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## 14 Regional peace as an international public good: collective action in southern Africa

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### Introduction

Since Buchanan's (1965) and Olson's (1965) seminal works, a vast literature has developed that examines collective-action goods (see, e.g., Sandler, 1997; Cornes and Sandler, 1996). International peace among nation-states is a collective-action good. Once provided, the benefits of peace accrue to all in non-rival fashion and no one can be excluded from enjoying the fruits that peace entails. Why, therefore, contribute to peacekeeping or peacemaking? How can one avoid or mitigate the free-rider problem? This chapter

- ▶ reviews how collective goods are produced, paying particular attention to the design of institutions that are to produce peace and international security, and briefly examines the literature on economic sanctions and incentives as means to bring about or to keep peace,
- ▶ briefly characterizes the major security problems and challenges in the southern African region and provides information on the present peace-related institutional set-up in southern Africa, and
- ▶ provides suggestions for peacemaking and peacekeeping processes in southern Africa with particular attention to institutional design.

### Production technologies and design of institutions

#### *Production technology of public goods*

Jack Hirschleifer (1983) examined the link between the voluntary provision of public (collective) goods and the technology used to produce them.<sup>1</sup> He examines

three cases in particular. First, if the technology of production consists of each contributor providing one part, so that the benefits the good yields as a whole is the sum of its contributed parts (the *summation technology*), then it is likely that the good is subject to the classic free-rider problem. For instance, protecting the stratospheric ozone layer through reductions in CFC emissions abides by the summation technology: each unit of CFC reductions that any one country agrees to provides non-exclusive, non-rival benefits to all other countries. The larger the number of countries that contribute to CFC reductions, the higher the overall level of CFC reductions achieved, and the higher the sum of benefits reaped.

But if it is the only contributor to CFC reductions then costs outweigh a country's benefits. Thus, each country has an incentive to make its own contribution only if all other countries do. But if all other countries do, then it can free-ride on their efforts, benefiting from world-wide CFC reductions without contributing to any such reductions after all. This line of reasoning is correct for any, hence for all, countries. A summation technology of public goods production is therefore associated with a prisoners' dilemma game whose undesirable outcome is that no one reduces CFC emissions because it is not rational for any one to start doing so. This is a "lose-lose" game.<sup>2</sup>

Second, Hirschleifer refers to another production technology of public goods as *weakest-link technology*. It suggests that the benefits the public good yields are only as high as the smallest contribution to its production. Only if each party contributes will there be a public good, but if any one party withdraws its contribution there will be no public good whatsoever. An example would be nuclear non-proliferation. Any country abiding by non-proliferation standards provides non-rival, non-excludable benefits to all others. But if a single country fails to abide by non-proliferation standards, the public good of non-proliferation will not be provided at all.

Weakest-link technology is often associated with *assurance games* ("win-win" games) whose redeeming quality is the increased (but not guaranteed) likelihood of the absence of free-riding. If only country A signs a non-proliferation treaty, but country B does not, then non-proliferation does not exist at all: country B cannot obtain something (non-proliferation) for nothing. Similarly, once provided, neither party can sensibly withdraw from the non-proliferation project: if either party fails to live up to the treaty, the treaty as a whole ceases to provide benefits to either. Such situations therefore present good opportunities for incremental contributions: country A offers to make a small contribution or concession on the condition that B reciprocates; once B does, A may make another offer of a small contribution, if B does. This continues until a non-proliferation treaty is fully worked out.

Third, at the other extreme of the technology spectrum lies what Hirschleifer calls *best-shot technology* for public good production. This is associated with *coordination games*. If B contributes a cost of "two", and A contributes a cost of "three", then the level of the public good is determined by A's, the larger, contribution. But if A contributes only "one", then the level of the public good is determined by B's contribution, which is now larger than A's. The largest contribution provides the public good; everyone else gets a free ride. For example, the availability of space satellites and the potential dissemination of information gathered through them is determined by the nation(s) with the largest capacity to put such satellites into orbit. Once in orbit, information such as remote-sensing of world-wide agricultural conditions can be gathered and distributed at near-zero marginal cost (near-zero per unit of information, anyway). When any two parties are nearly equally endowed to undertake such efforts, the game theoretic question is who shall incur the cost and let the other free ride. But when two parties are unequally endowed, it is more nearly clear that the better endowed party will incur the cost purely for its own benefit (providing a free-ride to others).

I skewed this last example a bit to make two important points: (a) many international public goods are not *pure* international public goods but are mingled with private national benefits; and (b) some goods yield benefits that are in principle non-rival but excludable. For example, once the United States decides to release remote-sensing information, for instance via the Internet, it is freely available to everyone. Remote-sensing information, once provided, is non-rival indeed. But the US can decide not to release satellite information (say from spy satellites) in the first instance, thus making the good's benefit excludable to non-US parties, or make it available only at the discretion of the US government (presumably in exchange for other benefits to US wishes to acquire).

