizens,” to donate funds to the human rights and poverty alleviation programs of such organizations as the United Nations Development Programme. Another path is to try to decrease the prevalence of the tools of violence. El Salvador’s Movimiento Patriótico contra Delincuencia (a weapons turn-in program planned and partly funded by the private sector) shows how businesses and governments can work together to reduce the number of light weapons circulating in a society.

Source: Adapted from Laurance 1999.

definition of international and local security, as well as its agenda, has expanded in an era of increasing globalization and interdependence. Both national governance and international relations are shifting as the sovereignty of nation-states comes into question and the UN Declaration of Human Rights is being more actively invoked. National and international security agendas are broadening to include a range of international economic, environmental, technological, and human issues. Whereas traditional definitions of security focused on military “force threat” to a nation’s borders, contemporary definitions include human rights in the broadest sense—for example, the rights of assembly, free speech, and free movement; the right to basic needs such as food, shelter, health, and education; and the right to equal justice under the rule of law.

World Development Report 1991: The Challenge of Development demonstrated the linkage between good governance and state capacity for sustainable economic growth. Today, its findings ring even more true as numbers of states collapse and internal wars proliferate. Thus, fulfilling the World Bank’s mandate of poverty reduction requires a better understanding of how human security needs affect this objective.

The nexus of poverty reduction, human security, and sustainable development

An essential condition for poverty reduction and sustainable development is an enabling, secure environment. Of the world’s 20 poorest countries, 16 are in conflicts marked by a highly volatile, insecure environment. Overall lending to post-conflict countries accounted for more than 16 percent of World Bank lending commitments for fiscal 1998. Since 1980, the volume of Bank lending to post-conflict countries has increased by over 800 percent, to some \$6.2 billion. Of this amount, 56 percent, or \$3.5 billion, has gone to the Africa region. The Latin America and

Caribbean region received just over 16 percent; the Europe and Central Asia region and the Middle East and North Africa region, about 11 percent each; East Asia and the Pacific, about 4.5 percent; and South Asia, about 1 percent. As in any good business portfolio analysis, the Bank must face the fact that a growing number of its clients live in countries affected by conflict, whether in Indonesia, Colombia, Albania, or Ethiopia (see World Bank 1998b). Without due attention to security, foreign investment will decline, existing assets will be at risk, and people will not invest in their own communities. In a survey of 69 firms conducted for *World Development Report 1998: The Role of the State*, security was rated as the number one risk facing investors.

As noted, the traditional notions of security (threats to the state, military defense, and nuclear disarmament) are giving way to contemporary understandings of the term (“human,” or personal, security; freedom from crime, violence, and oppression). Today, security comprises two interrelated concepts: the state’s role in protecting its borders from external threats and its role in ensuring “human security” for its citizens under the broader umbrella of human rights—meaning that every person is entitled to be free of oppression, violence, hunger, poverty, and disease and to live in a clean and healthy environment (World Bank 1998a).

Conflict and violence are as much a consequence as a cause of insecurity and poverty. This message, first articulated in the United Nation Development Programme (UNDP) 1994 *Human Development Report*, sent a clear signal that security factors could not be ignored when implementing development programs. The report identified proliferation of light weapons as a key cause of continued human insecurity and called for a discussion of how microdisarmament and information about arms sales and military spending could be used to inform the UNDP’s own thinking about how best to meet the need for security by people and their communities.³

Small Arms Proliferation: A Cold War Legacy

It is impossible to produce an exact tally of all small arms and light weapons now in circulation around the world, but the numbers are surely substantial. Air Commander Jasjit Singh of the Institute of Defense Studies and Analyses in New Delhi has estimated that there are 500 million firearms in circulation at present. This figure incorporates at least 100 million modern rifles, including large numbers of Kalashnikov AK-47s (of which some 50 million had been produced by 1990), U.S. M-16s (8 million produced), and Fabrique Nationale FALs (7 million produced).

The vast quantities of light weapons left over from the Cold War period are likely to be recycled into the global arms traffic through a variety of channels. In some cases, the former owners of these weapons have agreed to transfer them directly to the military forces of friendly states. After absorbing the East German military establishment in 1990, for instance, the reunified German government donated some 304,000 Kalashnikov rifles and 5,000 RPG-7 grenade launchers to the Turkish military. The United States has transferred large quantities of surplus weapons to friendly states in the developing world through its Excess Defense Articles (EDA) program, which was significantly expanded in 1989–90. Russia is believed to have transferred large quantities of weapons from the Soviet arsenal to Armenia, Georgia, and other friendly states in the space of the former Soviet Union. Additional quantities of these weapons have filtered into the global black market and have been sold to belligerents in the former Yugoslavia and to combatants elsewhere.

Adding to the global circulation of surplus weapons are the many weapons left over from the “proxy” wars of the 1980s—wars in which the United States and the Soviet Union sought regional advantage by providing arms to insurgent forces seeking the overthrow of governments allied with the other superpower. When the Soviets occupied Afghanistan, for instance, the United States provided the rebel *mujahideen* with several hundred thousand AK-47 rifles and other light weapons, many of which remained in rebel supply depots in northern Pakistan at the time of the Soviet pullout. Chris Smith, in his studies of arms trafficking in South Asia, has shown that many of these weapons have since been used to sustain the fighting in Afghanistan, as well as ethnic violence in Pakistan and India (Smith 1995: 64). Likewise, weapons provided by the United States and the Soviet Union to the belligerents in Central America in the 1980s later fueled insurgent and criminal violence in the Western Hemisphere.

