

**An address to  
the University for Peace (Universidad para la Paz)**  
  
***Governance, Peacebuilding, and Development***

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**Maureen O'Neil, President  
International Development Research Centre (Canada)**

Good afternoon, ladies and gentlemen, and thank you for your generous welcome. It is a great pleasure, and a high honour, to join you here today. The University for Peace is a unique institution of global standing, dedicated to the promotion of peace through higher education and endowed now with new energy and purpose. In that regard, I hope you will forgive a modest expression of Canadian pride if I salute Maurice Strong for his vital contribution to the University's work. Among his countless other accomplishments, Maurice Strong was the pre-eminent designer, creator and inspirer of my own institution, the International Development Research Centre.

I am delighted to be with you to participate in this course which will examine the complex interaction of security, peace and development. The questions you will address in the next two weeks constitute, quite literally, matters of life and death. You may have witnessed, and suffered, the terrible costs of failure. All of us arrived here carrying disparate experiences and diverse expectations. But we have a common objective: to build a more systematic understanding of peace and development—and to learn to apply that understanding in more effective policy and action.

Whether a country is at peace or at war today, whether improving the lives of its citizens or letting them languish, the interactions between domestic and foreign policy have become more complex. This greater complexity has been driven by the power of information and communications technology.

We usually call this “globalization”. For countries disintegrating or attempting to build peace, this is no passive backdrop.

It is important to understand these new forces and not just label them. Research, the search for evidence and understanding, can help. First, I want to challenge some shaky assumptions about the harms and benefits of globalization.

Second, I will examine how recent research on peacebuilding might help us in achieving our goal of understanding better the interactions among security, peace, and development.

You will be relieved to hear that I do not propose to try and explain the ins and outs of globalization this afternoon.

Back to the shaky assumptions: Shaky assumption number one: A rising tide lifts all boats. It must be said that an impressively powerful consensus emerged in the 1990s—known, however briefly, as the Washington Consensus—founded on the simple axiom that any economy would gain from integration into global markets. The axiom carried a corollary: that low-cost, poor economies would benefit most from globalization, because they would attract capital seeking the highest marginal returns.

There is an important set of nuances that should be introduced to the axiom and its corollary. It is difficult – and therefore irresponsible – to sustain any argument that purports to make a clear link between economic liberalization and an unambiguous change in inequality one way or the other. The experience of the South East Asian "tigers" is that market-oriented policies go hand in hand with impressive reductions in inequality and poverty. Between 1975 and 1996, Indonesia saw its poverty rate fall dramatically from 60% to 7%. Even after the crisis of 1997, poverty rates did not go back to anywhere near 60%. Globally, while inequality between countries has sometimes widened, this has as often been because the richest countries are growing faster than the poorest countries, not because the poorest are actually becoming poorer. The same often holds for inequality within countries, including large poor ones like China and India. Finally, countries that have become absolutely poorer in recent years tend to be in the throes of internal or external conflict, or (like Russia) are going through periods of exceptional transition and bad governance. Here as with so many aspects of globalization, simple truths and one-way causality does not hold.

The questions for policy-makers become obvious. What factors determine whether globalization promotes growth? And which factors influence the deepening or reduction of inequalities? I will return to these questions in a moment.

Shaky assumption number two: Globalization affects us all. Remember: Three quarters of the world's six billion people have no telephone—much less a computer modem. At last count, Thailand had more cell phones than all of Africa. Some 95 percent of all the Internet hosts in the world are based in a couple of dozen OECD countries; three other countries (Hong Kong, Singapore and Taiwan) account for half of the other five percent. In short, hundreds of millions of people remain practically untouched by the greatest expression of globalization—the revolution in communications.

Why are so many countries not part of globalization? Why have all these people been left behind? Do the dynamics of globalization inherently marginalize poor economies? Or do those economies—those societies and political systems—suffer specific deficiencies that work to exclude them from participation in globalization? Again, I will return to this question shortly.

Shaky assumption number three is this: Globalization inexorably weakens the authority or capacity of states. False. States rule, and national borders still matter.

It is true, of course, that the processes of globalization impose new stresses on all governments. It is also true that no government—not even the richest or most powerful—can any longer protect the security of its people by itself, or ensure their prosperity. Successful governance amid globalization means collaboration. With other governments. With business and unions and NGOs. Collaboration with every variety of actor in all the fluid networks of action that now characterize the daily work of government. Capacity and legitimacy no longer attach only to governments.

But where do people turn for enforcement of a civil right? Or for better education, for environmental protection, for the regulation of corporate power? We turn to governments, naturally. Indeed, globalization itself endows governments with new powers and new expectations. With the creation of the International Criminal Court, we authorize states to prosecute offences committed far from their own territories, and against victims who were never their own citizens. In the Kyoto Protocol, we expect states to influence the future climate of the whole world—an expectation of state power that would have been unthinkable a few short decades ago. Even where states fail, as in the former Yugoslavia or Somalia—or where they turn against their own people, as in Rwanda—we look to other states for remedies and redress.

