

# Young Writers Award

## Connecting Security and Development: Towards a Transatlantic Strategy in Fragile States

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Extreme poverty is one of the most pressing global challenges of our time. While newly minted middle-income countries such as Brazil, China, and India show that substantially reducing extreme poverty is feasible, other countries — known under the fuzzy label of fragile states — continue to grapple with entrenched poverty.<sup>1</sup> These countries are marred by violent conflict or precarious recovery; they face ongoing humanitarian crises or unstable governments; some deal with all these troubles at the same time. Many have made zero progress towards achieving even one of the Millennium Development Goals (MDGs). Think Afghanistan, Haiti, Iraq, Mali, Somalia, or Yemen — these countries require strong and smart support from the international community to break the vicious cycle of poverty, fragility, and conflict.

The need to support fragile states, however, is not limited to addressing entrenched poverty and human suffering alone. Those often charged with the securitization of aid — or the linking of aid provision with national security goals — also make a valid case for addressing fragility abroad: eliminating arms smuggling, drug trafficking, money laundering, piracy and terrorism, among other illicit activities, which find fertile ground in fragile and conflict-affected states.

In addition to the development and international stability gains of addressing fragility, there is also a moral imperative that calls for supporting fragile states by all available means. Many of the illicit activities that destabilize the least-developed countries in the first place do not occur in a national or even regional vacuum. The drug trade caters to Western consumers, illicit financial flows go to Western offshore tax havens, and weapons are produced and sold predominantly by Western countries. In this sense, the perpetuation of fragility can be indirectly linked to specific EU and U.S. policies.

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<sup>1</sup> Between 1990 and 2010, the share of the population of the developing world living in extreme poverty was cut in half, largely due to massive poverty alleviation in East Asia, in particular in China and India. As a result of the transformation of global poverty, the poor are increasingly found in middle-income countries and in fragile states. See, for example, Laurence Chandy (2011). *Two Trends in Global Poverty*. The Brookings Institution.

Nevertheless, for many fragile states and those on the brink of war or collapse, Europe and the United States are beacons of hope. The EU and the United States provide substantive foreign assistance each year and seek to address the consequences of fragility and entrenched poverty. In 2010 alone, the United States and the institutions and countries of the European Union represented a total combined aid budget of \$104 billion.<sup>2</sup> Yet, despite having similar goals, the EU and the United States distribute the vast majority of their foreign assistance, including and particularly in fragile states, in an uncoordinated manner. This dramatically reduces both the potential benefits for the poor in these states and opportunities for greater regional and international stability. It also substantially reduces the value of every dollar and euro spent.

If the European Union and United States — the world's biggest donors — want their aid money to achieve greater impact while ensuring greater human development, improving the stability of vulnerable countries and regions and, in doing so, protecting their own security, they need to change the way they provide foreign assistance.

### Transatlantic Development Cooperation in Fragile States: A Blueprint for the Future

Achieving greater cooperation between the EU and United States seems unrealistic in a time of U.S. President Barack Obama's pivot from Europe to Asia, a cooling transatlantic relationship due to the U.S. National Security Agency surveillance scandal, and lingering domestic economic woes. Despite these ongoing challenges, the fact remains that the EU and the United States share many interests, in particular with respect to international development assistance. A continued commitment to the transatlantic partnership is not only sensible, it is necessary for making progress in fragile and conflict-affected states while, at the same time, promoting international stability.

Transatlantic cooperation on fragile states requires four conditions. First, there is an overarching need for political will on both sides of the Atlantic to promote collaboration. Second, there must be a shared understanding of the problems facing fragile states and a mutual interest in solving them. Third, a strong platform must exist for exchange between senior level administrators and working-level policy and technical staff in order to set priorities, discuss means of collaboration, and provide momentum for moving forward. Fourth, coordination must go beyond strategic policy alignment to collaboration on the ground. This means finding complementarities, eliminating overlap, and, where feasible and desirable, acting as one when providing foreign assistance.

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<sup>2</sup> This represents a little over 71 percent of the world's total official development assistance (ODA). Authors' own calculation based on OECD Data (2010), available at <http://www.oecd.org/dac/stats/>.