Some collective goods therefore are *joint products*. Realizing this becomes important for the design of institutions, to which I now turn.

#### *Design of institutions producing international public goods*

In areas other than questions of peace and international security, it is increasingly recognized that the institutional framework within which the production of collective goods is negotiated and carried out influences whether or not, or to what degree, the good will be successfully supplied. For example, unlike the Rio de Janeiro (1992) and Kyoto (1997) negotiations concerning global warming, the successful negotiation and implementation of the Montreal Protocol on CFC reductions stems, in part, from the recognition and acceptance of the fairly undisputed scientific consensus on the nature of the problem. The benefit of the

collective good to be provided was so much more clearly spelled out, and there existed an initial cluster of highly interested and economically capable countries willing and able to pursue the issue, to drive the negotiations, and to assure their success.

In a recent book, *Global Challenges*, Todd Sandler extracts the following lessons for the design of institutions for the successful production of international public goods (Sandler, 1997, ch. 5). Here they are loosely summarized and slightly expanded upon:

- ▶ First, instead of reaching for the stars by insisting on all-encompassing membership, form a club with a small number of members that share similar "tastes" with respect to the problem at hand. Thereafter, build up membership gradually. If possible, invent an exclusion mechanism.
- ▶ Second, to increase the likelihood of contributions, and to induce more nation-states to pursue collective action, reduce and resolve uncertainty about the nature of the problem at hand (do CFCs destroy the stratospheric ozone layer? is there global warming? is Iraq building nuclear weapons? etc.). Reduce uncertainty not only about the economic cost of inaction (opportunities foregone by continued inaction), but also about the potential benefits of action (opportunities gained).
- ▶ Third, leadership toward achieving collective action is best provided by the nation with the potentially greatest net benefit from such action. Those who have the most to gain will most likely provide the best arguments and be most willing to put down an initial contribution toward defraying the cost of action, a down-payment on a pot of winnings which others may share if they also contribute to the pot.
- ▶ Fourth, in an effort to build successful coalitions, identify local or regional, not just global, benefits. For example, nations have much to gain from regional peace treaties, without any need to wait for global peace.
- ▶ Fifth, world media nowadays transcend nation-state boundaries and can help build awareness of collective action problems and therefore can help forge appropriate coalitions. Use them.
- ▶ Sixth, start with loose links among members and tighten links over time. Instead of aiming for a comprehensive solution, consider incremental improvements.<sup>3</sup>
- ▶ Seventh, do not graft a solution to one problem onto another: as the discussion of public good production technology shows, the underlying nature of the public good problem to be addressed may differ vastly from case to case.

#### *NATO as an illustrative example*

Cursory examine a case of an international public good — international peace and security provided by NATO — and match it against Sandler's design of institutions principles. Clearly, NATO is a community of shared interests, of similar tastes or preferences. Instead of aiming at global peace, it aims at regional stability, primarily in western Europe. The benefits from the military alliance are local and regional, with international and global spill-over effects (both positive and negative).<sup>4</sup> Initial leadership was clearly provided by the US, France, and the UK, the nations that stood to gain extensive net benefits from the formation of the alliance. The alliance produces a joint product. Some benefits of the alliance are more nearly public ("international"), others more nearly private ("national"), and the balance between public-good and private-good production has varied from time to time. For example, when emphasis was placed on conventional forces, danger of force *thinning* (rivalry by dilution, rather than crowding) would leave any one alliance member vulnerable to attack. The good became partially rival. Thus, each alliance member contributed a larger share to conventional forces to reap private-good benefits. But when emphasis shifted toward nuclear, strategic weaponry, the good became less rival, more public in character, and contributions of individual alliance members shrunk.<sup>5</sup> NATO as a defense alliance is a complex good: it can be classified as an international public good, providing non-rival, non-exclusive benefits (probably protecting non-members such as France or Switzerland); it can also be classified as a partially private good providing rival, excludable benefits for specific members only; in addition, some aspects of the good NATO provides can be viewed as a common-resource pool good (rival but non-excludable), yet also as a club good (non-rival for members but excludable to non-members). Along with varying benefits are also varying costs not only for each member but for the collective of members. For instance, the larger the size of the club, the more costly it is to reach decisions, raising questions of limits to membership and optimal club size (regarding, NATO in particular, see Sandler and Hartley, 1999).

#### **Collective action: sanctions, incentives, institutions**

Making and keeping peace within and among nation-states is a collective action problem. Within states the problem is usually addressed by state-enforced coerced contributions (taxes) toward the provision of the public good ("law and order") that keeps the domestic peace. This takes place in the context of an institutional arrangement that transfers a degree of sovereignty from private

individuals to some governing authority. Between and among states that governing authority — as an instance of an institutional arrangement — does not ordinarily exist and must be specifically created and some degree of sovereignty must be ceded to that governing authority (as in the case of NATO).

