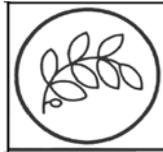**INTERNATIONAL PEACE BUREAU**

FOUR KEY CONCEPTS IN IMPLEMENTING CRC ARTICLE 4, AND
RECOMMENDATIONS*

NGO Submission to the Day of Discussion
"Resources for the Rights of the Child – Responsibility of States"
21 Sept. 2007
Palais Wilson, Geneva

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* 8 June 2007, rev2b.

INTRODUCTION

One important reason for the persistent gap between the CRC and its implementation is the **failure of governments to allocate adequate resources** for the realization of rights , in spite of their obligation to fulfill economic, social and cultural rights "to the maximum extent of their available resources", as set out in CRC Art. 4.[1]

One common problem is that military spending takes a far greater share of both public spending and national income in most countries, thereby diverting huge resources from programmes for children and adolescents.

Reduction of military spending, greater **fairness in budget allocations** for young people, as well as **more transparency and accountability** in government expenditures, must all become major components of efforts to promote the implementation of the Convention on the Rights of the Child.

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[1] According to UNICEF "the powerful vision of children's rights" set forth in the Convention contrasts starkly with the actual childhood of most of the world's children. Around 29,000 under-fives die every day from causes that might be easily prevented (…) and the lives of over 1 billion children are blighted by poverty, despite the wealth of nations". UNICEF, *State of the World's Children 2005*, p.10.

I.
KEY CONCEPTS

1. THE NOTION OF "OPPORTUNITY COST"

In order to fully understand the actual cost, in terms of children's rights, of every budgetary choice, any discussion on CRC Article 4 should be informed by the notion of "opportunity cost".

Scarcity of resources is one of the more basic concepts in economics. Scarcity necessitates trade-off. While the cost of a good or service is often thought of in monetary terms, the "opportunity cost" of a decision is based on what must be given up (the next best alternative) as a result of a decision.[2]

This simple concept has powerful implications; it implies for instance that not all demands can be met and generates the necessity of choice. If you buy *X*, the money cannot be used to buy *Y*; if you choose to go on a nice vacation, for instance, you will not be able to buy a new car. The dollar cost of the vacation is the air fare, hotel bill, and all the other outlays added together, but the "opportunity cost" is the value to you of having a new car. From an economist's perspective, the full cost of your vacation includes what you must sacrifice by not having bought the car.

"Opportunity cost" is an essential concept in good planning because it forces decision-makers to calculate the value of each alternative before making the decision; it forces them to consciously face the choices they are making.

Military spending is a major competitor for child-oriented resources, and is therefore an important subject when discussing CRC Article 4.

The opportunity cost of investing in the military sector can be illustrated by comparing the global level of military spending per year with what could be achieved if the money was differently allocated.

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[2] "Opportunity Cost" is often defined as "the value of the next-highest-valued alternative use of that resource" in Buchanan, J., *The New Palgrave: a Dictionary of Economics* (1987).

Figure 1 shows the opportunity cost of military spending in terms of meeting the Millennium Development Goals.[3]

