

Can "Freedom Only" Secure Our Future?

**Susan E. Rice and
Corinne Graff ask
whether the
United States
has a viable
strategy to ensure its
long-term security.**

Increasingly, Americans doubt the wisdom and effectiveness of the Bush administration's Iraq policy. They wonder whether our mission can succeed and whether toppling Saddam was the right priority to win the "war on terrorism." President Bush now regularly justifies regime change in Iraq on grounds that democracy there and elsewhere is essential to securing America's future. Practically speaking, democracy promotion is the principal pillar of President Bush's long-term strategy to win the war on terror. As Americans and our partners weigh progress towards achieving our goals in Iraq, we should ask not only whether we are succeeding there, but also whether the United States has a viable strategy for improving its own and our collective security over the long term. Is democracy promotion sufficient to achieve greater security, and are we doing it well enough?

COMPETING VISIONS OF HOW TO SECURE OUR FUTURE

President Bush often asserts that “the only force powerful enough to stop the rise of tyranny and terror, and replace hatred with hope, is the force of human freedom.... America will stand with the allies of freedom,... with the ultimate goal of ending tyranny in our world.”¹ Secretary of State Condoleezza Rice echoed the message, stating in Egypt: “freedom and democracy are the only ideas powerful enough to overcome hatred.”²

This primary emphasis on democracy promotion as the key to fighting terror and enhancing U.S. security is a relatively new theme for the Bush Administration. Perhaps not coincidentally, it became predominant after the Iraq invasion and the failure to find weapons of mass destruction. Just prior to the 2005 Group of Eight (G8) Summit in Gleneagles,

Scotland, President Bush suddenly returned to a theme he struck and then abandoned after the Monterrey Financing for Development Summit in 2002: “We seek progress in Africa and throughout the developing world because our interests are at stake. Instability and lawlessness in a distant country can bring danger to our own.”³ Yet, for the most part, President Bush touts a “freedom only” strategy.

In contrast to the U.S., our G8 partners generally subscribe to long-term strategies for enhancing our collective security that

focus more on development. British Prime Minister Tony Blair warned in 2004 that “[p]overty and instability lead to weak states which can become havens for terrorists and other criminals.”⁴ Blair subsequently challenged the G8 countries at the Gleneagles Summit to double aid to Africa to \$50 billion a year by 2010, with an additional increase to \$75 billion a year by 2015. President Jacques Chirac of France maintains that “when the

essential for long term security, yet they clearly view it as insufficient.

The shifting focus of the G8 summit agendas over the last few years reflects this divergence among the group. At Kananaskis in 2002 and the following year at Evian, both Canada and France emphasized development and hunger, especially in Africa. In 2004 at Sea Island, Bush highlighted democracy in the Middle East, and the Eight agreed

to launch the Broader Middle East Initiative. At Gleneagles, Blair turned the focus back to global poverty, particularly in Africa. In doing so, he laid bare differences among G8 leaders as reflected in their relative readiness to make significant new financial commitments to African development.

In May 2005, the EU committed to a specific timetable to reach the target of devoting 0.7% of its gross national income (GNI) to overseas development assistance (ODA) by 2015.

Sixteen of the world’s twenty-two major donor countries, including Britain, France, Germany, Italy, and Greece pledged to meet the 0.7% target within ten years.⁷ Japan will double its aid to Africa within three years.⁸

Ironically, Canadian Prime Minister Paul Martin has resisted mounting pressure to set a timetable to achieve the 0.7% target, despite the fact it was originally proposed by Canada’s Lester Pearson in the late 1960s. Martin explains that his “government is committed to the 0.7%” target and would “very much like” to achieve it by 2015.⁹ But he



U.S. President **George W. Bush** and U.S. First Lady **Laura Bush** arrive at the G8 Summit in Gleneagles, Scotland. Photo: Chris Young/Crown Copyright - H.M. Government Handout Photo.

lack of development condemns entire regions to poverty... the security and stability of the world are under threat.”⁵ And Japan’s Junichiro Koizumi says: “[p]eace and security, economic and social issues are increasingly intertwined.”⁶

President Bush’s customary de-emphasis of global development in favour of democracy as the over-riding security imperative is more than rhetorical. It suggests a potentially profound strategic divergence within the G8. Other G8 leaders broadly agree with President Bush that democracy promotion is

