BUILDING PEACE AND STABILITY THROUGH INCLUSIVE ECONOMIC DEVELOPMENT

–PHIL VERNON, INTERNATIONAL ALERT

The idea that economic development alone equals progress is no longer believable, if it ever was. It is fatally undermined by the need to consider environmental and social sustainability. Environmental sustainability is well understood: is the environmental cost of producing energy and materials worth the benefits they confer? By social sustainability, I mean: does economic development avoid doing harm, and does it benefit people widely enough across society? Does it help make society more resilient to stresses and shocks? Does it reduce exclusion and marginalisation?

This contribution to the CIVICUS 2016 State of Civil Society Report explores social sustainability with respect to peace and conflict. It looks at ways in which economic development, if designed and done well, can contribute to greater inclusion, improved stability and progress towards peace, and the role civil society plays in making this happen. There is nothing mystical about peace, and most civil society organisations (CSOs) can integrate some element of peacebuilding into their economic development work.

PEACE, CONFLICT AND INCLUSION

Peace is not just the absence of fighting. It is when people are anticipating and managing their conflicts and differences without violence, while making equitable progress in their lives. International Alert has been building and promoting peace for 30 years, and we've learned that this rather abstract notion can be recognised by looking at five interlinked 'peace factors':[1]

Figure 1. Links between peace factors

1 International Alert programming framework, 2010.

- Power and relationships: Are decisions made in consultation with and in the interests of different groups within society? Are political mechanisms broadly accessible to all, not limited by gender, ethnicity, class or other identity markers? Do functional, open relationships exist between different groups in society, and between citizens and those in positions of authority?

- Income and assets: Are livelihood and savings opportunities broadly open to all, regardless of gender, ethnicity, class or other identity markers?

- Safety: Do all members of society feel safe from the threat of violence?

- Justice: Does everyone have equal access to fair and predictable mechanisms of justice?

- Well-being: Does everyone have broadly equal access to the means of maintaining and improving their health, education, a decent living environment and other essentials?

The answers to these questions give a sense of how resilient a society is in the face of stresses and shocks, and thus of how stable and peaceful it is likely to be. To put it simply, long-term peace is really only possible when people have fair opportunities for a sustainable livelihood and the accumulation of assets, combined with general well-being, justice and security, in a context of good governance. Applying this lens to Syria before the war began would have revealed a fragile polity and society, vulnerable to the shocks and stresses presented by drought, the economic downturn, upheavals in neighbouring Iraq, the contagion of the Arab Spring, and outside interference.

Inclusion and fairness are particularly important for peace, in two ways: first, and most obviously, because unfairness and exclusion lead to frustration and grievance. Aggrieved people, excluded from the opportunities and benefits available to others, may turn against the society that has excluded them, especially if the unfairness is tangible and immediate: for example, if they are denied land or irrigation, when others around them have both. When exclusion is linked to identity - to ethnicity, for example - it can give rise to a shared, chronic sense of grievance that can all too easily turn into violence.

Second, through mechanisms that are too complex to explain fully here, chronically unfair societies contain within them the seeds of violent conflict because they enshrine habits of ‘structural violence’ - exclusion - that harm those who are excluded, and thus implicitly condone the idea that some members of society are allowed to do harm to others. This can legitimise other forms of violence. This is one reason why lesbian, gay, bisexual, transgender and intersex (LGBTI) freedoms are important for peace: not because repression of sexual minorities will lead to civil war, but because it legitimises structural violence and makes society less peaceful generally. In both cases, unfairness contributes to a fundamental lack of resilience, thus undermining stability.

Most CSOs are not primarily focused on peacebuilding. Nevertheless, CSOs in places affected by or at risk of violence clearly have an interest in contributing to improving stability, resilience and thus peace. The good news is that CSOs that are not specialised in peacebuilding can and do make a contribution to peace, if they address the peace factors noted above - governance, livelihoods, justice, security and well-being - with a focus on inclusion. Provided they do so with a good

understanding of the peace and conflict issues in their context, and with the explicit intention to contribute to peace as well as their other objectives, they can improve resilience to stresses and shocks, and reduce the risk of violence.

TRENDS

But clearly this is not yet happening enough. Levels of violence across the world remain high. The wars in the Middle East demonstrate that, despite major gains for peace in the past few decades, much more needs to be done. The Global Peace Index score, measured by the Institute for Economics and Peace, has decreased in recent years.[2] Some 1.4 billion people live in around 50 fragile, conflict-affected countries.[3] The situation of people in places as diverse as Afghanistan, the Central African Republic, Colombia, the Democratic Republic of Congo (DRC), India, Iraq, Israel, Libya, Mali, Myanmar, Nigeria, Pakistan, Palestine, the Philippines, Somalia, South Sudan, Sudan, Ukraine and Yemen reminds us that we still need to focus local and international efforts on peacebuilding, as a critical part of development. And other countries less obviously 'in conflict' are also affected, for example where political and gang and crime-related instability and violence prevail,[4] and in Europe, where unmanaged issues linked to migration are creating fault lines in local communities.