International peace yields benefits to those who enjoy it, but to provide peace entails costs. Yet, once provided, no nation-state can be excluded from enjoying the fruits of peaceful relations among nations in its relevant geographic region nor is there any competition or rivalry over peace. Once there is peace, there is peace for all at the same time. Thus, we expect that contributions to international peacekeeping forces and operating expenses fall short of what is needed to adequately provide the good as each nation hopes to free ride on the contributions of others, i.e., as each hopes to benefit (from peace) at the expense of others.

As in the case of NATO, peace, peacemaking, and peacekeeping is not a pure public good. It may also yield private benefits to the provider. For example, nation-states such as Canada and Norway take pride in being known for their peace-loving stance. They derive private national benefits by being acknowledged worldwide as peace-loving countries: they garner stature, recognition, and international admiration. This encourages them to contribute disproportionately large shares toward international peacekeeping actions (Khanna and Sandler, 1997).

Consider recent conflicts in places such as Armenia and Azerbaijan or Haiti, Somalia, Iraq, Rwanda, the Balkan wars of the 1990s or, indeed, southern Africa. In spite of professing peace, human societies prosecute wars. If making peace is a desirable good, who shall provide it? And how? If one nation-state, external to the region, intervenes to make peace, a large number of other nation-states benefit (let alone the peoples of the directly affected nation-states). They free ride on (and benefit from) the effort of the intervener at little or no cost to themselves. Yet, if all nation-states think likewise, peacemaking will not be undertaken; it will not be provided at all or will be supplied inadequately. Thus, peacemaking and peacekeeping are desirable goods but their provision suffers from collective action problems.

Discussion of economic sanctions, for example against Yugoslavia or Iraq, or discussion of economic (dis)incentives, for example in the case of South Africa during the apartheid era, have only recently begun to be examined from the point of view of collective action (e.g., Cortright and Lopez, 1995; and Cortright, 1997). It is now recognized that economic sanctions imposed by members of international organizations, or arranged through other forms of international cooperation, do not always bring about the desired behavioral changes in the target nation or nations. Correspondingly, researchers work to

identify sets of conditions under which sanctions work or fail to work. In large part, the results suggest that success or failure drives on the institutional arrangements within which collective actions, such as sanctions, are agreed upon. For example, it is now widely recognized that in order to agree to a set of sanctions in the context of an international organization, such as the United Nations, each nation in turn may need to win approval from domestically important interested parties (Kaempfer and Lowenberg, 1988; Mansfield, 1995). By the same token, to what degree sanctions change behavior in the target nation depends, in part, on exactly who is affected in that nation. If economic sanctions hurt the ordinary population but leave the target nation's leadership untouched, and if the institutional arrangement within that country is a non-democratic, dictatorial regime, then sanctions are unlikely to result in the desired behavioral changes. In contrast, economic sanctions applied to the ordinary people in a country that is able to force leadership changes would, *a priori*, stand a greater chance of success.

An important conclusion, therefore, is simply that institutions matter. They are not an afterthought. Actions or inactions do not take place in an institutional vacuum. What actions are taken is partially determined by the institutions that make them or within which they must take effect. An equally important consideration concerns the nature of the collective action good in question. As noted, not all collective action goods are alike (Hirschleifer, 1983). One cannot merely catalog examples of sanctions (disincentives) and incentives to arrive at insights about which approach or mixture of the two "works better." Which works better depends on the institutional context. A set of sanctions imposed in one set of circumstances may work, in another it may not. Similarly, a set of incentives offered may work under some set of circumstances or institutional framework, but not in another. The design of institutions, including the transaction and coordination costs institutions entail, therefore becomes as much of a critical component as the design of particular disincentives themselves (Sandler, 1997). They are part of one decision-making process.<sup>6</sup>

In addition, as noted before, not only is the design of institutions important in its own right, but there are important sub-games that determine access to an institution and its resources. Moreover, institutions offer potential benefits at a cost to its members — and therefore induce free rider behavior. For instance, David Cortright (1997, p. 269) writes that "access to the emerging system of political cooperation and economic development among the major states ... [is] the most powerful inducement for peaceful relations in the world today." But reflect on the case of Turkey: Turkey long has sought membership in the EU, yet the EU — as a group — refuses to admit Turkey. If access to the EU is a powerful incentive for Turkey to be peaceful, so granting access is a sub-game

within the EU that needs to be resolved first. Inasmuch as all EU members need to grant access, accession of Turkey to the EU will, ultimately, depend on yet further sub-games in Greece.

The emphasis to be placed on the design, cost, and operation of institutions becomes even stronger in the within-nation context of civil war, internal terrorism, arms running, drug smuggling, political assassinations, revolutionary ferment, and the like, that spill over (externality effects) into cross-nation contexts. Offering disincentives is not enough. Rather, the decisive questions revolve around incentives being offered to whom, that will play themselves out how, in exactly which institutional context.