WORLD MILITARY SPENDING AND MILLENNIUM DEVELOPMENT GOALS
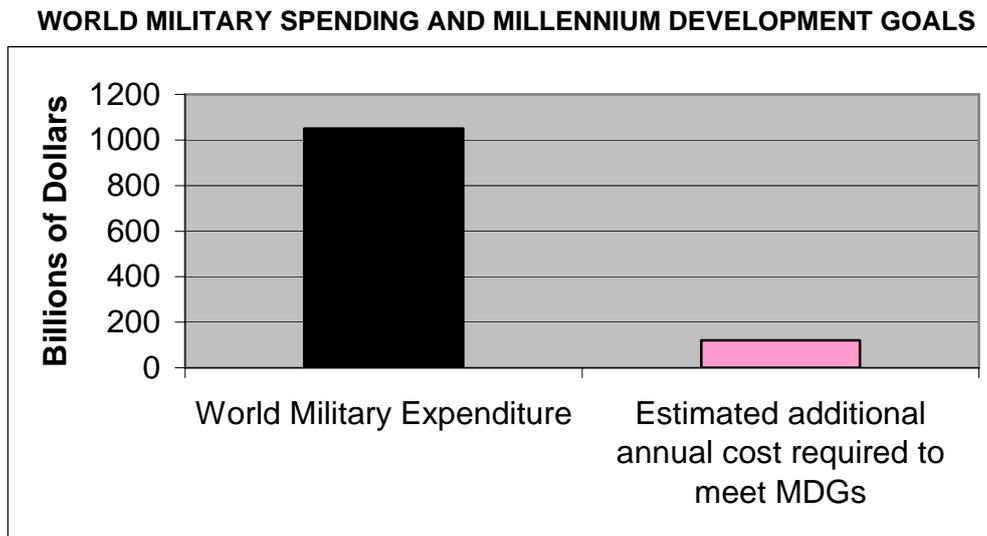
Sources: UN Millennium Project and SIPRI data (2005)

Figure 2 shows that significant military expenditure imposes substantial opportunity costs on government priorities like health care and education.[4]

CURRENT MILITARY SPENDING LEVELS COMPARED TO SOCIAL SPENDING (REGIONAL AVERAGES)
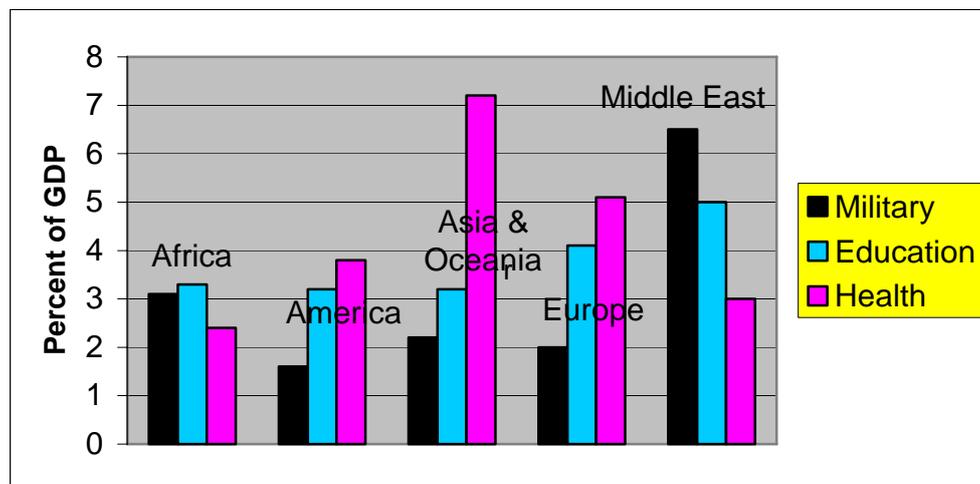
Sources: SIPRI (2001)

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[3] According to SIPRI, the world's military bill has reached 1,118 billion US dollars, and is still rising, while the UN Millennium Development Goals Project (2005) calculated that the additional cost of meeting the Millennium Development Goals would be of the order of $121 billion in 2006. This amount is around a tenth of the amount spent on the military in 2005.

[4] Chart adapted from "*World Military Expenditures. A compilation of Data and Facts related to Military Spending, Education and Health*", World Council of Churches (2005).

2. TRANSPARENCY AND ACCOUNTABILITY

Fulfilling CRC rights in accordance with CRC Article 4 depends upon opening up the political process to transparency, and to establishing effective mechanisms of accountability.

Transparency and accountability are major components of the notion of good governance.[5] They should apply, in particular, to budget allocation processes. In fact, budget allocations are political decisions, and there are a number of obstacles that stand between parliament's budget decisions, and the actual delivery of goods and services to the CRC right-holders.

TRANSPARENCY has an internal and an external dimension.