Although many of the weapons used in future conflicts are likely to be derived from surplus stocks of one sort or another, there is also new production of small arms and light weapons of various types. Many of the traditional producers of firearms—Belgium, China, the Czech Republic, Germany, Italy, Russia, and the United States, among others—continue to manufacture and sell weapons of the types they produced during the Cold War era. According to the U.S. Arms Control and Disarmament Agency (ACDA), small arms and ammunition represent about 13 percent of the total worldwide trade in conventional weapons; applied to the ACDA’s estimate of \$172 billion for total world arms exports in 1990–95, this yields a figure of \$22.3 billion.

Source: Adapted from Boutwell and Klare 1999.

Security as a critical aspect of governance

The security sector is very much a part of the state; like other public sector institutions, it is accountable to citizens and should operate in a transparent manner in accordance with democratic principles. These concepts have domi-

nated discussions of how to create secure environments that enable development, as expressed in good governance and human security, and how to balance state-centered and people-centered approaches. Strengthening civilian institutions and their ability to oversee the security sector, as well as to provide human security, should be priority areas for the development community. Security reform has been

correctly described as the quintessential governance issue.

A prerequisite for guaranteeing the social and economic survival of civil society is the existence of adequate institutions to respond to individual needs. Unfortunately, countries emerging from war often lack many of the institutional components required to guarantee the well-being of citizens or are not strong enough to ensure protection and justice. Violence and crime are often symptoms of widespread poverty and the inability of the state to provide more peaceful means of resolving conflict. In El Salvador, for example, it has been reported that there were more deaths after the 1992 peace accord than during the entire civil war period. The civilian police, justice, and penal systems are so weak that one security expert has said that violence in El Salvador is directly related to the shelf life of an M-16. Earlier work on social capital and community violence in Jamaica and recent studies on violence and poverty in Colombia reinforce the evidence for a relationship between conflict, violence, and poverty, be it at the international, community, or household level (Moser 1999). An entire research field called “violontology” has emerged in Latin America.

The Bank’s evolving work in the governance area should take into consideration human security issues, to ensure that clients benefit from the Bank’s expertise and resources in this area. The Bank can build on existing research on the relationships between human security and development, violence, gender, and poverty. Bilateral partners can contribute practical skills to assist in strengthening the governance of police and penal systems. The logic of providing internal security under the rule of law is a small but critical step in strengthening the enabling environment for broader economic and social development. Bank work in the area of combating corruption, particularly the integrity and service-delivery surveys, illustrates the deleterious effects of inefficient and corrupt police systems on economic development in many countries.

Law and order are classic public goods and cannot be ignored in development analysis. The World Bank’s Comprehensive Development Framework provides a means for early identification of gaps in development planning. Surely, security should be integrated under the governance aspects of this holistic view of development.

Working in countries affected by conflict

There is growing recognition that development must continue even when all or part of a country is in conflict. Positive incentives for peace, security, and development must prevail over perverse incentives for violence, fear, and destruction. This imperative has serious implications for both policies and field operations. Recent World Bank country assistance strategies for countries such as Colombia, Sierra Leone, and Sri Lanka recognize the reality of violent conflict and its relationship to poverty. The cyclical nature of conflict in many places, in part a reflection of the fragile conditions that exist when fighting stops, has led to important revisions in the Bank’s approach to conflict prevention. A recent Board meeting on post-conflict reconstruction in the Africa region stressed the urgent need to continue certain types of development programming that provide some relief to the warring environment. Technical assistance, small grants, and microcredit can all play a central role in reducing the impact of warfare. These interventions underscore the need not only for “watching” and “positioning” during conflict but also for addressing basic development needs at the same time.⁴

Among the goals of post-conflict development projects are to create the conditions for jump-starting the economy by restoring key financial, legal, and regulatory institutions; to reestablish a framework for governance so that civil society can work freely; to repair physical infrastructure; to support health and educational needs; to target war-affected populations

through reintegration of internally displaced people; to demobilize soldiers and combatants; to revitalize local communities through credit lines; to support land-mine action programs; to normalize borrowing arrangements for working out arrears; and to design means for the restoration of economic life. (See World Bank 1998b.) In addition, there has been a renewed focus on specific issues such as the emergence of violence as a result of the criminalization of many post-conflict settings in the absence of public security. Gender- and age-related issues in conflict are surfacing as new challenges to development programming, as is the fate of child soldiers, who are among the youngest victims of conflict. And there is greater emphasis on the impact that respect for human rights has on judicial reform. Programs that address these issues can be used in different settings to support reconstruction. None of these programs are considered to constitute specific security

The Bank is a powerful engine, but someone has to start it... We cannot “unleash” ourselves. The World Bank cannot play a leadership role unless a clear path is set, unless there is agreement within the international community on the way forward.

—Jean-Louis Sarbib, Vice President, Africa Region, World Bank, 1999

sector support, although, arguably, the work on demobilization and reintegration, land-mine removal, and public sector reform of the defense budget is related to efforts to enhance the security environment for economic growth and development (see Colletta, Kostner, and Widerhofer 1996).