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insists that “rather than trying to set grand and glorious targets a long way out, my own view is that you should set achievable targets in the short term.”¹⁰ In June 2005, Martin announced Canada would “double the amount of aid that we’re going to give Africa by 2008” from its 2003 level.¹¹ His government released a new development strategy in

over 2004 levels. This increase would provide little more than that which Bush already committed, but has not yet delivered, when he announced his HIV/AIDS and Millennium Challenge initiatives. At the Gleneagles Summit, G8 leaders pledged an additional \$25 billion to Africa annually by 2010, but the EU will provide \$17 billion of this increase

scholars argue that the absence of political freedoms, rather than lack of education or opportunity, motivates young men to join terrorist networks.¹⁹ This small body of research analyzes the correlates of terrorism across countries and finds that only political freedoms are relevant. Others hold that poverty and under-development create breeding grounds for terrorist foot soldiers.²⁰ Several analyses indicate that unfavourable socio-economic conditions, including poverty, economic inequality and unfulfilled economic expectations, render individuals vulnerable to recruitment by terrorist groups.²¹

More significant is poverty’s contribution to fuelling civil conflict and state weakness that terrorist networks and other predators can exploit. Numerous studies have established a relationship between poverty and conflict.²² They suggest that the risk of conflict onset rises and its average duration increases with decreasing per capita GDP, rates of economic growth, and secondary school enrolment, or with higher child mortality rates. According to the British Department for International Development, “a country at \$250 GDP per capita has an average 15% risk of experiencing a civil war in the next five years.” At \$1000 GDP per capita, there is a dramatic drop in the risk of conflict. “At \$5,000, the risk of civil war is less than 1%.”²³

Where conflicts erupt and fester, the affected countries become incubators for virtually every type of transnational threat, including jihadist terrorism. Al-Qaeda blossomed in conflict-ridden Sudan and originated in Afghanistan, where the network first established training camps and bred approximately 20,000 militants now operating in South and Southeast Asia, Africa, Europe and the Western Hemisphere.²⁴ Groups associated with bin Laden’s network have established new training camps in embattled regions of the Philippines.²⁵ Al-Qaeda appears to be recruiting and readying future generations of jihadis in many of the world’s conflict zones—from Kashmir to Chechnya and Iraq. In the conflict zones of Sierra Leone and Liberia, al-Qaeda traded diamonds to finance its operations.²⁶ In Somalia, al-Qaeda targeted U.S. soldiers, as it is doing with increased frequency and lethality in Iraq.

Absent conflict, low levels of income and

compared to a relatively small U.S. share of only \$4 billion.¹⁷ The U.S. pledge falls well short of the customary American contribution of 25% to multilateral funding instruments and amounts to less than a quarter of the European commitment.

Given the rhetorical differences and disparate resource commitments among the G8, can there be a common view among partners as to how best to secure our future? Should we not view democracy and development as mutually reinforcing objectives over the long term?

There is a substantial body of evidence that *both* spreading freedom and reducing poverty are essential components of a long term strategy to win the war on terror and address twenty-first century security threats. One without the other will not suffice. The changed security environment of the post-Cold War period add urgency to the opportunity President Bush and his G8 partners have to carry forward, through progressive action, the vision of a world free both from want and from tyranny. To succeed, greater and smarter collective investments to seed democracy and promote sustainable global development will be required.

TERRORISM: A THREAT BORNE OF BOTH OPPRESSION AND DEPRIVATION

Transnational, jihadi terrorism is among the most urgent challenges now facing the U.S. and its allies. Currently, al-Qaeda operates in an estimated 60 countries worldwide and its ranks may have swelled recently as a result of the Iraq war.¹⁸ There is debate as to what motivates individuals to join terrorist groups and participate in terrorist activities. Some

GIVEN THE RHETORICAL DIFFERENCES AND DISPARATE RESOURCE COMMITMENTS AMONG THE G8, CAN THERE BE A COMMON VIEW AS TO HOW BEST TO SECURE OUR FUTURE?