The need and desire for access to and control over resources has always been one of the main causes of conflict.

The need and desire for access to and control over resources has always been one of the main causes of conflict, especially when resources are scarce or perceived to be scarce, or where the rules and norms of access and control are poorly institutionalised or highly skewed. Unfortunately, such competition too often leads to violence and, at a certain scale, to war. So making sure the economy is aligned with the needs of peace is critical to the prevention of violence, and critical to the sustainability of peace in post-war contexts.

BUILDING PEACE BY BUILDING ECONOMIC DEVELOPMENT

One thing we have learned in our 30 years of peacebuilding at International Alert is that most people, most of the time, are more interested in the economy than in peace: they need bread first and foremost. Rather than try to change their minds, we have sought ways to integrate peacebuilding into economic development. With this in mind, we isolated four generic goals or outcomes which we believe civil society, businesses and governments can and should aim at in their economic development work, to contribute to peace:[5]

- Decent livelihoods. When people are gainfully employed in decent work, whether employed or self-employed, earn enough to live with dignity and are treated fairly, they have a stake in stability. Decent livelihood opportunities that

2 'Global Peace Index Report', Institute for Economics and Peace, 2015, http://bit.ly/1WrNUOV.
3 'States of Fragility 2015: Meeting post-2015 ambitions', Organisation for Economic Cooperation and Development, 2015.
4 'Crime and Conflict: the New Challenge for Peacebuilding', International Alert, 2014.
5 'Peace through Prosperity: Integrating Peacebuilding into Economic Development', International Alert, 2015.

are accessible to people from all sectors of society help minimise exclusion, maximise social mobility and promote resilience.

- Capital. When people can accumulate economic assets securely, to provide them with a cushion in time of need, to improve their income, and to invest in and improve the economy, and can do so in a way that is fair to others, they have a stake in stability. They are more empowered to say 'no' when politicians or warlords try to foment violence. Their capital may be individually or jointly owned and managed, including by the community or the state, as in the case of welfare safety nets.

- Revenue and services. When the state, or other legitimate authorities, collect sufficient tax revenue, and invest it to provide the infrastructure and services needed for the economy and peace to flourish, they increase systemic resilience to violence. It is important they do so fairly and strategically, with both economic growth and strengthening peace as explicit policy intentions. Civil society does not collect taxes, but it can play a critical role in making sure they are fairly collected, and used for the right purposes.

- Environmental and social sustainability. The right kind of economic development can enhance or at least avoid damaging the environment, and enhance or at least avoid undermining peace-positive attributes in society. This implies effective governance: civil society has an important role in promoting inclusive and sustainable economic development.

THE ROLE OF CIVIL SOCIETY

As with the positive peace factors listed earlier, the idea of fairness and inclusion runs through these goals as blue runs through clear sky. Provided those promoting economic activities do so with a good understanding of the social, political and conflict dynamics, tailor their projects accordingly, and aim to hit as many of these four outcomes as possible, they are highly likely to enhance stability, resilience and peace.

CSOs help shape the development of any society, through service delivery and protection of the vulnerable, analysis and advocacy, collective action, and holding government and the powerful to account. These roles matter hugely in fragile contexts, where state services are often under-provided, and popular systems for holding the government and powerful economic interests to account may be thin. CSOs support inclusive grassroots economic development, including through small enterprise development, cooperatives and savings and loans groups. By bringing an independent perspective as well as specialised tools and methods, such as analysis, mediation, monitoring, advocacy, witnessing, dialogue, solidarity and training to the table, CSOs, operating locally, nationally and internationally, can help ensure that economic development is defined and done in ways that build peace. In Syria, for example, CSOs are already working to support livelihoods, and can play a critical role once peace is achieved, in making sure that economic reconstruction is designed to support a more peaceful, resilient, inclusive post-war society.

CSOs often help to counterbalance political and business interests, and bring aspects of economic development to attention which these interests might otherwise miss. For example, International Alert has helped parliamentarians in São Tomé e Príncipe and Uganda to frame oil legislation so that their governments can be held to account in their regulation of the oil industry and use of royalties. Pole Institute, a CSO in the DRC, published research and advocated for improved regulation and oversight of commercial activities, which interact with the political economy in ways that reinforce conflict and violence, as seen, for example, in the ways in which the minerals trade intersects with 'informal taxation' systems imposed on citizens by armed groups, thus perpetuating disorder.[6]

Research and analysis by CSOs help show governments, businesses and other economic actors how to maximise the peace dividend through economic development. Our research at International Alert on how the 'shadow economies' of Mindanao in the Philippines interact with peace and conflict is an example of this; it points out how this interaction needs to be taken into account to avoid undermining the peace process there.[7] The Pole Institute explained in a recent report how coffee growing can contribute more effectively to peaceful prosperity in the DRC and Rwanda. It has promoted value chain improvements to improve coffee quality and revenue, partly through improved collaboration and better relations across the DRC's eastern borders.[8] There are myriad instances of CSOs supporting small, local businesses as a way to improve resilience in fragile countries. To take one example, CARE provided support in conflict-affected northern Uganda to micro-enterprises and small farmers, helping them with business planning, product analysis and marketing.[9]

CSOs provide education and training, including general awareness raising on economic concepts and techniques, and are well-placed to ensure that these link peace and economic development.