Many lessons about post-conflict reconstruction have deepened our understanding of the close connection between security, poverty reduction, and sustainable growth. Among the most salient are that without donor involvement in peace settlements, the technical means to support peacebuilding would be lost. In particular, development agencies are recognizing that international peacekeeping is often a precondition for their own ability to rebuild and support economic growth. In the absence of adequate security arrangements, post-conflict programming, no matter how creative, cannot be sustained.

The effect of security concerns on the World Bank's policies and practices

The World Bank, like any other large institution, has a charter that defines its mandate and its capacity to respond to events. The Bank's Articles of Agreement have constrained any type of engagement in political conduct; in particular, Section 10, Article IV, provides that “only economic considerations shall be relevant” in the Bank's dealings with its members. This has certainly challenged the Bank's creativity in confronting the boundaries of its development assistance in the post-Cold War era.

There are numerous questions to be considered in a dialogue on the relationship between security and development. Should the Bank's tremendous research capacity begin to address this relationship systematically, in a coordinated, strategic fashion? Might it be useful for Bank program evaluations to explore how different type of lending and nonlending activities have contributed to a more cohesive approach to security conditions in the context of development? There may also be additional value added in the work that the Bank has begun on defining performance criteria for countries emerging from conflict. Should security sector reform packages be accompanied by other social and economic aid incentives, actualizing

the holistic approach envisaged in the Comprehensive Development Framework?

The military sector in many countries not only crowds out uses of funds for social and economic development but is a primary locus of systemic corruption. Looking at military and security spending as simply “unproductive” is passé. Instead, the focus needs to be on the institutional framework that determines how budgets are established, implemented, and monitored. Should public finance policies be linked to some professional standard for government security services, as well as to civilian oversight? Should public expenditure analysis take into account not only the levels, mix, and tradeoffs of sectoral expenditures but also mechanisms for transparency and accountability?

In the interests of long-run development, should the Bank target technical assistance, lending, adjustment, and trade to potentially volatile areas of the world such as the Democratic Republic of Korea and the countries of the former Soviet Union? Should it take a much more subregional approach, conducting subregional analysis (for example, piloting a Regional Development Framework to complement the CDF) and creating subregional lending instruments?

The Bank’s partnership with other donor agencies and with the UN system may also be tapped to better define the Bank’s value added in the provision of security. A means for pursuing this type of dialogue between Bank staff and their counterparts from other organizations should be sought, to promote better understanding and participation. A good model is the multiactor efforts to bridge the gap between humanitarian relief and development through the Brookings Roundtable. Under that initiative, relief and development institutions, with their different agendas, mandates, cultures, financing mechanisms, and procedures, have met to forge new tools and methods for

collaboration at the field level in societies in transition from war to peace.

In a post–Cold War world in which old constraints have been lifted, the Bank needs to seek ways of becoming a more relevant player in the peace-building process. This requires a

The challenge is to move from analysis to policy implementation by finding entry points and identifying partners, which could include the private sector.... We need to better identify and manage gaps and overlaps.... The military and humanitarian “exit strategy” is often dependent on the development and private sector “entry strategy.”

—Patricia Fortier, Director of Peacekeeping and Regional Security, Department of Foreign Affairs and International Trade, Canada, 1999

change in emphasis from rebuilding physical infrastructure (roads, ports, water supplies, and communications) to rehabilitating the institutions and the human and social capital of war-torn societies. It is time to think about new social performance criteria (national integration and reconciliation impact statements) for measuring development success, rather than to rely solely on traditional economic and financial criteria such as macroeconomic policy letters, amount of money disbursed, and number of buildings repaired.⁵

Securing an Environment for Sustainable Development

A perceived need for and a genuine commitment to reform in post-conflict countries often lead to new demands on international assistance in the area of security. An unreformed security sector may cause, or may not be able to prevent, a relapse into violent conflict. Without reforms in the security sector, public expenditures may be diverted away from reconstruction efforts, leaving the way open for corruption and further delegitimization of the state. These new challenges have stimulated a variety of development actors to pay more attention to issues related to security and the reform of the security sector.

The security sector

The security sector can be defined as comprising those institutions that are responsible for protecting or providing security for the state and the communities and individuals within the state. The sector can include military, paramilitary, and police services, as well as the civilian structures responsible for oversight and control of the security forces and for the administration of justice. Conditions in countries in need of security sector reform differ substantially and determine the degree and type of involvement.

In postwar situations, effective demobilization and reintegration of former combatants are high on the agenda, along with demining and practical measures for disarmament. In countries in war-to-peace transition, or even with normal development partners of the Bank, middle- and longer-term institutional and structural security needs should not be ignored. Specific programs for strengthening democratic accountability, transparency, and management of the security sector include:

- Development of civilian expertise for assessing security needs and security threats, setting security policy, and effectively managing and overseeing the security sector

- Training for civil servants in developing control and accounting systems for budgets and expenditure planning
- Support for democratically elected parliaments to assess security issues; development of appropriate responses on the provision of security services
- Reform of the judicial, legal, and penal systems
- Strengthening of the capacity of civil society to monitor these reforms.