April and will concentrate aid programs in twenty-five of the poorest countries, mostly in Africa.¹²

Washington remains a major outlier. President Bush agreed with his G8 colleagues to cancel \$40 billion in debt owed by a limited group of 18 poor countries. However, this important step will free up only \$1–2 billion a year for these countries to spend on domestic priorities.¹³ By contrast, Bush has called on the international community to reduce or cancel Iraq’s overseas debt—estimated at approximately \$383 billion—on grounds that it was incurred by a corrupt former dictator, yet he rejects this argument when applied to many of the world’s poorest countries.¹⁴

President Bush has also declined to commit to the 0.7% target for ODA by 2015, maintaining in advance of Gleneagles that his administration has “tripled” U.S. assistance to Africa over the past four years.¹⁵ But U.S. aid to Africa has not tripled, nor even doubled; in real dollars, it has increased only by 56% from fiscal year 2000 to fiscal 2004.¹⁶ The president’s signature aid initiative, the Millennium Challenge Corporation (MCC), which was established to direct a substantial increase of U.S. ODA to high performing developing countries, has been slow to disburse funds. Bush has not even requested from Congress the additional \$10 billion over three years he pledged in 2002. Even if fully funded, the MCC could help catalyze development in only a small number of recipient countries leaving behind the world’s weakest poor states that fail to meet the program’s strict eligibility criteria.

On the eve of the 2005 G8, Bush pledged to double U.S. assistance to Africa by 2010



The G8 meeting in Gleneagles, Scotland. Aid to Africa and terrorism featured prominently on the agenda.

development, particularly in countries with significant, but not necessarily majority, Muslim populations may also facilitate terrorist operations. Poor countries with limited institutional capacity to control substantial parts of their territory afford potential safe havens to terrorists for training, basing, caching weapons, trafficking in illegal commodities, and recruiting. To support their activities, transnational terrorists have exploited the territory, cash crops, “lootable” natural resources and financial institutions of low-income states. They have raised funds through the acquisition and sale of high-value commodities, such as gems or narcotics, which finance weapons acquisition and operations. Al-Qaeda militants have taken advantage of lax immigration, security and financial controls to execute operations in Kenya, Tanzania, and Indonesia.

Country-level poverty also weakens states’ capacity to provide for their populations’ basic human needs. In low-income countries, social and welfare services are typically inadequate, creating gaps in the provision of education and health care that may be filled by radical NGOs or madrassas. Terrorist networks have used both legitimate and illegitimate charities to raise funds and garner popular support. In Iraq and Somalia radical groups established social welfare institutions where governments failed to provide essential services.²⁷ Saudi-based

foundations that deliver health services in Chechnya and the Balkans provided material support to al-Qaeda and its affiliates.²⁸ Bin Laden’s brother-in-law, Mohammad Jamal Khalifa, allegedly used Islamic charities in the Southern Philippines as fronts for setting up training camps.²⁹ International Islamic charities are partially filling the welfare gap in Mali, Thailand, Bangladesh and Indonesia, where terrorist activity is reportedly on the rise.³⁰

POVERTY FUELS OTHER TRANSNATIONAL THREATS

Many other dangers that characterize today’s security landscape thrive in conditions of poverty. A complex nexus of transnational threats—infamous disease, environmental degradation, international crime and drug syndicates, arms proliferation, and terrorism—are manifest in and emerge from relatively remote regions of the world. They thrive especially in conflict or lawless zones, where corruption is endemic, and in poor states with limited ability to control their territory or resources. The map of vulnerable regions includes 53 countries with average per capita income of less than two dollars per day, ranging from Latin America to Africa, Central Asia, to parts of the Middle East, South and East Asia.

Democracy alone is insufficient to stem internal conflict or the emergence and spread of transnational threats. Drawing on

new research by the CIA State Failure Task Force, a new study finds that partial democracies are “more prone to experience revolutions, ethnic wars, and violent regime change than any other kinds of regimes,” including full autocracies.³¹ The study shows that while full democracies are the most stable kinds of regimes, they are not significantly more stable than full autocracies. Partial democracies, which combine elements of democratic rule, like elections, with aspects of authoritarian rule, are more likely than any other regime type to experience civil wars, violent revolutions and genocide.³²

Moreover, a second wave of terrorist bombings linked to Jemaah Islamiyah (JI) in Bali in 2005 underscore the reality that democratization has not spared Indonesia additional attacks and often will not suffice to quell terror. As Scott Atran notes, the fragile minority government of Indonesia has been forced to strike alliances with Islamist parties, which have chilled its will to take aggressive action against JI.³³

DEMOCRACY PROMOTION: LOTS OF TALK, TOO LITTLE ACTION?

Nonetheless, spreading freedom is obviously important for its own sake. It will reduce some of the hopelessness and frustration that burden oppressed people. Democracy also improves governance and reduces corruption in weak states, thereby enhancing

state legitimacy and, potentially, state capacity. At the same time, reducing poverty can mitigate conditions conducive to conflict and strengthen a state's ability to prevent terrorism as well as the emergence and spread of other threats.