### Challenges to peace in southern Africa<sup>7</sup>

The overwhelming fact of the southern African region is the unevenness in size and strength of its countries. If one defines the southern African region as comprising the fourteen members of the Southern African Development Community (SADC), then the region contains two population giants, the Democratic Republic of Congo (the former Zaire) and South Africa, accounting for about half of the region's nearly 180 million people, six mid-size nations (Angola, Malawi, Mozambique, Tanzania, Zambia, Zimbabwe) with populations between ten and thirty million each, and six small nations (Botswana, Lesotho, Mauritius, Namibia, the Seychelles, and Swaziland) with populations below two million each (see Table 14.1).

In terms of economic achievement, South Africa alone, with one quarter of the region's population, generates a GDP three times as large as all the other SADC-members taken together (see Table 14.1). This "giantism," in itself cause for concern for South Africa's neighbors, complicates regional cooperation and integration and is an institutional feature that cannot be neglected in any attempt of thinking about peacekeeping and peacemaking in the southern African region. Not unlike the case of Nigeria in ECOWAS, a west African grouping, there cannot be any notion nor pretense of equals sitting at some negotiating table when that which is to be negotiated involves matters of economic costs and benefits.

Intra-regional asymmetries of this kind invariably create suspicion about possible domination by, and ulterior motives of, South Africa. This alone places a heavy burden on the quality of South African diplomacy in the region. In addition, threats to peace, security, and development are mounting as non-military challenges emerge, e.g., in the form of indebtedness to foreign creditors, fiscal imbalances, serious political instability in many countries, and recurrent

**Table 14.1: Selected indicators, southern Africa, 1995**

Country	Total population		GDP at market prices	
	'000	% of region	US\$ million	% of region
Total	178,874	100.0	166,003	100.0
Angola	10,800	6.0	3,722	2.1
Botswana	1,500	0.8	4,318	2.5
Dem. Rep. of Congo	43,900*	24.5	5,268*	3.0
Lesotho	2,000	1.1	1,029	0.6
Malawi	9,800	5.5	1,465	0.8
Mauritius	1,100	0.6	3,919	2.2
Mozambique	16,200	9.1	1,469	0.8
Namibia	1,500	0.8	3,033	1.7
Seychelles	74	0.0	490	0.3
South Africa	41,500	23.2	136,035	77.3
Swaziland	900	0.5	1,048	0.6
Tanzania	29,600	16.6	3,602	2.1
Zambia	9,000	5.0	4,073	2.3
Zimbabwe	11,000	6.2	6,522	3.7

Source: World Bank, 1997; UNDP, 1997.

Note: \* Data for the Democratic Republic of Congo are, for 1995, those for Zaire. The World Bank (1997) carries per capita 1995-GDP data for Zaire in Table 1a (p. 248) but does not provide an estimate of Zaire's population. The UNDP (1997) provides a population estimate as of 1994 (Table 22, p. 195). Multiplying the UNDP's population estimate with the World Bank's per capita GDP estimate provides an estimate of GDP.

droughts and the attendant crises of malnourishment, hunger, and migrant flows to hoped-for greener pastures.

Throughout the region the pace of change has shifted, and warped, accepted patterns of state behavior. The intensity of this process is expected to increase as the process of regional integration deepens. In addition, old security issues linger with great potential for damage. For example, the proliferation of weapons throughout the region—a legacy of the region's ideological past—is extremely destabilizing.

Two major forces then are clearly emerging from the major divide between South Africa and other countries on the sub-continent. First, the inability to scratch out even a meager living in a vast economic wasteland is compelling

millions of hungry, poverty-stricken inhabitants to seek greener pastures elsewhere (push-forces). To most, South Africa represents those greener pastures (pull-forces). Hence the annual influx into South Africa of hundreds of thousands of illegal immigrants. Economic refugees from elsewhere in southern Africa are exerting considerable pressure on an already explosive demographic situation in South Africa. With more and more people seeking jobs and sustenance, and laying claim to the country's strained resources, the potential for violent conflict is obvious. Paradoxically, South Africa's superior economic performance and prospects relative to the rest of southern Africa contribute to its high incidence of unemployment and societal disintegration (see, e.g., IMF, 1997). As long as there are pronounced regional disparities in the sub-continent there will be an inevitable influx of illegal immigrants for many years to come. Thus, it is in South Africa's interest to make a meaningful contribution to economic development and enhanced prosperity in all southern African countries. It is far better to import goods and services from its neighbors than to import instability.