Donors and development institutions can also support initiatives to strengthen specific capacities of legitimate uniformed security services. These initiatives may include

- Human rights training for security forces
- Strengthening of the democratic accountability of security forces by encouraging dialogue between politicians, security forces, and civil servants
- Training for security services to help them better understand and carry out their role in a democratic society
- Support for effective management and accountability of military expenditures.

Security sector reform and the international development community

Security concerns and security sector reform have recently taken a more prominent place on the agenda of a number of donors and multi-lateral agencies, leading to new policies, guidelines, and practices in countries or subregions that have demonstrated a genuine political commitment toward reform.

Practical Disarmament and Reform of the Security Sector

Since the mid-1990s, efforts to prevent small arms proliferation have intensified, leading, for instance, to the establishment of a focal point on small arms within the UN Department for Disarmament Affairs (DDA). Because small arms and light weapons are the primary tools of violence in most of the conflicts currently dealt with by the United Nations, the DDA has supported programs for member states in the area of “practical disarmament.” These programs include arms collection and the demobilization and reintegration of former combatants. Community-based development opportunities are offered as noncash incentives for voluntary surrender of weapons in post-conflict situations. A pilot program is being developed in Albania, and Niger and Bolivia have formally requested assistance along similar lines.

The UN Panel of Governmental Experts on Small Arms underlined the need for a more comprehensive set of measures to deal with the proliferation of arms by calling for a “proportional and integrated approach to security and development.” In other words, aid programs and policies to promote security should be combined with support for development, good governance, and post-conflict reconstruction in conflict-prone regions.

Assistance to countries in developing and implementing appropriate laws and regulations to promote security and tackle light arms proliferation should be a key part of an integrated and proportional approach to development and security. This approach has been widely endorsed, by the international community and by donors. It is now important to consider how best to implement it.

This particular agenda clearly relates more broadly to programs for promoting good governance and the development of a secure environment in which political, social, and economic development can proceed. Similarly, there is a close connection with programs for police training, capacity-building, and security reform. Initiatives to support weapons collection and practical disarmament are also relevant.

Assistance is needed to strengthen and implement laws and regulations on the possession, transfer, and use of arms to help developing countries or countries emerging from conflict establish the necessary national controls and participate effectively in regional or international arrangements. The second point is almost as important as the first. Countries that lack the necessary regulations and the capacity to implement them suffer the consequences themselves and may be unable to prevent their territories from being used for activities that undermine the controls set in place by their neighbors and the wider international community. Countries also need support to develop and participate in regional cooperative arrangements for dealing with small arms proliferation and the associated security problems.

Source: Adapted from Greene 1999.

DAC/OECD. The strongest consensus on issues of security sector reform within the international development community is reflected in the guidelines on conflict, peace, and development cooperation agreed on by the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development (OECD) in May 1998 (DAC/OECD 1998). The high-level meeting of DAC accepted that elements of the security and justice systems “can have an important role to play in conflict prevention. International assistance in these areas can be potent elements of conflict prevention and development strategies.” The scope of security sector reform was largely defined along the lines described above.

One of DAC’s specific policy recommendations refers to the “dialogue with governments” that may be required to persuade them of the advantages of or need for “effective, internationally sanctioned norms of law and justice,” without losing sight of the fact that “security and justice systems are basic responsibilities of the state and are at the core of a country’s sovereignty.” The importance of drawing on the knowledge and expertise of such fields as foreign affairs and defense, given the complexities and sensitivities of many development issues, was emphasized.

United Kingdom. Among the development cooperation actors, the United Kingdom has per-

haps gone furthest in mainstreaming security into development policy and practice and ensuring its compatibility with other aspects of government policy. In the past, work on security-related issues was largely undertaken by the Ministry of Defense and the Foreign and Commonwealth Office. Recently, however, the Department for International Development

As we developed policy, we built consensus within the U.K. government... We discovered that one cannot readily separate foreign policy from defense and development policies.

—Mukesh Kapila, Director, Conflict and Humanitarian Affairs, Department for International Development, United Kingdom, 1999

(DFID) was invited to participate in the review of U.K. defense strategy. Because of the diversity of interests in various aspects of the security sector reform agenda within other segments of government, a wider policy consultation was organized.

As part of the review of development policy, security concerns were recognized as essential to the central objective of poverty alleviation. Indeed, participatory poverty assessments had demonstrated that when people's basic security is threatened, there is an overriding demand that this problem be dealt with. After a further round of public consultations and parliamentary debates, the security sector reform pillar was firmly linked to the mission of poverty alleviation.⁶ Among the concrete measures undertaken in the security sector was the devel-

opment of an early retirement scheme for the Tanzanian People's Defense Force.

Canada. The entry point for the Canadian government on security sector issues was more closely related to the central role of Canada in international peacekeeping and to its development initiatives on peace-building. The Canadian government has shown a strong interest in security-related issues such as the international campaign against antipersonnel mines, the proliferation of light weapons and small arms, and military expenditures. In the mid-1990s Canada started mobilizing support for further reviews of the military spending issue, first within DAC/OECD, which held an international symposium in 1997, and later by the Group of 7. Subsequently, issues of excessive military spending were addressed within the broader framework of bringing the military under civil control as a dimension of good governance. In 1998 the DAC surveyed governments regarding their policies and programs in the areas of military expenditures and appropriate roles for the military.