To maximize our collective security, G8 leaders should place equal emphasis on supporting democratic reform and spurring economic growth and development. How has the international community fared on each of these fronts to date?

Despite President Bush's frequent impassioned invocations of the benefits of freedom for fighting terror, the United States' efforts and investments in promoting democracy have not matched its rhetoric. For instance, Secretary Rice powerfully affirmed in Cairo the U.S. determination to hold friendly Arab government to account on human rights and democracy. Yet, when Egypt blocked interna-

tional monitors from observing the 2005 poll and President Mubarak allowed only selected opposition candidates to compete, the U.S. congratulated Egypt on the outcome of the election. On a subsequent trip to Egypt, Undersecretary of State for Public Diplomacy Karen Hughes avoided meeting any opposition leaders.

Such mixed signals are also evident in the Bush Administration's budget priorities. For his flagship Middle East Partnership Initiative—a program launched in 2002 to seed freedom in the Arab world by encouraging trade, mobilizing foreign direct investment, promoting the rule of law, strengthening civil society and improving access to and the quality of education—Bush requested \$30 million less this fiscal year than last year.³⁴ Little of the additional spending requested by the President for international assistance and State Department operations

in 2006 was directed to global democracy programs. President Bush's 2006 budget request would also cut the global democracy account of the United States Agency for International Development (USAID) and the State Department's global human rights and democracy funds. It zeroes out regional democracy funds for Africa, Asia and the Middle East channeled through the National Endowment for Democracy.³⁵

The G8's initiative to promote democratic reform in the broader Middle East is also limited in scope. At Sea Island, the G8 committed to halve illiteracy rates in the Middle East and North Africa by 2015, to establish a forum for dialogue on reform-related issues, and to support development institutions in fostering political and economic change.³⁶ The agreement is a step in the right direction, but President Bush has thus far failed to inspire his G8 partners to build effectively on



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Different opinions on aid. Tanzanian President Benjamin Mkapa and U.S. President George W. Bush at Gleneagles, Scotland.

these initial commitments. The G8 partners also need to invest in grass-roots institution-building initiatives to secure and sustain democracies worldwide. Helping to “spread freedom” will require the same kind of unglamorous, long-term efforts, which on a much smaller scale helped foster greater democracy in Ukraine and South Africa.

POVERTY REDUCTION: AN EFFECTIVE, LONG TERM STRATEGY

The international community has made even less headway on global poverty reduction than it has on democracy promotion. The UN estimates that total investments needed to achieve the Millennium Development Goals (MDGs) amount to an additional \$72 billion by 2006 and \$135 billion by 2015.³⁷ According to the UN Secretary General, several essential elements on the global poverty reduction agenda should be embraced by developed countries without delay, including: 1) increasing ODA to 0.7% of GNI by 2015, including through urgent investments in “quick wins,” such as elimination of school and medical fees for the impoverished, free provision of anti-malarial bed-nets and home-grown school meal programs; 2) substantial additional contributions to the Global Fund for HIV/AIDS, Tuberculosis and Malaria; 3) elimination of agricultural subsidies and export credits that squeeze poor farmers out of the global market; 4) and duty-free, quota-free market access for all exports from least developed countries.³⁸

New research shows how poverty alleviation and development can make the world a safer place. Paul Collier of Oxford (with Anke Hoeffler) and Columbia University’s Macartan Humphreys find a clear link between higher GDP per capita and lower probability of civil war onset.³⁹ Collier and Lisa Chauvet have also shown that the risk of state collapse and conflict can be reduced by 50%, and the economic prospects of a country improved, through an increase in aid averaging 1% of that state’s GDP.⁴⁰ The Commission for Africa estimates that aid averaging 20% of a poor country’s GDP for ten years can prevent conflict-ridden states from lapsing back into violence.⁴¹

There continues to be widespread scepticism over whether and under what conditions ODA effectively helps reduce poverty

and jump-start long-term growth in poor countries. In June 2005, President Bush implicitly justified U.S. reluctance to commit to substantially increase aid, saying “nobody wants to give money to a country that’s corrupt, where leaders take money and put it in their pocket.”⁴² While debate persists in some quarters, such scepticism is increasingly

unwarranted.