A. Internal Transparency refers to the giving of information within the government: within each ministry, between ministries, and between parliament and the ministries. It entails:

- *Making revenue and expenditure information available to governmental bodies that perform check-and-balance functions.*

- *Establishing effective internal financial management controls in order to track the money flows, and to assess/correct the mistakes that inevitably occur.*

- *Conducting impact-assessments on how major spending decisions are likely to affect children.*

B. External Transparency refers to opening the policy-making process to the public, and to the international community. It includes:

- *Opening up the budget process to civil society by establishing mechanisms of public participation.*

- *Making information on budget choices, and how the money is actually spent, available to the public.*

One of the major obstacles to be overcome is the lack of transparency and accountability in military budgets. **In IPB's view the key good governance principles of transparency and accountability should apply to the military sector just as any other public sector.[6]**

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[5] Good governance has been described as "predictable, enlightened and open policy-processes, bureaucracy with a professional ethos, a government accountable for its actions, a strong civil society participating actively in public affairs, and all under the rule of law", World Bank (1994).

[6] It should be noted that the UN has established the Standardised Instrument for Reporting Military Expenditure. In addition, the CRC Committee has occasionally raised military spending issues in its dialogues with States (see the Ethiopia case study in Annex B).

There are a number of notable civil society initiatives. See the Civil Society Monitoring System of Defense Spending in Guatemala, in Annex A. Specialized ngos include, Publish What You Pay, www.publishwhatyoupay.org, and Transparency International, www.transparency.org. World Vision has devoted an entire issue to "Pro-poor governance", in *Global Futures* (no. 3, 2006).

ACCOUNTABILITY refers to state actors being held responsible, by both the people and by elected bodies, for their choices and actions. It entails:

- *Setting up mechanisms to correct the problems of inefficiency, waste of resources and corruption.*

- *Establishing effective mechanisms to hold public officials accountable for their actions (e.g. ombudsman, special prosecutors).*

3. A WHOLE BUDGET PERSPECTIVE

Resource allocations decisions, under Art. 4, must always been made in the context of the whole budget. In other words, "available resources" must be judged on the basis of *all* money available to the national government and not simply on that *already allocated* to children's programmes.

Governments should provide the Committee on the Rights of the Child with detailed information on their public spending, and such figures must be based on the <u>total budget.</u>

In particular:

- *All the major spending categories should figure in the report, including military expenditures.[7]*

- *Many States rely on external sources for grants and loans. States should provide information on these external income sources including the major categories - developmental assistance, emergency humanitarian aid, and military assistance. Moreover, where such grants and loans are earmarked especially for child oriented programmes, this should be highlighted.*

- *Evaluating resource allocations involves both income and spending questions. Governments need therefore to give holistic information in their reports from both perspectives.[8]*

4. MILITARY SECURITY v. HUMAN SECURITY

Protecting national security is a valuable goal, and one that entails reasonable investments in the defence forces. However, military readiness, and the use of force to solve conflicts, has been frequently over-emphasised, while other

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[7] UNICEF has long recognized the importance of examining the comparison between spending in the military, education and health sectors. See statistical tables (country by country) in its annual *State of the World's Children* reports.

[8] For an explanation of the concept "available resources", see Innocenti Center, *Implementing the Convention on the Rights of the Child* (1996), pp. 5-10.

threats to the safety and welfare of individuals and local communities have been grossly neglected.

This notion, now widely known as the Human Security approach, was first popularized by UNDP (in 1994) as "security through development, not arms; through cooperation, not confrontation; through peace, not war," and it implies "safety from such chronic threats as hunger, disease and repression, and protection from sudden and hurtful disruption in the patterns of daily life, whether in homes, in jobs or in communities"[9]

Therefore, it should be clear that tackling these problems demands a strategy that emphasizes prevention-focused social programs rather than ever-more-powerful military arsenals.[10]

Investing in children can have a powerfully preventive role in reducing human insecurity. For instance, investing in basic education and limiting illiteracy can have a positive effect on preventing unemployment and social conflict, which are significant sources of social insecurity. According to the Nobel Prize laureate Amartya Sen, "if we continue to leave vast sections of the people of the world outside the orbit of education, we make the world not only less just, but also less secure".[11]