United States. The United States has long been concerned about the relationship between security and development, as evidenced by its democracy programs. Since 1986, the U.S. Agency for International Development has funded security sector reform in civil society (see Welch and Mendelson Forman 1998).

European Union. In 1997 the Council of Ministers of the European Union adopted a series of measures for concerted action to address the problems of proliferation of small arms and light weapons and illicit arms trafficking, and this move allowed for expansion into the area of security sector work. The EU Program for Combating and Preventing Illicit Trafficking in Conventional Arms (June 1997) included two chapters promoting assistance such as establishing or strengthening countries' legal and administrative systems for regulating and monitoring arms possession and transfers; enhancing their capacity to enforce such regulations; and promoting national and

Regional Cooperation for Security and Practical Disarmament: West Africa

Regional cooperation is undermined if elementary resources are lacking. For example, officials and communities need to be able routinely to communicate with and meet their counterparts in neighboring countries. Similarly, it takes resources to review existing regulations and to revise them in the interests of regional coordination. A West African initiative to implement the “proportional and integrated” approach offers some instructive points.

The Program for Coordination and Assistance on Security and Development (PCASED) being implemented in West Africa includes activities to:

- Establish a culture of peace
- Support training programs for military, security, and police forces
- Enhance controls at border posts
- Establish a regional database and register for light weapons
- Collect surplus weapons
- Facilitate dialogue with arms-supplying countries
- Revise national legislation and administrative procedures
- Mobilize resources for the PCASED ideal and activities
- Enlarge membership in the moratorium on the manufacture of and trade in light weapons declared by the Economic Community of West African States (ECOWAS).

Thus, support for developing appropriate national legislation and administrative procedures is a core element of the PCASED program. The main aims in this area are to:

- Review, update, and harmonize national legislation and regulations on small arms and light weapons that bear on civilian possession, use, and transfer
- Ensure the use of legal instruments, such as export and import permits and end-user certificates, to control illegal transfers and proliferation
- Harmonize national legislation with a view to developing a regional convention on light weapons that would take up control and reduction as well as humanitarian law issues
- Set up national commissions on light weapons issues to coordinate and develop policy relating to these questions and establish the necessary administrative framework for the regular management of these issues.

The other elements of the PCASED program reinforce the above core goal. They include training and capacity-building for the customs service, the police, the judiciary, and security forces; reform of the police and security structures to meet the real needs of the people of the countries involved and to build trust between the security sector and communities; collection of surplus weapons; and creation and maintenance of databases.

Source: Adapted from Greene 1999.

subregional cooperation among police, customs, and intelligence services.

Regional cooperation. Other measures, especially in postwar countries, include support for integration of former combatants into civilian life and the removal of weapons from circulation through weapons collection, buy-back, and destruction schemes. In order to translate these security-related policy options into practice, a

workshop was held in May 1998 in Pretoria with officials from the Southern African Development Community (SADC) and the EU. The workshop’s proposals for a Southern African Regional Action Program to Tackle Light Arms Proliferation and Illicit Arms Trafficking were adopted at the 1998 SADC-EU Ministerial Meeting. This draft regional action program included a detailed reform agenda for the security sector.

In November 1996, UN departments and agencies and the government of Mali cosponsored a major conference in Bamako on conflict prevention, disarmament, and development in West Africa. Participants examined common problems and identified ways to develop and extend regional cooperation to light arms proliferation, conflict prevention, and post-conflict reconstruction. During 1997–98, support grew throughout the countries of the Economic Community of West African States (ECOWAS) for a regional cooperation and capacity-building program to address these issues and for a regional moratorium on trade in and manufacture of light weapons. To support the implementation of these measures, in 1997 the Program for Coordination and Assistance on Security and Development (PCASED) was established, under the auspices of the UNDP. At a meeting in Abuja in October 1998, the ECOWAS

heads of state and government declared a moratorium on the import, export, and manufacture of light weapons. This declaration allowed implementation of the PCASED program to begin in earnest. Progress will be reviewed after three years.

In East Africa, there has been significant movement since 1997 toward operational cooperation among police, customs, and border control officials in member countries of the East African Co-operation to combat illicit arms trafficking and associated problems. Similar proposals for cooperation on security and capacity-building are included in another regional arrangement, the November 1997 Inter-American Convention against the Illicit Manufacturing of and Trafficking in Firearms, Ammunition, Explosives, and Other Related Materials, adopted by members of the Organization of American States.

Controlling Small Arms Flows: Experience in Southern Africa

Since 1997, there has been substantial progress on bilateral and multilateral cooperation in Southern Africa on problems related to small arms proliferation and illicit arms trafficking between, for example, South Africa, Mozambique, and Swaziland. The problems are beginning to be addressed within the framework of the Southern African Development Community (SADC). Programs to enhance subregional cooperation among police, customs, and other relevant agencies have been established through the Southern African Regional Police Commissioners Coordinating Organization (SARPPCO).

The draft regional action program endorsed by the SADC-EU Ministerial Meeting in November 1998 set out a detailed agenda for action in four key, interrelated, areas:

- Combating illicit arms trafficking by strengthening laws, regulations, and operational capacity; improving marking and record-keeping systems to trace illicit arms; and improving national and regional exchange of information
- Strengthening regulation of and controls on the accumulation and transfer of civilian firearms, small arms, and light weapons, and the associated ammunition and explosives
- Promoting the removal of weapons from society and the destruction of confiscated or surplus arms; developing program to reverse “cultures of violence”
- Taking measures to increase public transparency and exchange of information between police, customs, and legal authorities in the Southern African region.