On the demand side, there is mounting evidence that targeted aid can be effective, and we now understand better the conditions under which success is achievable.⁴³ The Center for Global Development finds that, irrespective of the strength of a country’s institutions or the quality of its policies, certain aid flows have strong pro-growth effects, even in the short term.⁴⁴ Not only is aid beneficial, on balance, but its effectiveness has improved since the 1980s.⁴⁵ In Taiwan, Botswana, Uganda and Mozambique, foreign assistance helped lay the foundation for development. South Korea created millions of jobs while receiving nearly \$100 per person in today’s dollars of aid annually from 1955 to 1972.⁴⁶ Botswana, the world’s fastest growing economy between 1965 and 1995, received annual aid flows averaging \$127 per person during this period and rapidly expanded diamond exports. Models of successful development assistance include the global eradication of smallpox, the near eradication of polio, increased immunizations for children, and the Green Revolution, which spread high-yield varieties of food crops throughout Asia in the 1960s and 1970s.

Absorptive capacity in developing countries has also increased. On average, developing countries have strengthened institutions and improved governance. According to the World Bank, the average measure of good governance in recipient countries has risen over the past five years.⁴⁷ The Bank and the International Monetary Fund suggest that countries including Bangladesh, India, Indonesia, Pakistan and Vietnam are capable of absorbing an immediate doubling of aid.⁴⁸

They also hold that a number of other low-income countries have demonstrated a capacity to manage a scaling up of development investments supported by external assistance. Examples include Tanzania, Uganda, Mozambique and Vietnam.⁴⁹ Studies also show that some of the world’s poorest and weakest states are under-funded, receiv-

INVESTING IN POVERTY REDUCTION IN THE WEAKEST STATES IS LIKELY TO BE COST EFFECTIVE FOR DONOR COUNTRIES OVER THE LONG TERM.

ing far less aid than is justified by the quality of their policies and institutions.⁵⁰ Post-conflict countries can also effectively absorb higher levels of aid, particularly in later periods, up to ten years after conflict has ended.⁵¹

On the supply side of the development equation, the investments required from donors are not unreasonable, and creative financing mechanisms are available. A number of large donors are in a tight budgetary situation, but the cost of adequate investment in development should be kept in perspective. OECD countries spent approximately \$280 billion last year in subsidies to their farmers and agribusiness, more than three times the \$79 billion they collectively spent on aid.⁵² In the United States, raising ODA spending to 0.7% of GNI would cost U.S. taxpayers approximately \$80 billion, the equivalent of one fifth of the U.S. defence budget, or one year’s supplemental appropriation for Iraq.⁵³ The costs to donors may be mitigated if, as some have proposed, alternative sources of revenue are utilized. The International Finance Facility, championed by British Chancellor of the Exchequer Gordon Brown, would front-load aid flows by allowing donors to borrow against future commitments, enabling poor countries to reach the MDGs by 2015.⁵⁴ A global tax on international airline fuel or arms sales, while highly controversial, could also help fill the resource gap.

Investing in poverty reduction in the weakest states is likely to be cost effective for donor countries over the long term. The average cost of civil war in a low-income country, including domestic military expenditures and lives lost, but excluding global costs such as peacekeeping, has been esti-

mated at \$54 billion.⁵⁵ On average, each \$1 spent on preventive measures such as economic development generates over \$4 in savings to the international community.⁵⁶

Yet, it will take more than large, well-targeted aid flows to eradicate poverty. The most important ingredients are improved economic policies and responsible governance in developing countries. Still, those alone will not suffice. Rich countries will need to drop trade distorting subsidies, further open their markets, encourage job creating foreign investment, cancel debt, play a

more active role in preventing and resolving conflicts, as well as assist recovery of post-conflict societies. While experts now substantially agree on the value of and some of the ways to accomplish substantial poverty reduction, what remains lacking is both the political will and the financial means.

THE WAY AHEAD

Now is the time for the U.S. and the G8 to concert their rhetoric as well as their investments to leverage the transformational potential of our partnership and maximize

our shared security. Promoting both development and democracy in far away countries is a 21st century security imperative. We need a dual strategy. We must combine effective formulas for fostering freedom through building civil society and transparent democratic institutions with a determination to “make poverty history.” If we fail to do so, we will have squandered a crucial chance in an era of uncertainty to accomplish what President Bush boldly staked out as his ambitious legacy: “to advance the cause of liberty and to build a safer world.”⁵⁷ 🇺🇸

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