### *Condition 1: Political Will*

Political will for coordinating foreign assistance is essential. On this, the EU and the United States have already made considerable advances. In November 2009, leaders at the EU-U.S. Summit in Washington, DC, relaunched the EU-U.S. High-Level Consultative Group on Development (EU-U.S. Development Dialogue), a ministerial- and working-level forum for advancing EU-U.S. strategic cooperation at the policy level and for exploring opportunities for coordination in the field. Since its relaunch, the EU-U.S. Development Dialogue has become an important channel for exchange and trust-building among EU and U.S. officials. Moreover, participants are increasingly using the dialogue not only for strategic alignment on development issues, but also as a trusted forum for exchange on real-time global issues such as Mali and Syria.<sup>3</sup> In short, the political will to address the tough issues of security and development is gradually building up.

### *Condition 2: Shared Understanding of Fragility*

The EU and the United States must share an understanding of fragility. Progress here has also been made, as policymakers in the EU and the United States increasingly recognize that the priorities of security, stability, and development must be linked. The EU has pushed for a comprehensive approach in crisis management to ensure that political, diplomatic, economic, development, humanitarian, and military instruments are used in a coherent way to address crises and conflict in foreign countries.<sup>4</sup> Specifically, the *Council Conclusions on Security and Development (2007)* and the *Council Conclusions on a European Union response to situations of fragility (2007)* have brought together the realms of security and development across the different EU institutions.<sup>5</sup> In the United States, sparked by the *Quadrennial Diplomacy and Development Review (QDDR)* published in 2010, the Department of State and the U.S. Agency for International Development (USAID) have called for strengthening civilian capability to prevent and respond to crisis and conflict, alongside military means.<sup>6</sup> As the strategies of both the EU and the United States toward fragile states increasingly align, new opportunities to deepen collaboration should present themselves.

### *Condition 3: Favorable Institutional Environments*

To translate political will and a shared understanding of fragile states into concrete opportunities for collaboration, an institutional environment open and conducive to cooperation must exist. Here there are also reasons for optimism, since the EU and the United States have reformed or created new administrative structures to support

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3 Interviews with EU and U.S. officials participating in the Dialogue.

4 Catherine Woolard (no date). *The EU and the Comprehensive Approach*. European Peacebuilding Liaison Office.

5 Council of the European Union (2007). *Conclusions of the Council and the Representatives of the Governments of the Member States meeting within the Council on Security and Development*, 15097/07; Council of the European Union (2007). *Council Conclusions on a EU response to situations of fragility*.

6 United States Department of State (2010). *Leading Through Civilian Power: The First Quadrennial Diplomacy and Development Review*.

their foreign assistance strategies. In the EU, the new European External Action Service (EEAS) recently finalized the division of labor between the different EU institutions engaged in foreign assistance, in particular with the Directorate-General Development and Cooperation – EuropeAid (DEVCO). Similar developments have occurred in the United States, where in early 2012 the State Department inaugurated its new Office of Civilian Security, Democracy, and Human Rights. This office formally leads activities on civilian security and non-military means for addressing fragility, which were previously scattered among different units and departments. Moreover, in 2010, USAID underwent large-scale reforms initiated by President Obama and former Secretary of State Hilary Clinton, including the development of stronger ties with the State Department. Taken together with the EU-U.S. Development Dialogue, which has served as a successful means for linking counterparts working on the same issues, the institutional environment in both the EU and the United States has become far more supportive in addressing issues of fragility.

*Condition 4: Willingness and Ability to Translate Policy into Practice*

Any future transatlantic partnership on development cooperation will be measured by its success on the ground. The EU and United States must work together at the country-level, coordinate disparate projects, share analyses, and negotiate together vis-à-vis countries they operate in. Only then will the transatlantic partners make progress in alleviating extreme poverty, stabilizing fragile states, and mitigating the potential domestic threat posed by instability. Programmatic cooperation at the country-level is thus the litmus test for determining the overall value of transatlantic collaboration in fragile states.

Thus far, however, in-country coordination between the EU and the United States has seen limited success. While this issue has come to the forefront of the EU-U.S. Development Dialogue, pilot projects for improving food security in Bangladesh, Guatemala, and Ethiopia have stalled. Evaluations are not available to shed light on why this was the case, but interviews with officials from both sides point to potential causes. One is that country delegations were not fully involved in the process of determining the pilot countries, undermining ownership of those tasked to implement cooperation. A second is that incentives to coordinate were missing, with further engagement restricted as a result of overwhelming workloads and other commitments. Third, there was uncertainty regarding the value of cooperation due to lack of visible results attributable to EU-U.S. cooperation. While hitches in collaboration are expected, such implementation flaws and negative perceptions must change if progress is to be made.