In each of these areas, the action program outlined proposed national and regional measures to be taken by Southern African countries and subregional bodies and identified ways in which the European Union and its member states could usefully provide assistance for their implementation.

Source: Adapted from Greene 1999.

Toward a World Bank Agenda on Security, Poverty Reduction, and Development

Since the early 1990s, the World Bank has been involved in security-related work through a variety of lending and nonlending instruments and mechanisms. That work began with studies and debates on military expenditures, motivated by the realization that many of the Bank's borrowers maintained levels of military spending that crowded out social spending. The problems then were armies that were large, or weapons purchasing programs that were ambitious, in relation to the country's resources and its ability to meet debt service obligations. Discreetly, the policy dialogue with some countries was extended to the issue of excessive military spending. In 1991 the Bank's Board approved guidelines for Bank staff on how to address the issue, and several symposia on the subject were held.

Concern about military expenditures crowding out the development agenda of government budgets has eased considerably. Although there are still some borrowing countries with military spending patterns that are disproportionate to their needs or capabilities, average levels are about half those of a decade ago. In the meantime, the Bank has increasingly engaged in directly and indirectly assisting post-conflict countries with the transition to peace through demobilization and reintegration (as in Cambodia, Ethiopia, Mozambique, Sierra Leone, and Uganda), demining (Bosnia, Croatia, and Slovenia), and community-level reconciliation through reconstruction (Rwanda and Burundi)

Recognizing the need for a less ad-hoc approach to post-conflict reconstruction, the Bank's Board in 1997 endorsed a policy framework on post-conflict reconstruction that

consolidated existing Bank practices and experiences. The main components of this framework dealt with the timing of engagement and the scale of the Bank's involvement in post-conflict countries. A broad and thorough review of the Bank's experience with post-conflict reconstruction by the Operations

Stable peace rests as much on sustainable disarmament as on sustainable development. A less armed and more developed world will be a more secure world for everyone. To work towards the establishment of such a world, we are expected to devote greater political energies and material resources to those subregions where a combination of excessive weaponization and underdevelopment constitutes a serious threat to national and human security.

My department has followed with keen interest the evolution of a more active role by the Bank in areas where the UN has been engaged as an integral part of its responsibilities for conflict prevention, conflict management, and post-conflict peace-building. I believe that it is in our mutual interest to share our experiences and, where possible, dovetail our activities. I would particularly welcome the prospect of field cooperation between the Bank and DDA in implementing a "debt reduction-for-weapons" approach.

—Jayantha Dhanapala, Under-Secretary-General, Department for Disarmament Affairs, United Nations, 1997

Evaluation Department indicated areas for further improvement.⁷ The Post-Conflict Reconstruction Framework set out operational recommendations, including new procedural guidelines. Recently the Bank initiated a process to review the 1991 policy on military expenditures.

Given the current focus on governance, public sector accountability, and transparency, it seems natural that the Bank's work in these

***Policy and implementation cannot exist in a vacuum; they have to work together....
Conflicts can be real paradigm busters.***

—Patricia Fortier, Director of Peacekeeping and Regional Security, Department of Foreign Affairs and International Trade, Canada, 1999

areas should be extended into the security sector. Clearly, the match between the Bank's comparative advantages and security sector needs should be further examined.

Lessons from experiences with security sector reform

Recent work in the area of security sector reform and in the broader area of post-conflict reconstruction has generated some relevant experiences and lessons on which to build a more comprehensive agenda for further World Bank involvement.

Because of its sensitive nature, work in the area of security sector reform requires a strong political commitment and appropriate levels of consensus.

The complexities of the security sector and the varied nature of the interests of other policy levels and development players necessitate policy consultation and operational cooperation and coordination. Information exchange, transparency, and dialogue will lead to a better understanding of the comparative advantages (including roles, legitimacy, and mandates) of the various players, making it possible to reduce risks, optimize the division of labor, and maximize impact.

Because post-conflict situations vary greatly, appropriate country-specific analytical work will have to be undertaken to identify strategic opportunities in the area of security sector reform and to determine the timing and scope of involvement and the type of partnership. Where civil wars spill over into regional conflicts, these regional dimensions should be covered in the analytical work, with special attention to the role of regional institutions.

Security sector reform demands a holistic approach and, thus, sufficient knowledge about the various interlinking components of governance in the area of security. There is a need for hands-on experience and on-the-ground work in strategically well-chosen areas, in such a way as to make full use of the comparative advantages of the other players involved.

Demands for reform that are merely prompted from outside tend to fail. External assistance cannot substitute for national commitment or national initiatives toward security sector reform.

Recent experiences in the area of practical disarmament in post-conflict areas illustrate the need for an integrated approach toward disarmament and development, linking security sector reform initiatives with responsible supply-side behavior and with gun collection and destruction programs. Ignoring the issue of proliferation of small arms and light weapons endangers the chances for reconstruction and the prospects of future development initiatives.

Toward a comprehensive World Bank agenda on human security

Developing a framework on security and security sector reform

The Bank needs to recognize more explicitly that security is a critical development issue by integrating security concerns into policies and programs and developing an ability to respond. There are many ways of doing this.