Higher levels of military spending are generally associated with a more frequent/severe use of armed violence (for example in the repression of popular protests and inter-ethnic warfare. See Fig. 3) – which has a devastating impact on human lives, and in particular on young people. There is no more effective investment any country can make in its economic future than investing in the health, well-being and capacity of its children/youth - fulfilling the CRC rights is not only a moral obligation but a practical necessity.[12]

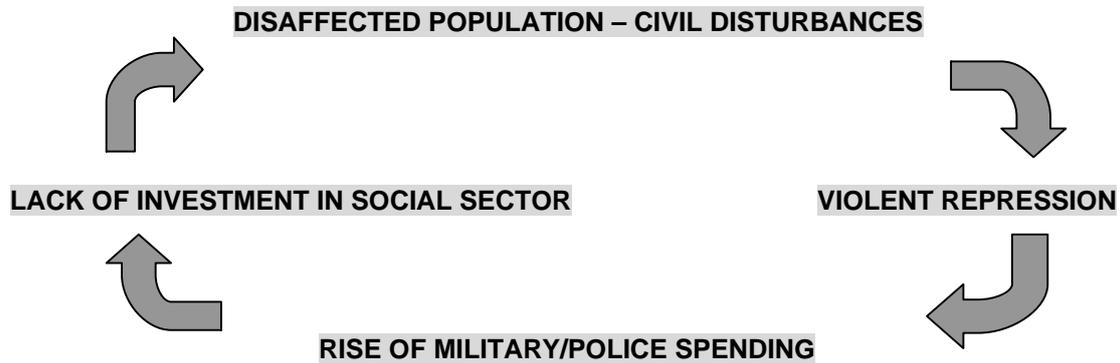[9] UNDP, *Human Development Report* (1994).
[10] World Watch Institute, *State of the World 2005: "Redefining Global Security"* (2005); http://www.humansecuritycentre.org/index.php?option=content&task=view&id=58.
[11] Amartya Sen, Speech to the Commonwealth Education Conference (2003).
[12] See Global Movement for Children, "But the Children Cannot Wait", p. 11.

Figure 3 shows the cycle of human insecurity

DISAFFECTED POPULATION – CIVIL DISTURBANCES

LACK OF INVESTMENT IN SOCIAL SECTOR

VIOLENT REPRESSION

RISE OF MILITARY/POLICE SPENDING

II.
THE ROLE OF THE COMMITTEE ON THE RIGHTS OF THE CHILD IN PROMOTING TRANSPARENCY AND ACCOUNTABILITY

The UN human rights mechanisms are powerful vehicles for correcting injustices and defects in the political processes that produce the decisions on allocating resources. The **Committee on the Rights of the Child is a primary mechanism for State accountability at the international level.**

The Committee can promote accountability and transparency in its dialogues with States, by concluding observations that stress specific good governance measures, and by improving its reporting guidelines. The next section makes concrete recommendations.

III.
RECOMMENDATIONS

The International Peace Bureau suggests that the Committee on the Rights of the Child take the following action to promote the implementation of Article 4:

1. Improve the monitoring process by asking all State Parties to give:

- Spending information on the *whole budget*, including information about (i) all of the major budget categories (including military spending); (ii) both its internal revenue and the external income it receives (loans as well as grants, disaggregated into humanitarian assistance, development assistance, military assistance, and child/adolescent-specific assistance); (iii) the amounts that were allocated, and the amounts actually spent (which are not the same thing); (iv) give the information as absolute amounts (with US dollar

equivalents) and as percentages of the whole budget; and (v) for each year in the reporting period in order to assess trends.[13]

- Information on specific measures for internal and external transparency and accountability, for civil society participation, for child/adolescent impact-assessments, and for combating corruption.[14]

- Consolidate the four current sets of reporting guidelines into one document, integrating the spending questions in a coherent and systemic manner.[15]

2. Improve the State Party's international accountability on spending priorities in the Committee's dialogues, concluding observations, reporting guidelines, and list of issues: (i) by adopting the human security perspective, (ii) by comparing spending decisions to those in other States in the region and to global standards (particularly with regard to military spending, health, and education), and (iii) by looking at trends over time.