Second, recent developments have further deepened the potential for conflict. Intense problems have arisen over arranging and enforcing cease-fires and peace accords as well as in demobilizing armies and integrating former enemies into unified armed structures. Security is also threatened by the large number of unexploded land mines in countries such as Mozambique and Angola. Conflicts are also likely to emerge from declining economic activity and from the usually wrenching short-run impact of IMF Structural Adjustment Programs which could negatively affect within-state reconciliation efforts. Increasingly, too, it is apparent that change has awakened long-dormant ethnic, religious, and sub-national loyalties. State fragmentation may also take place within the region, e.g., Zanzibar, the Shaba province in the Democratic Republic of Congo, southern Angola, and northern Mozambique. Because of porous borders, change cannot be contained within any one country. As a result, conflict and other problems spill across borders, and this is now a central concern in southern Africa. And in some isolated cases, certain countries of the region are involved in border disputes or are quarreling over tracts of land.

#### **Existing collective action institutions in southern Africa**

Historically, four organizations in southern Africa have vied for ascendancy, namely the *Southern African Customs Union* (SACU), the *Southern African Development Community* (SADC), the *Common Market of East and Southern Africa* (Comesa), which grew out of the Preferential Trade Agreement (PTA), and the *Frontline States* (FLS). Each was established at a different moment in the

region's turbulent past and each aimed to cope with a slightly different set of circumstances. South Africa's full readmittance into political and economic structures in the region (in 1994) has dramatically shifted the relative power of these groupings. With the exception of SACU, South Africa was previously excluded from these groups. The central challenge facing the region now is to select a single organization through which it can channel its energies in the decades ahead, and it seems that SADC is the most likely candidate. FLS disbanded as a consequence of South Africa's democratization; SACU's purpose, since 1910, is strictly limited to customs union matters and seems more likely to be incorporated into SADC than to be expanded on its own terms; Comesa might be on its way of disbandment also as SADC members signed, in 1996, a Trade Protocol with the aim of establishing a southern African free-trade area by the year 2004.

Additionally, SADC itself is expanding in membership and functions. There are now 14 member states, the Seychelles and the Democratic Republic of Congo having joined in 1997. SADC now comprises 19 functional areas (such as Trade and Investment, Agriculture, and the like), called "sectors"; two "commissions"; five "protocols", the latest being the 1996 Trade Protocol, and one "Organ," the "Organ on Politics, Defence and Security" (PDS) which was added in 1995. Principles and objectives of PDS are displayed in the appendix. The language of these principles and objectives suggest that the PDS Organ is, as yet, toothless.<sup>8</sup> It is a declaration of intentions leaving the important question of how to achieve these intentions to the future.

Taking these factors into account — South Africa's "giantism", political instability and consequent uncertainties, recurrent political and economic refugee streams, and SADC as the region's primary forum of cooperation — what steps should be taken to influence developments, especially security-related developments, in the region? The next section proposes a specific set of suggestions, drawn up in light of the discussion about the interplay of public-good production technologies, disincentives, and institutions.

#### **Peacekeeping in southern Africa: some institutional suggestions**

Recognizing the prevalence of conflict in the region, a fair amount of peacekeeping experience in other contexts, the general dearth of resources, as well as South Africa's relative plentitude of resources, Brooks (1997/98) suggests a five-pronged "model", or long-run strategy, to enhance regional peacemaking and peacekeeping. Brooks' model of a peacekeeping force is intended for all of sub-Saharan Africa, to be managed through the Organization of African Unity

(OAU). Since it is one of the few such models available, it merits attention and examination. But in light of the public-good production pitfalls identified by Hirschler (1983) and Sandler (1997), Brooks' specific suggestions strike me as unattainable, and I am therefore expanding upon and altering various components of his model to fit the context of southern Africa, SADC, and its PDS Organ. My extension of Brooks' model includes the following components of a SADC peacekeeping force (SADC PKF).

#### *Size of SADC PKF*

Sandler's (1997) suggestion that clubs be built up loosely, involve a small membership, and be built up only gradually in substance and numbers is relevant to SADC. It is significant that SADCs "Politics, Defence and Security" (PDS) Organ, while formally part of the SADC umbrella, is in fact a separate institution that will permit PDS to develop separately. SADC members need to recognize the best-shot or gantism effect that South Africa exerts. A mutual, common-defense club along the lines of NATO, say, will inevitably be dominated by South Africa's considerable military resources, armaments, experience, and sheer size and weight unless specific measures are undertaken to mitigate or altogether side-step this effect (see *Command and Control* below).

It is important to recognize that there is no automatic requirement that the regional "Mutual Defence Pact" and peacekeeping force envisioned by the PDS principles and objectives automatically include all 14 current SADC members. It is entirely possible for a sub-group to form its own peacekeeping force within SADC. For instance, there is no reason for exceedingly small countries such as Lesotho and Swaziland to pay up for their own defense forces. In case of conflict, as pre- and post-apartheid era South Africa has shown with its occasional raids into these mini-states, they simply cannot defend themselves effectively against external aggression. They might as well explicitly recognize this state of affairs, offer to integrate (but not subsume) their legitimate armed forces with South Africa's, and convert the part of their armed forces hitherto employed for purely domestic law and order functions into explicit police forces. This is especially relevant since South Africa has just undergone a period of integration of apartheid, anti-apartheid, and former "homeland" military forces and can therefore claim some expertise in this regard.