- A clear commitment from the Bank's Board should be solicited for further analytical and practical work on security sector reform, making possible the development of a comprehensive framework for strengthening security as a pillar of sustainable growth and poverty reduction.
- A knowledge and capacity base needs to be established, drawing on recent experiences within the Bank with post-conflict reconstruction; the analytical work on good governance, anticorruption efforts, and military expenditures; and experiences of Bank members.
- Analysis of military expenditures should be expanded and integrated into the mainstream work on budgetary and financial management, from the perspectives of promoting better government performance and controlling corruption. In terms of policy dialogue, this implies developing a message about bringing military budgets into the same framework of scrutiny and forward planning as the rest of the government budget. It also implies a preparedness to fund financial management improvements for the military, as well as other parts of government.
- The problems and security sector needs of countries emerging from violent conflict need to be identified and updated in the various instruments of the Bank's Post-

Conflict Reconstruction Framework (watching briefs, transition support strategies, country assistance strategies, etc.).

- The Bank must explore its comparative advantages in analytical work, policy dialogue, and policy development, and its capacity to tailor partnerships and leverage development resources. By weighing needs and capacities, the Bank can determine realistic opportunities and entry points for its

Security is a development issue connected to the poverty and development mandate of the Bank. One in five persons is living in a country in conflict. The World Bank needs a framework that includes human security if it is going to play a clear role.

—Jean-Louis Sarbib, Vice President,
Africa Region, World Bank, 1999

gradual further engagement in security sector reform.

- Support could be extended to law and order, for example, by addressing the criminal as well as the civil aspects of justice systems and by being prepared to assist (in cooperation with bilateral donors who have the necessary practical skills) in strengthening and improving the governance of police forces. Providing internal security within the rule of law is a critical component of the enabling environment for economic and social development.

Modalities for further involvement

- Disconnects in the various phases, from emergency relief to development, have to be avoided.

- In tailoring new partnerships for security sector reform initiatives in complex conflict settings, the Bank should promote a balance between operationality and legitimacy.

The Bank has the distinct advantage that it can put issues on a policy rather than a political plain. We should be more strategic than tactical, bringing our intellectual value added to bear along with our convening and resource mobilization powers. We cannot, nor should not, be leading or implementing everything.

—Nat J. Colletta, Manager, Post-Conflict Unit,
The World Bank, 1997

- To ensure continuity, dialogue on policy coherence and cooperation will need to be developed within the international community.
- To ensure sustainability, participation in, and ownership of, the security-enhancing process should be a central concern.

Next Steps

In areas where there is a strong willingness and consensus to move forward in promoting security sector reform, several practical steps can be taken:

- Explore additional possibilities for cooperation with specific bilateral donors and multilateral agencies to develop further the analytical work and the agenda. As a follow-up to the 1999 meetings, a concrete proposal has been made for a regional workshop on

security and development to strengthen the Program for Cooperation and Assistance for Security and Development (PCASED) in West Africa. This workshop, to be organized by the Bank, the U.K. Department for International Development, the UN High Commissioner for Refugees, and other sponsors, would concern itself with assessing needs, promoting appropriate partnerships, and leveraging resources and existing knowledge to further the security objectives of the Mali moratorium and strengthen the peace process, particularly in Sierra Leone.

- The Bank's agenda on security should be further developed within other institutional processes such as the Comprehensive Development Framework or the redrafting of the Operational Policy on Conflict, Peace-building, and Development. The recent establishment of a senior management steering committee on post-conflict reconstruction can provide a further platform for enhancing Bankwide policy coherency in this area.
- The Brookings process needs to be continued. Activities for closer cooperation with the UN Department for Disarmament Affairs on programs of practical disarmament should be followed up. The Under-Secretary-General for Disarmament Affairs has invited the World Bank to cooperate in implementing a "debt-reduction-for-weapons swap" approach and to participate in the Coordinating Action on Small Arms, a mechanism established by the Secretary-General to coordinate the humanitarian, security, and developmental aspects of problems related to the proliferation of small arms.

There is much to be done, and challenges abound in the arena of security, poverty reduction, and sustainable development. As we approach the new millennium, there is little doubt that undoing the militarization of the past century and creating a safer world for humankind will be a critical requisite for lasting peace and sustainable development.

Notes

1. “Broadly speaking, ‘small arms’ are those weapons designed for personal use, and ‘light weapons’ are those designed for use by several persons serving as crew” (UN Secretary-General’s Report on Small Arms).
2. “Sustainable Disarmament for Sustainable Development. Conference Report” (includes the Brussels Call for Action), April 1999.
3. The UNDP’s work in Mali led to the so-called “security first” approach, later replaced by the phrase “proportional and integrated approach to security and development.” The latter term seems to have become the accepted language within the UN family.
4. The most comprehensive articulation of a policy that embraces security as a factor in development concerns appears in the 1997 Policy Framework on Post-Conflict Reconstruction. That framework identifies stages of conflict and the specific steps the Bank might take through its lending and nonlending services to address the realities of the post–Cold War situation that have left so much of Africa and Central America in turmoil. It challenges the donor community to address the impact of conflict on soldiers and combatants and on communities ravaged by decades of fighting. Finally, it provides a menu for informed involvement by the Bank in countries emerging from conflict.
5. For an early formulation of these suggestions, see Stremlau 1989.
6. DFID 1999. For additional details and examples of security sector reform initiatives, see Saferworld 1998.
7. World Bank 1998c; a shorter (one-volume) version (Kreimer and others 1998) is available from World Bank Publications.