3. Adopt inclusive methods as the Committee works to improve the monitoring process by working with (i) other treaty-monitoring bodies, (ii) international and intergovernmental entities (e.g., World Bank, WHO, UNICEF, the EU), and (iii) children's rights and other civil society organizations.

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[13] While CRC art. 4 only applies to the State's resource allocations to right-holders within its territory or jurisdiction (pursuant to art. 1), donor States should also be asked about total foreign assistance given, disaggregated into the same three categories.

[14] Among other things, the UN's Standardized Instrument for Reporting Military Expenditures.

[15] At present, the Committee has five sets of guidelines for state reporting: (i) general guidelines for initial reports (1991), (ii) general guidelines for periodic reports (1996), (iii) supplemental guidelines for periodic reports (2005), (iv) annex to the supplemental guidelines (2005), and (v) the list of issues.

  The (i) initial guidelines and (iv) the annex do not ask any budget questions. The (ii) periodic guidelines asks an umbrella question about allocation of resources but only in relation to the Committee's previous concluding observations (para. 6), and about "changes in budget allocation and expenditure" (para. 7); the cluster on General Measures asks about percentages devoted to *some* social, economic and cultural rights (para. 20; see also the last subparagraph about "social sector" spending for "the most disadvantaged groups") – thus, some clusters ask budget questions (e.g., health), while others do not (e.g., juvenile justice). The (iii) supplemental guidelines ask umbrella budget questions (para. 4, and para. 6(c), "amount and percentage … devoted annually to children," including "the percentage of external financing").

  In short, the current guidelines do not adopt the whole-budget approach, they are too complicated to be useful, and they have gaps and inconsistencies.

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Annex A

CIVIL SOCIETY MONITORING OF DEFENSE SPENDING IN GUATEMALA[16]

The Guatemalan Peace Accords of 1996 recommended a 33% reduction of military personnel and a military budget which should not exceed 0.67% of GDP, a level which was achieved in 2000. The UN mission to Guatemala, however, found out that, because of budget manipulations, no real reduction of the armed forces, nor of the military budget had taken place.

From 2002 onward, the challenge of promoting the implementation and follow-up of the peace accords was taken by civil society and in particular by the human rights organization Grupo de Apojo Mutuo (GAM) and Centro Internacional para la Investigacion en Derechos Humanos (CIIDH). With support from the Civil Society Participation Program of UNDP, a project was established in 2002 to monitor and analyze the defense spending in Guatemala with the aim of questioning the implementation of the peace accords in this aspect and to promote a re-orientation of the nation's budget in favor of social development . The project was made viable by the availability of a web-based access to the national budget launched by the Ministry of Finance (SIAF-Integrated System for Financial Analysis) and by the involvement of journalists, local media and critical members of the Congress.

The project to monitor defense spending was initiated during the fiscal years of 2002 and 2003 with the aim of alerting members of Congress, the international community and the citizens in general about this mismatch and lack of effective control of the spending priorities, and has revealed important information on how questionable transfers took place. GAM and CIIDH became specialized in using the web-based tools provided by SIAF for budgetary analysis, and insider contacts in the ministries supported with information and could confirm transactions. The findings from the analysis were used in Congress to demand explanations from the Minister of Defense. Finally, the press made the analysis available to the broader public.

From 2004 onward, a positive new trend was inaugurated in Guatemala and already in 2005 the monitoring team admitted that the Ministry of Defense had become aware of its obligation to inform the population and that the national budget was definitely on the correct course as social budgets were on the increase while the military budget was being reduced.