One convenient aspect of this scheme is that it takes only two SADC members to get started. Moreover, the more countries add themselves to the scheme, the higher the incentive for the remaining SADC countries' military forces: if the intent of any national military force truly is to defend its nation-state from outside aggression (and for some SADC member nations, this can be

questioned), this can best be ensured by means of a fully integrated, regional PKF whose supreme commander, not inconceivably, might be a non-South African.

#### *Early warning*

The PDS objectives explicitly mention an "early warning system" to be used for "preventive diplomacy to pre-empt conflict in the region, both within and between States." Early warning is about reducing uncertainty, another one of Sandler's (1997) principles. Thus, early warning requires the setting up of channels of communication and associated consultation and decision-making among SADC members. Much of this communication, consultation, and decision-making should be explicitly designed at routine, technical, professional levels and should side-step involvement of the political level to minimize coordination costs. SADC members should agree on pre-specified trigger points at which various peacekeeping and peacemaking actions are automatically implemented. For example, in line with the PDS principle of "territorial integrity of each State and ... its inalienable right to independent existence", SADC should agree that any cross-border conflict of any sort whatsoever will automatically trigger peacekeeping forces to be self-deployed to the area of conflict. By self-deployed, I mean that the deployment decision would be made at a non-political level, for example by the commander of the PKF headquarters. Automaticity not only reduces uncertainty but also enhances credibility because certain actions are automatic (on credibility, see Martin, 1993; Mansfield, 1995; also see *Command and Control* below).

Since the PDS principles and objectives already explicitly refer to states' internal conflict, another aspect of early warning could and should involve regular reporting on equipment purchases, arms transfers, force structures, military budgets, and the like, via SADC PDS to all other SADC members. This should include reporting on sub-national activities, including arms smuggling. PDS can fulfill a highly valuable information gathering and disseminating role, and can thereby contribute to confidence-building and stability in the region. Alternatively, this information gathering and dissemination role can be subcontracted out to research institutes of the region.

The region of course lacks a well-functioning communication infrastructure (partly addressed by SADC's current telecommunications drive). But the early warning system I suggest requires more conceptual than physical inputs, for if SADC members can make a convincing case for peacekeeping outside donors are likely to assist with equipment needs, especially since prevailing research suggests some degree of positive correlation between security and peace as a basic building block of economic development.

*Preparedness*

Preparedness refers to the availability, on short notice, of personnel and equipment and therefore requires a willingness and ability to maintain a regional, integrated force ready for rapid deployment. As suggested earlier, South Africa's "giantism" virtually dictates that a large proportion of the capital, equipment, and human resources will have to come from South Africa and whatever donors it can attract toward this venture. This may in fact be a legitimate opportunity for South Africa to manufacture and supply appropriate defense material to a SADC peacekeeping force and to establish operations, maintenance, and training centers. Unity of equipment would assist with interoperability and serviceability of equipment across national army units that are rotated in and out of the region's peacekeeping force. If so, this would go a long way toward generating private, national interests for South Africa in the service of collective action.

The PDS objectives already call for the creation of a "collective security capacity" and a "regional peace-keeping force within national armies." A standing SADC peacekeeping force (PKF), consisting of national forces regularly and routinely rotated in and out of the PKF, would therefore not violate existing principles and would lie entirely within the spirit of PDS.

*Force structure*

Brooks (1997/98) suggests that a light infantry brigade might suffice to manage conflict at its initial stages. Brigade equipment would be distributed among and positioned at brigade headquarters and three battalion level headquarters across four countries in the region. The four headquarters would be located in the northern, southern, eastern, and western portions of the SADC territory, not only to effectively cover the region but, again, to generate private, national benefits as well. Force spreading would permit speedy responses, with additional personnel and material airlifted from brigade headquarters as needed. Of course this arrangement also avoids peacekeeping forces being held hostage inside any one SADC member country.

In keeping with Sandler's first and sixth principle of institutional design, Brooks' point of starting out with a relatively small PKF is very important. As SADC members gain mutual experience and confidence about PKF, it can be expanded gradually even to the point at which all national forces are abolished and only SADC PKF forces remain. This extreme is perhaps unlikely ever to be reached; the point however is that starting small and expanding is preferable to thinking too big and never getting underway in the first place.