CSOs provide education and training, including general awareness raising on economic concepts and techniques, and are well-placed to ensure that these link peace and economic development. Ex-combatants are frequently trained in economic, business and life skills by CSOs, as part of disarmament, demobilisation and reintegration (DDR) schemes. Many DDR programmes have justly been criticised for being poorly tailored to the needs of the ex-combatant, society and the market. Nevertheless, with the right resources, and as part of a well-conceived overall policy, CSOs are usually more effective than other service providers at dealing with the reintegration of ex-combatants, each of whom is an individual with specific vulnerabilities, opportunities and needs.

Many CSOs have the dialogue, training and awareness-raising capacity to help build functional relationships between economic actors and other stakeholders. In Uganda, CSOs have bridged the communications gap between local government, community members and oil companies that were drilling in the Albertine Rift Valley, helping to reduce the misunderstandings and conflicts that were developing on all sides, and smoothing the process of developing an oil sector with the capacity to contribute significantly to local and national incomes and fiscal revenues, and to sustaining peace.

Economic development projects often lead to disputes, which can become violent disputes, usually over access to resources. CSOs can support excluded people who lack the knowledge and resources to fight back through the courts and ensure that wrongs are redressed, or at least mitigated by the payment of correct compensation. Many CSOs that implement paralegal projects provide legal advice to small businesses to help defend their rights. Ugandan organisation Advocates Coalition for Development and Environment has used its legal and public lobbying expertise to help communities and local governments

6 'Rule for sale: formal and informal cross-border trade in Eastern DRC', A Tegera and D Johnson, Pole Institute, 2007.
7 'Out of the shadows: violent conflict and the real economy of Mindanao', F Lara, Jr and S Schoofs (eds.), International Alert, 2103.
8 'La caféiculture et son incidence sur la transformation des conflits', A Tegera, J-P Kabirigi and O Sematumba (eds.), Pole Institute, 2014.
9 Personal communication.

through advocacy, including court cases, to prevent large agribusiness projects going ahead, when these risked undermining relations in society, and between citizen and state.[10]

CSOs can advise businesses and governments about how to ensure the security of their enterprises and infrastructure without alienating and harming adjacent communities. International Alert has played this role in a number of countries, leading to non-violent security provision around company assets, and better communication with communities, based on an improved mutual understanding of circumstances and needs.

CSO involvement in infrastructure development includes analysis and advocacy. CSOs can facilitate multi-stakeholder dialogue to ensure that infrastructure is designed and implemented to maximise shared peace dividends. In the DRC, local and international CSOs, working together, have facilitated discussions and community decision-making on local infrastructure projects to ensure they are peace-conducive.[11]

CSOs often provide economic services, especially micro-credit and micro-savings to poorer households and communities, and particularly to women's groups. This helps to finance small business investment and smooth out lumpy income and expenditure flows, which are essential to increasing conflict resilience, and lessening marginalised families' dependence on local elites for expensive loans. CSOs' facilitation and dialogue skills also help deal with conflicts over land. International Alert and its partners in the Philippines have supported indigenous communities, settler communities, the government and mining companies to map and plan for fairer and clearer access to land in areas where this has been a source of conflict.

CONCLUSION

What I have tried to show in this article is that more needs to be done to build peace; that this can be part of economic development, provided it is specifically designed with peacebuilding in mind; that this is often simpler than people think; and that civil society can play and is playing an important role. Governments and donors obviously need to make sure they provide an enabling environment and funds, and I have two broad recommendations for CSOs working on economic in conflict-prone or conflict-affected places:

- Embrace the opportunity to integrate peacebuilding into your work, even if you are not a 'peacebuilding organisation': you can do this by emphasising your impact on the generic outcomes: inclusive access to livelihoods and savings opportunities; fair taxation and well-directed government spending, focused on making a contribution to resilience, stability and peace; and sustainability.

- Do so in the way which best fits your capacity, for example through livelihood support projects, or monitoring and advocacy, and for business-oriented civil society groups, such as chambers of commerce, by providing guidance and setting standards for your business members.

10 'Lessons from citizen activism in Uganda: Saving Mabira Forest', B Twesigye, Occasional Papers Series No. 7,South African Institute of International Affairs, 2008.

11 'Rebuilding Eastern Congo at the community level', Management Systems International, 2016, http://bit.ly/1sg6GwQ.