The Guatemalan case clearly illustrates how civil society organizations, using new democratic and transparent mechanisms, can be powerful actors, especially in alliance with elected officials and investigative journalists.[17]

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[16] Adapted from Hans Petter Buvollen, Civil Society Participation Program - PASOC, UNDP
[17] More information at PASOC www.pasoc.org.gt
 Ministry of Finance in Guatemala www.minfin.gob.gt
 SICOIN-SIAF http://sicoin.minfin.gob.gt/sicoinweb

Annex B

CASE STUDY OF ETHIOPIA[18]

At the 43rd Session of the Committee on the Rights of the Child held in September 2006 the IPB focused its attention on three State Parties being reviewed at that session: Ethiopia, Congo (Brazzaville), and Senegal.

This paper summarises the CRC's discussion on Ethiopia, and its implications for the wider argument for attention to military spending being put forward by IPB.

Background

Ethiopia has some of the world's highest rates of infant mortality. Malaria and malnutrition are rife. About 2.5 million people need emergency supplies of water and sanitation. Ethiopia is home to more than 4.5 million orphans (many of them caused by war or HIV/AIDS) and to other vulnerable children including refugees.

CRC reviews of Ethiopia

At the CRC Session in September 2006 Ethiopia was reviewed for the third time. The main request put to Ethiopia by the CRC was to submit more complete information on its progress in promoting children's welfare, both in terms of statistical reporting and in terms of programmes, in priority areas such as education, health, justice, assistance for children involved in warfare, demobilised, street/refugee children, sexual abuse, orphans etc.

The CRC's conclusions show that while they thought some progress had been made since their last review (in 2001) a great deal still needed to be done. This is illustrated by remarks made by CRC expert members as recorded in the Summary Records and Concluding Observations.

Summary Records

(CRC/C/SR.1162) Ms Aluoch (Country Rapporteur) regretted that Ethiopia's State Party Report gave no indication of how the national budget was allocated to children's needs. Given the absence of a birth registration system, how could the Ethiopian Government know how many children there are in Ethiopia? What proportion of social spending is used to implement the CRC, in priority area such as health, education and special protection measures?
(CRC/C/SR.1164) The Ethiopian delegation was asked, regarding children in armed conflict, what measures were available to monitor the human rights of children in armed conflict, to ensure that they do not take part in armed conflict, and that civilian children caught up between warring parties are protected? What provisions for international humanitarian law are applicable to children? Are there peace corridors, or days of tranquility, enabling the

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[18] Previously submitted as Appendix B, of, International Peace Bureau, "Suggestions for the Day of Discussion on CRC Article 4 (Resource Allocation for Children)" (12 Jan. 2007).

evacuation of children in time of war? What programmes exist for orphans affected by armed conflict or adoption?

Concluding Observations

(EFS/CRC/C/ETH/CO/3) The CRC welcomed Ethiopia's State Party Report (CRC/C/129 Add 8) and its Written Replies to the List of Issues (CRC/C/Q/ETH/3 and Add 1 – statistics on education and child promotion activities). It appreciated the constructive dialogue with a high level, cross-sectional delegation. It welcomed Ethiopia's ratification of the Ottawa Land Mines Convention. However, it recorded the following:

- ▪ *while it welcomed the increased budget allocation to education and health, it was concerned that resources are insufficient for improving the protection of children's rights*. In particular, it noted the considerable military expenditure in contrast to the allocations to education and health.*
- ▪ it was concerned at the lack of data on children in a number of areas, e.g., on children involved in armed conflicts
- ▪ it urged the Ethiopian government to seek technical assistance from UNICEF in collecting disaggregated data, especially in relation to children's priority areas
- ▪ it urged more effort to disseminate and promote the Convention and involve civil society in this
- ▪ it noted that 18 is the minimum age for military recruitment, but that there are possible gaps due to the lack of adequate birth registration
- ▪ it was concerned at the lack of physical and psychological assistance for children affected by armed conflict
- ▪ it urged Ethiopia to support the operation of UNMEE to seek a sustainable peace in the region
- ▪ it noted the lack of measures for street children, children abducted and sold (for$2 each) for "unknown purposes", and to eliminate child labour from as early as 5 years old
- ▪ it recommended that Ethiopia ratify the Convention's Optional Protocols on Sale of Children, Child Prostitution and Child Pornography, and on Involvement of Children in Armed Conflict
- ▪ * In its Concluding Observations at the previous CRC Session (2001) the CRC recorded that it was deeply concerned, in the context of high military expenditure, that Ethiopia "has not sought to implement the CRC to the maximum extent of available resources".