*Training*

Peacekeeping and peacekeeping missions are different from the ordinary activities of national armed forces; but like national armed forces there must be unity of mission, doctrine, and operational detail. In particular, forces must be trained to understand that peacekeeping merely involves keeping contestants apart; it does not involve the resolution of an underlying conflict *per se* by means of military intervention. Resolution of the conflict itself must remain at the political level, in line with the democratic principles of SADC and PDS. Training will also assist in leveling cultural differences among the numerous peoples of and ethnic groups within the 14 SADC members. It will foster like preferences or tastes as Sandler (1997) referred to it.

In principle, there should be no difficulty establishing peacekeeping training centers, perhaps in another four of the fourteen SADC countries, quite possibly financed by donor countries and under consultation with the emerging breed of peacekeeping and conflict resolution centers from around the world (including those that already exist in southern Africa).<sup>9</sup>

It is even conceivable that recruits for regular military force training be required to serve a stint at a peacekeeping training center to understand how the respective national armed forces are to serve a larger, regional peacekeeping purpose.

*Command and Control*

Perhaps the most important aspect of SADC PKF concerns the institutional structure of its command and control apparatus. I suggest to structure SADC PKF as a semi-autonomous institution to encourage capture by professional, multilateral peacekeepers and to avoid capture by nationalist interests (on capture, see Mansfield, 1995, especially pp. 598-604). SADC as a political organism must define pre-specified triggers that automatically calls SADC PKF into action. For example, as suggested earlier, any cross-border conflict should be immediately responded to by interspersing the PKF into the disputed area. If, in contrast, decision-making about intervention were made with veto-power at the SADC political level, then any member nation could veto any action at any time. In that case one would expect that little would ever be accomplished and the resources spent to establish PKF would go to waste.

An institutional arrangement relying on veto-power is an example of Hirshleifer's notion of weakest-link technology: if any SADC member vetoes a peacekeeping action, the public good of peacekeeping is not supplied. In contrast, a semi-autonomous PKF operating under pre-specified trigger points corresponds



to a best-shot technology: it automatically and rapidly self-deploys appropriate forces to intersperse themselves and keep the peace until a political solution can be found. Once the region's PKF is established, equipped, and financed, it becomes a best-shot solution unto itself, subject only to civilian supervision by the majority of SADC members. Also note that a semi-autonomous PKF avoids the summation technology of public goods production and thereby side-steps the free-rider problem. Automaticity and non-veto power enhance credibility and thus serve as a more effective deterrent than other institutional arrangements.

Much revolves around legitimacy. It is not an encouraging sign that SADC's first chair of its Organ on Politics, Defence, and Security is Robert Mugabe, Prime Minister of Zimbabwe. His democratic credentials are unsatisfactory. But this merely reinforces the point about some fairly strong degree of institutional separation between the policy level that *determines* the trigger points and the action level that *acts upon* pre-specified trigger points.

#### *Resources*

All SADC members already expend resources on their respective armed forces. Those who wish to join a SADC PKF could agree to reduce their current military expenditures by a certain percentage and designate that percentage for SADC PKF.

In addition, South Africa in particular might deliberately tie extra-statutory resource contributions to SADC to the degree to which SADC members successfully monitor and regulate migrant flows. For instance, if the current cost of illegal migrants to South Africa is a sum  $X$ , South Africa might offer to devote that sum to specific measures enhancing SADC members' economic development efforts (e.g., education, productivity, food-security, and economic growth), i.e., it could offer would essentially amounts to "tied-aid". To South Africa the net cost of this offer is zero in the short run, but potentially positive in the long run since further economic specialization and development in neighboring SADC members will increase opportunities for intra-SADC trade and therefore is likely to reduce migrant flows.

Further, it would appear likely that certain interested non-African countries, such as the US, Canada, Norway, the UK, and Portugal (and thereby, perhaps, the EU), would be interested in contributing to a SADC PKF. Since economic decline, rather than growth, characterizes much of southern Africa, resources explicitly earmarked for a regional peacekeeping force would be helpful.

It is even conceivable that SADC and interested donors negotiate a deal along the following lines: "In exchange for a certain, guaranteed level of resources (such as equipment and training) over  $x$  number of years, we want to

be part of the SADC PKF force." For instance, Canada and Norway whose peacekeeping credentials are fairly clean, might ask that a small number of their peacekeeping forces be routinely rotated in and out of SADC PKF (just as some African countries regularly contribute forces to UN peacekeeping missions or in the way that the US regularly trains future officers of foreign nations). 5 or 10 percent of the SADC PKF might be staffed in this manner and begin to generate vested interests in SADC and SADC PKF and their success.

Alternatively, major donor nations might jointly propose to SADC to fund, say, up to 50 percent of the initial costs of SADC PKF over ten years in exchange for commitments by SADC members to reduce their current military outlays to help fund the other initial 50 percent.

