



The G20 at the Leader's Level

# L20 and Fragile States Conference

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## L20 Leaders Meeting on Failing States: An Agenda for Action (draft prepared by James Putzel, CSRC, LSE)<sup>1</sup>

The world has become acutely aware of the threats to growth and prosperity and development and security posed by the existence of weak and fragile states. States are fragile where government authorities exercise only limited power over territories and populations within their jurisdiction, where economic activity is stagnant or in decline over long periods of time, where formal rules and law are only weakly enforced, where public authorities command only low levels of revenue and lack skilled and competent bureaucracies, and members of society live in insecurity facing threats of violence from a variety of non-state actors, poor health and vulnerability to disease, low levels of education and poor life chances. Such states can become sites of instability, rebellion, criminal activity and even the breeding ground or training ground for local and foreign organisations pursuing political objectives through terrorist means.

The L20 group of states comprise a vast proportion of the world's population and a major share of global wealth. Our populations represent every major religious faith and the geographic regions of the globe and our states are organised with divergent political systems and command a large share of the world's military capability. By coming together around a common agenda, we aim to reinvigorate international efforts to strengthen fragile states, to avoid state collapse and war, to credibly intervene in efforts to establish peace where war has broken out and to assist in the reconstruction of states in the wake of collapse and war.

### A New Approach to Confronting State Fragility

For the past three decades, enthusiasm for globalisation and the potential economic gains to be reaped from liberalisation of trade and the introduction of market mechanisms across production and trading systems, has led to the elaboration of a "development model", which has ignored some of the foundations necessary for states to hang together. Economic reforms have been encouraged and sometimes imposed on fragile states with inadequate attention to the ways in which they affect the political landscape or in some cases the very viability of states. Attention to problems of poverty reduction has at times eclipsed problems of fostering production and the conditions for the accumulation of wealth. Attention to inefficiency, exploding deficits and corruption in government has focussed more on downsizing and privatising state functions, than on creating the fiscal and skills basis necessary to state survival and adequate governance. The short time horizons in which international development assistance is designed and implemented have been inadequate to the long-term nature of problems of state fragility.

We are committed to fostering a programme of action to be undertaken by the bilateral and multilateral development agencies and international financial organisations in fragile states including:

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<sup>1</sup> I would like to thank Gabi Hesselbein for helpful comments on this draft.

Undertaking political impact analyses of all programmes of economic reform to ensure that the outcome of reform programmes will strengthen rather than weaken public authorities and enhance the medium and long-term viability of governments;

The discussion of development strategy carried out by our agencies with government and non-governmental actors in fragile states will move beyond programmes of liberalisation and poverty reduction to focus on fostering the conditions for the expansion of agricultural and manufacturing production;

The “country programmes” designed by multilateral and bilateral agencies in consultation with the authorities in fragile states will accord central importance to building the fiscal basis of the state and developing the skill basis within the public sector necessary for executing the functions of government, ensuring that the mobilisation of non-state actors for service delivery in the short-term is not seen as a substitute for the state’s role in delivering public goods, the accomplishment of which should be a key indicator of progress;

The responses of multilateral and bilateral agencies to crises that weaken states, including stagnant or declining economic activity, explosions of violence and public health crises like HIV/AIDS, malaria and tuberculosis, need to be treated as opportunities to foster the construction of sustainable systems of economic production, security and public health.

#### International Law Human Rights in the face of terrorism

Populations in fragile states have long constituted the largest numbers of victims of terrorist action, where state weakness and the absence of the rule of law allows gangs and armed groups of various sorts to terrorise communities, beyond the bounds of any written or common law. Since 11 September 2001, the international community has become increasingly aware of a new threat of non-state organisations perpetrating violent and terrorist action at a scale hitherto unimagined. However, as the fight with “terrorism” is engaged, the international community is in danger of giving up both the embryonic elements of international law elaborated especially over the past half century and precious institutions safeguarding citizens’ rights.

We endorse a programme to fight terrorism that incorporates the protection of large communities in fragile states that face terrorist activities as a matter of everyday life and we call on multilateral, bilateral and non-governmental organisations involved in development assistance to make the protection of these communities a top priority;

We are committed to developing coordinated responses to terrorist actions and networks based on respect for existing international law, including basic conventions governing human rights, opposing torture, and protecting individual and group rights to due process;

As we confront the challenges posed by non-state perpetrators of terrorist activities, we endorse counter-measures, which safeguard existing citizens’ rights and the respect of written and common law in all the countries concerned.

#### Pursuing Security as an International Public Good

Security within the international system is best conceived of as an international public good, which must be delivered by the international community of states. Processes of globalisation and technological change have been accompanied by new threats to international security, including those posed by non-state actors pursuing terrorist strategies, criminal networks operating across state boundaries, and new opportunities for non-state groups to access both the markets for selling precious gems and minerals and the markets for purchasing weapons of all sorts, creating a capacity for armed violence that can threaten the continued existence of fragile states, as well as the peace and security of all states.