Comment

Ethiopia's statistics submitted to the latest CRC Session cover essentially education and health expenditures only. Moreover, these are indicated solely in the national currency, and are not given as a percentage of the national budget.

Regarding its military expenditures, Ethiopia has never participated in the UN Standardised Instrument for Reporting on Military Expenditures. Ethiopia has not participated in the UN Register of Conventional Arms since 1968. Ethiopia

does not participate in any regional talks aimed at reducing military spending. The details of the military budget are not available to the general public.
UNDP figures estimate Ethiopian public expenditures as follows (% of GDP):

- Education (2000-2002) : 4.6%
- Health (2002) : 2.6%
- Military (2003) : 4.3% (down from 8.5% in 1990)

Military expenditure declined over the period 1990 – 2003. Spending on education and health has increased, but remains at a low level.

The CRC review process for Ethiopia shows that it has been unable so far to achieve much greater transparency or coverage in Ethiopian provision of statistics, particularly with regard to military expenditure. CRC pressure for disaggregation of statistics continues. But the apparent absence of a CRC standardised, comprehensive, reporting Format for State Party reports to the CRC does not help.

The CRC process does however, contribute to general pressure on the Ethiopian Government to make progress on increasing resources and attention to promoting children's welfare and rights – and away from military spending. NGOs can help to increase this CRC pressure by
- reinforcing efforts to achieve greater statistical transparency, and
- highlighting the negative effect on children's welfare of excessive military spending and
  secrecy.

Final remark: Recent dramatic events in the Horn of Africa involving the Ethiopian military in our view give particular pertinence and relevance to the above observations.

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UNICEF - *The State of the World's Children 2005: Childhood Under Threat*
UNICEF - *The State of the World's Children 2006: Excluded and Invisible*
UNICEF - *The State of the World's Children 2007: Women and Children*

World Council of Churches, *World Military Expenditures: A compilation of data and facts related to military spending, education and health* (World Council of Churches, 2005)

Bruce Abramson, "*Children and War"* (Save the Children-Sweden, Defence for Children International, 1992) (a submission for the CRC discussion day on Children and War)

Haas-Otto Sano and Gudmundur Alfredsson, *Human Rights and Good Governance* (Martinus Nijhoff, 2002).

The **International Peace Bureau** is dedicated to the vision of a World Without War. We are a Nobel Peace Laureate (1910) and over the years 13 of our officers have been recipients of the Nobel Peace Prize.

Our 282 member organisations in over 70 countries, and individual members, from a global network bringing together expertise and campaigning experience in a common cause.

The International Peace Bureau's work over the years has included a number of projects relating to children and youth:

Children and War – proceedings of a symposium held in Finland, 1983. Co-published with Geneva Peace Research Institute and Peace Union of Finland

Children's Campaign for Nuclear Disarmament – Guido Grünewald, 1985. Co-published with Peace Union of Finland.

Youth and Conscription – ed. Kiljunen and Väänen, 1987. Co-published with Peace Union of Finland.

Time to Abolish War! A Youth Agenda for Peace and Justice, Adam Berry and Jo Tyler, 2000. This publication was the culmination of an extensive programme of global youth networking around the Hague Appeal for Peace conference 1999. Over 1500 young people were present at this landmark event.

Global Campaign for Peace Education – the main programme outcome of the Hague Conference was the launching of a global effort to ensure the incorporation of peace education into mainstream curricula at all levels. IPB served as one of the two coordination offices, and worked intensively on this general theme for over 5 years. www.haguepeace.org

IPB has worked over many years on issues relating to landmines, small arms and other weapons systems which have especially damaging effects on children. Our current programme '***Disarmament for Development'*** enlarges the scope to examine the effects of militarism in general on sustainable development, and on communities suffering the effects of armed conflict.