#### *Leadership and missions*

As Sandler (1997) points out, clubs succeed if leadership is forthcoming from those who have the most to gain. South Africa, in particular, has much to gain and should be a major driving force behind SADC PKF. Essentially, all SADC members have much to gain (as does the world community from an economically vital southern Africa), but the game-theoretic relevant question is who of the pertinent decision-makers stands to gain so much as to join a PKF. Alternatively, what incentives can be offered to national leaders (taking account of national institutional set-ups) to make it worth their while to join PKF?

South Africa's gains are evident (reduced conflict reduces migration flows into South Africa, for example), and it should be fairly straightforward to convince its leaders to participate in a SADC PKF. What about Angola and Mozambique? A potential reward that might entice leaders to contribute to and join PKF would be to direct early PKF missions at Angola and Mozambique. For example, both countries need to deal with and expend resources on land-mine clearing in any case. What if SADC and the larger international community promised substantial financial assistance for mine clearing if this activity were performed under auspices of an incipient SADC PKF? Mine clearing involves training, equipment decisions, and cooperation, it allows for reintegration of internal forces, and integration of external forces. What if the IMF and World Bank were to tie structural and development aid (for example demobilization and reintegration funds) to peacekeeping activities on account of the argument that peace fosters the preconditions necessary for economic development and growth in living standards? This proposal goes one step beyond that made by others, such as former US Defense Secretary and World Bank president Robert McNamara (1992), in that aid is not tied merely to the reduction in recipient

nations' military expenditures but to the creation of and increases in mutual peacekeeping budgets.

The United States, the biggest voice in international organizations such as the IMF and World Bank, already consults regularly with SADC. It would involve a relatively small step to bring that voice to bear.

### Conclusion

Peacekeeping and peacemaking are international public goods. Their provision ordinarily requires collective action. But collective action is subject to weaknesses such as free riding behavior on contributions others make. Therefore, peacekeeping and peacemaking, although eminently desirable goods, often are not supplied at all or only inadequately or belatedly.

Drawing especially on the work of Hirschleifer (1983) and Sandler (1997), this chapter examined the institutional underpinnings of peace as an international public good and advanced a variety of specific proposals for the institutional design of peacekeeping in southern Africa.

### Notes

Various versions of this chapter have been read in Atlanta (Southern Economic Association annual meetings, November 1997), Chicago (Allied Social Science Associations annual meetings, January 1998), and London (Middlesex University conference on "Military Expenditures in Developing and Emerging Economies", March 1998). The Chicago and London versions were co-authored with André Roux of South Africa's Stellenbosch University (see Brauer and Roux, forthcoming). I also thank Professors Dietrich Fischer and Keith Hartley for useful comments.

1. The discussion follows Sandler (1997, pp. 46-50), although the examples are drawn from various sources.
2. That and how the Montreal Protocol to reduce CFC emissions came about anyway has to do with the design of institutions needed to avert or side-step the prisoners' dilemma game; this is addressed later on in the chapter.
3. In a happy turn-of-phrase, Jeff Dumas (of the University of Texas at Dallas) suggests to refer to this as the "dating model". When young people start dating,

they are much better off being interested solely in each other, rather discussing right away which college their eventual children might attend or where to travel once they reach retirement age.

4. Positive for non-NATO European countries that would probably have been defended in case of WTO attack (for example, France, after its withdrawal from NATO), and negative, not least with regards to the generalized worldwide anxieties that the nuclear-arms race and proliferation caused.

5. See Sandler (1992, pp. 99-106) for details and empirical results that bear out the theoretical predictions.

6. On institutions, see the recent spate of literature on New Institutional Economics (NIE), e.g., Hodgson (1998), Stiglitz (1998), and the roundtable discussion at the 1998 annual meetings of the American Economic Association (AEA, 1998).

7. This and the next section draws on Brauer and Roux (forthcoming).

8. For example, a news item in *SADC Today* of 9 September 1997 reads as follows:

09-16-97 — SADC Leaders to Meet on Angola, Regional Security

SADC leaders will meet at the end of September in Luanda, Angola to bring Angola's peace process back on track, said SADC Executive Secretary Kaire Mbuende.

The discussion will center on the conflict between the Angolan Government and UNITA. Mbuende said the lack of commitment by UNITA to fully take part in the Government of National Unity and failure to demobilize its troops remain a cause of concern. SADC leaders will also decide on who will head the SADC "Organ on Politics, Defense and Security," the organization's conflict resolution body.

But, as yet, there is no regional enforcement mechanism in place. Indeed, later on it was the UN Security Council, not SADC's PDS, that "imposed sanctions against the Angolan rebel movement, Unita, to pressure it to comply with the Lusaka peace accord signed in November 1994" (*SADC Today*, Oct. 1997, Vol. 1, No. 5).

9. See, e.g., the UN Department of Peacekeeping web site for training needs, lessons learned, and links to peacekeeping training institutes at <http://www.un.org/Depts/dpko/>.

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