One dimension of confronting these new threats to international security remains the continued development of military, policing and intelligence capacity to enforce international law, to intervene in situations where civilian populations confront extreme violence or genocide, to protect the activities of public and private sector development agencies and to secure peace between warring parties. The asymmetric provision of military capacity within the international community can significantly weaken the legitimacy of intervention.

We are committed to the development of credible and capable coordinated military forces (legitimate by international law), such as those that can be mobilised by the member states of major regional organisations like the European Union, the African Union, the Association of Southeast Asian Nations, and others, in order to ensure that the international community is not dependent solely on the military forces of one or two powers;

We are committed to developing coordinated action to regulate the markets for precious gems and minerals as well as the markets for weapons of all sorts;

As a group of states committed to the peace and security of the global population, we undertake a commitment to collectively intervene in situations where civilian populations confront the threat of any form of genocide as defined by international law;

We endorse the development of a network of intelligence activities, based on shared information, to confront new threats from those who would perpetrate terrorist campaigns across state boundaries as well as international criminal syndicates and illegal trade in arms.

#### Interventions in post-war states

We recognise the enormous difficulty in reconstructing states that have collapsed either as a result of processes of internal disintegration, through civil war or through inter-state wars and as a group our first priority is a commitment to prevent such collapse. However, over the past ten years, the international community has faced a number of situations of state collapse and has launched major and minor efforts to contribute to establishing peace between warring parties and engage in reconstruction after war. The community of states and multilateral, bilateral and non-governmental development organisations involved in such efforts still have major problems in learning and applying lessons from these experiences.

To date, inadequate attention has been paid to the long-term nature of reconstructing the foundations for economic recovery and political consolidation in territories where states have collapsed. Not enough has been done to create the basis of indigenous revenue regimes. Too often, in an effort to secure the exit of foreign military forces and the legitimacy of new political authorities, international

agencies have rushed into precipitous electoral processes that may do more to institutionalise the rule of armed gangs, or self-declared leaders, than to establish sound and sustainable states. The legitimacy of local authorities can best be achieved by their provision of the basic functions of governance as a first step, even before electoral exercises are organised.

Despite international efforts, most notably under the initiative of the Secretary General of the United Nations, to designate, recruit and train member states' military and civilian personnel for these efforts, progress remains woefully inadequate. Even within the United Nations system, progress to centralise knowledge about experts available for such work is far too slow. Among initiatives to create rosters of civilian experts to deploy to post-war reconstruction and to undertake adequate training, particularly valuable lessons can be learned from the experiences of the OSCE, as well as the Norwegian and Canadian governments.

A large amount of aid resources have been injected into post-war states with a subsequent explosion in the number of private actors, some as NGOs and others as new service providing firms, often comprised of former military personnel. Contractual terms and the quality of personnel and services, as well as the profit margins at which they are operating remain entirely unregulated.

The time scale involved in post-war recovery and state consolidation must be measured in decades, while the interventions planned by the international development community are most often measured in years. The annual and period planning and funding programmes for such efforts are incongruous and inadequate to the long-time horizon and long-term commitment required to successfully engage in processes of state reconstruction.

We are committed to undertake, through either UN auspices or the auspices of this body, an evaluation of the major interventions carried out by the international community or groups of states within the community over the past ten years, including Bosnia and Kosovo, East Timor, Afghanistan and Iraq, with the objective of assessing what has worked and what has not in re-establishing security, reorganising the political system, consolidating legal systems, constructing administrative and fiscal systems and establishing the foundation for economic development;

We endorse the call the current and previous Secretary General of the United Nations to designate military and police forces from member states to be available for peace making and peace keeping operations of the international community and to recruit and train civilian experts who can be deployed to support efforts of state reconstruction;

While non-governmental organisations and private contractors may need to be mobilised as the principal providers of public goods such as security as an emergency response, we endorse efforts to construct state capacity to be responsible for the delivery of such goods;

We are committed to monitoring the activities of private sector organisations involved in major new foreign assistance efforts in post-war states to ensure the quality and integrity of such interventions and to guard against excessive profiteering in the dire situations found in such states;

Creating the skill base and productive base for economic growth and development in post-war states takes decades rather than years. We endorse a shift to longer time

frames in interventions designed to consolidate states in the wake of war, including more caution in organising electoral processes.

#### Overall

Addressing the problems of fragile states, states that have collapsed and states in the process of reconstruction in the wake of war requires the commitment of huge resources. As a percentage of GDP of the wealthy countries, foreign assistance to developing countries has generally fallen over the last two decades. We endorse the positive steps taken under the leadership of the British government to promote a long term financing facility as a first step to providing the kind of financing necessary for processes of state strengthening and reconstruction. However, as a group of states we are committed to achieve an increase in the general level of foreign assistance provided by the wealthy countries to developing countries, to a minimum of 0.7% as agreed long ago.