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Annex A

Technical Experts' Meeting, March 1999: Agenda and List of Participants

Microdisarmament, Security, and Development: Does the World Bank Have a Role?

Agenda

Friday, March 19

Introduction and Welcome

Nat J. Colletta, Manager, Post-Conflict Unit, The World Bank
Dominiek Dolphen, Cabinet of Réginald Moreels, Secretary of State for Development Cooperation, Belgium

Conference Objectives

Microdisarmament, Security, and Development: Building a New Constituency
Johanna Mendelson Forman, Post-Conflict Unit, The World Bank

Presentations: *Security and Development: A World Bank Perspective*

Addressing the Economics of Conflict
Ibrahim Elbadawi, Senior Economist, Development Economics Research Group, The World Bank

Security and Development: Making the Case in World Bank Country Assistance Strategies

Ashraf Ghani, Principal Social Scientist, Social Development Department, The World Bank

Discussion

Panel of Experts: *The Demand, Flow, and Supply of Small Arms*

Moderator: Jan Vanheukelom, Coordinator, Peace and Conflict Unit, Ministry for Development Cooperation, Belgium

Lessons Learned, Good Practices, and Knowledge Gaps

Presenter: Jeffery Boutwell, American Academy of Arts and Sciences

Tackling Illicit Arms Trafficking and Small Arms Proliferation: Developing Legal and Regulatory Controls

Presenter: Owen Greene, Bradford University, United Kingdom

The Role of the Business Community in Alleviating the Problems Associated with the Proliferation, Availability, and Misuse of Light Weapons

Presenter: Edward Laurance, Monterey Institute for International Studies

Q & A

Presentation: *The Highly Indebted Poor Country Initiative (HIPC): What Can the World Bank Do for Countries Emerging from Conflict?*

Jeffrey Katz, Principal Economist, Economic Management and Social Policy, Africa Region, The World Bank

Presentation: *The World Bank's Capacity to Address Security and Development: Lending and Nonlending Services*

Enrique Rueda-Sabater, Chief Officer, Resource and Mobilization Department, The World Bank

Discussion: *Microdisarmament Issues and the World Bank's Post-Conflict Reconstruction Programs*

Moderators: Nat J. Colletta and Dominiek Dolphen

- *Existing Programs for Security: Demining and Demobilization, Controlling Public Expenditure on Defense, Attacking Corruption, Promoting Good Governance and Citizen Policing*
- *Relating World Bank Conditionality/Performance Criteria and Lending and Nonlending Products to Conflict Prevention and Reconstruction*
- *Conflict Analysis and Security*

Q & A

Presentation: *Can Security and Development Take Place in Countries at War? The Case of Colombia*

Daniel Garcia Peña, Former Peace Commissioner, Colombian Government; Scholar in Residence, Woodrow Wilson International Center for Scholars

Saturday, March 20, 1999

Working Groups

Group A: *How Can Institutions like the World Bank Contribute to Lessons Learned in Microdisarmament?*

Moderator: Jo Husbands, Director, Development Security and Cooperation Division, Office of International Affairs, National Academy of Sciences

Group B: *How Can the Good Governance Initiative Address the Question of Microdisarmament?*

Moderator: Owen Greene

Group C: *Private Sector Initiatives: What Role Can the World Bank Play?*

Moderator: Edward Laurance

Final Session: *Partnerships and a Network: Next Steps and Recommendations*

Reports from the Working Groups

Moderators: Jan Vanheukelom and Johanna Mendelson Forman

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Annex B

Senior Management Roundtable, June 1999: Agenda and List of Participants

Security and Development: A Strategic Dialogue

Agenda

Welcome and Introduction

Ian A. Johnson, Vice President, Environmentally and Socially Sustainable Development, The World Bank

The Challenge of Sustainable Security and Development: Can Donors Make a Difference?

Remarks by Ambassador Marc Van Crean, Head of the Belgian Development Agency, on behalf of Dr. Réginald Moreels, Secretary of State for Development Cooperation, Belgium

Understanding Security and Development Issues: A Dialogue

Part 1: Insecurity and Investment: The Impact of Conflict on Economic Development and Commerce

Chair: Nat J. Colletta, Manager, Post-Conflict Unit, The World Bank

Presenter: Paul Collier, Director, Development Research Group, The World Bank

Part 2: The Nexus of Security and Sustainable Development: Donor Policies and Programs

Chair: Ian A. Johnson

Panel Presenters

Mukesh Kapila, Director, Conflict and Humanitarian Affairs, Department of International Finance and Development, United Kingdom

Patricia Fortier, Director of Peacekeeping and Regional Security, Department of Foreign Affairs and International Trade, Canada

Jayantha Dhanapala, Under-Secretary-General, Department for Disarmament Affairs, United Nations

Discussion and Summary

Part 3: Toward a Strategic Approach to Security and Development: Is the World Bank a Player? Summary and Next Steps

Chair: Jean-Louis Sarbib, Vice President, Africa Region, The World Bank

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