## The Way Forward

The EU and the United States have laid the foundation for better transatlantic development cooperation in fragile states, but much remains to be done. How can the EU and the United States further improve on the first three critical conditions

outlined above? More urgently, how can they move past political statements to strengthening country-level coordination and results on the ground? On these issues, the EU-U.S. Development Dialogue offers the most promising platform. It allows for aligning strategies and coordinating EU and U.S. foreign assistance on a country-by-country basis. For this to succeed, the EU and the United States must urgently address a number of issues.

First, there is a need to tackle differences in definition and approach as well as the lack of clarity on leadership roles in the dialogue — in particular on the issue of foreign assistance in fragile states. Foreign policy and development institutions typically approach the issue of security and development from different angles, with their own priorities, methods, and even fundamentally different languages. The EEAS and the State Department, as part of the “securitizers,” tend to focus on the implications of fragility abroad in terms of regional and international relations as well as national security at home. USAID and DEVCO, by contrast, see stability and security primarily as a means for more effective pro-poor policies abroad. To make progress, there should be a shared understanding of the problem and an ability to develop country specific solutions from either the foreign policy or development toolboxes.

Second, the transatlantic partners must find a better balance between short-term crisis response and longer-term approaches of supporting fragile states. At present, those involved in the EU-U.S. Development Dialogue tend to focus on acute crises such as Syria and Mali, indicating that the dialogue is increasingly driven by imminent foreign policy concerns. This more flexible approach for discussing up-to-the-minute issues is appreciated by the participants of the dialogue, but it is ill-suited for *ad hoc* diplomacy on current issues due to its design, frequency, and initial mandate.<sup>7</sup> A critical challenge for the dialogue is balancing its original purpose with these new demands. Relatedly, there is a tendency to pile on new topics without making any substantial progress on previous issues. These issues dilute the value of the dialogue and obstruct tangible successes that could demonstrate that cooperation can lead to positive outcomes.

A third obstacle is a lack of transparency around collaborative activities and formal discussions between the EU and the United States on fragile states. Europe and the United States each have a vibrant civil society, but the EU-U.S. Development Dialogue remains largely unknown among the development community. Few civil society organizations, researchers, or aid experts are consulted on the agenda, the priorities, or the planned activities. Such external input is critical, however, in three respects. First, it allows EU and U.S. officials to incorporate the latest findings of the discussed topics into the development of evidence-based policies and programs. Second, as NGOs are usually those who implement EU and U.S. development policy — especially in fragile and conflicted-affected countries — NGO participation in the dialogue would provide an important reality check on proposed EU and

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<sup>7</sup> Interviews with EU and U.S. officials participating in the Dialogue.

U.S. activities. Finally, openness toward civil society organizations and aid experts generates a level of accountability that helps to sustain activities; it also provides incentives for leadership and more effective engagement among the transatlantic partners. Further, openness serves as a good example of how to foster healthy relations between civil society and government.

The fourth and most critical issue to address is enabling bottom-up participation of EU and U.S. country offices and delegations in the design and leadership of joint programs. Results are achieved on the ground, and little has been accomplished in this respect thus far. Now is the time to fix this. A few examples point in the right direction. On the EU side, the European Commission funding cycle for 2014-2020 gives EU delegations working in fragile states more responsibility and leeway in managing their programs.<sup>8</sup> They should take advantage of this through experimentation, actively seeking to collaborate with their USAID counterparts on small issues where there is clear value in cooperation. Another positive example that can change the way aid is managed on a country-level comes from the U.S. side, where USAID is currently reviewing financial guidelines that would allow the United States and EU to transfer certain funds back and forth to implement programs on each other's behalf.<sup>9</sup> While not yet in place, these are important steps that can lay the foundation for greater cooperation on security and development issues at the country-level.

To conclude, it is more critical than ever for the EU and the United States to make collaborative investments in fragile and conflict-affected states. And with all of these recent advances, a transatlantic strategy on fragile states is possible. The benefits are clear: better cooperation can both achieve significant security and stability returns as well as act as a driver for more effective international efforts around security and development. More importantly, though, Europe and the United States can make a real difference in eliminating extreme poverty.

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<sup>8</sup> Ibid.

<sup>9</sup> Ibid.