This is one of the multiple paradoxes of globalization. It builds states up as it breaks them down. It pulls them together, and pulls them apart. Opponents of globalization, especially from the left, condemn the tendency of globalization to undermine state power. Enthusiasts for globalization, especially from the right, applaud that same tendency. They are both wrong if they think the state will wither and die under the pressures of globalization. In a very real sense, globalization needs strong states. That is to say, it needs governments to regulate, to organize, to provide goods that markets will not provide—and to give democratic voice to people in deciding their own futures. Globalization needs governments with the capacity to deliver on the expectations that globalization generates.

I have referred to three shaky assumptions: that globalization will necessarily improve the lives of poor people and diminish inequalities; that globalization's influence extends universally; and that globalization undermines the power and legitimacy of the state. I have argued that each in its way can mislead us. But I think they bring us to a conclusion of historic importance: The quality of governance is the crucial factor in determining the success of a society's adaptation to globalization's costs and opportunities.

Take, for example, the troubling puzzle of globalization and economic equality. Political economist Dani Rodrik from Harvard has subjected the data to some rigorous testing and reaches a radically sensible proposition: "Openness to the world economy can be a source of economic benefits," he observes. "But these are only *potential* benefits, to be

realized in full only when the complementary policies and institutions are in place domestically.”

This identification of good governance as a critical variable represents a powerful insight. It begins to explain, for instance, why all the top 20 countries on the journal *Foreign Policy*'s Globalization Index are generally recognized as well governed (relatively speaking). And it helps explain the fallacy in another shaky assumption—that competitive globalization will drive down social spending and national tax rates in a futile race to the bottom. The truth is, some famously high-tax jurisdictions (Austria, Italy, Scandinavia) are also among the world's most globalized and prosperous.

The importance of good governance applies just as powerfully in developing countries. Where governance is open, participatory, and responsible, societies have the best chance to deliberate and decide their futures.

Today I will talk about states sadly missing that key determinant.

More explicitly, I will share with you what IDRC has learned that can usefully be put to work in exploring the relationship among security, peacebuilding, and development.

When it comes to building peace, research and evidence are seldom the most important determining factors. In fact, great efforts of post-conflict peacebuilding are undertaken with scarcely any supporting evidence at all. And much of it is done badly as a consequence. The truth is that conflicts—and attempts at settling conflicts—are very often driven not by the logic of evidence but by the force of sentiment, myth, and violently opposed versions of history.

But this is the point. Sound evidence, well explained, can dramatically strengthen peacebuilding and development policy and action. By dispelling misinformation, superstition, and fear. By changing sentiment. By altering calculations, demonstrating peace as a positive-sum bargain that benefits everyone. By engaging people personally in the hard, practical effort of re-imagining a new future, and leaving their rival histories behind.

What I have just outlined is research as product—creating the evidence to support strategies for peace. We have also found that research works as process—that research activity itself can draw people together in a shared enterprise of learning, insight, and reciprocal trust. In a moment, I will cite helpful cases of research as product, and research as process, in managing conflict, developing peace, and improving governance.

Before getting down to cases, it is worth recognizing the many impediments to drawing generalizations from particular events. These are the difficulties of analysis that will be all too familiar to you as practitioners. They are the uncertainties and conundrums that so often defeat our attempts to apply the experience of the past to the crises of the present—applying the lessons we think we learned to the problems we think we face.

Why is it so hard to assess whatever evidence our research turns up? And what makes it so hard to apply those assessments to the cases that concern us most?

Drawing on our own experience at IDRC (and specifically on the reflections of Neclă Tschirgi, now at the International Peace Academy in New York and who will be with you during this course), half a dozen of the most important assessment difficulties deserve special emphasis.

First, it proves extremely difficult to establish links of causality in the turbulence and confusion common in most peacebuilding settings. There are simply too many variables, and too many interactions, to make confident connections of cause and effect.

Second, and more specifically, it is generally risky to attribute credit—or blame—to single actors. It is especially risky to ascribe responsibility to external actors, including those who have intervened with the declared intention of helping to build peace. Domestic players—not least, governments—are more usually the most influential actors.

Third, it is hard to generalize across cases, or over time. Lessons learned tend to be highly contingent on context. And even lessons learned locally tend to evaporate as time passes.

Fourth, progress does take time. Which raises the question: How long do we wait before assessing success or failure? This is not just a riddle of methodology; deciding when to change course—or when to stay the course—often turns into a fiercely difficult policy question.

Fifth, there is the paradox of prevention. When prevention succeeds perfectly, it is as if nothing happens. But when nothing does happen, it is hard to prove that prevention had much if anything to do with it. Successful prevention ranks as one of the highest priorities in peacebuilding. Yet it frequently defies proof of its own existence.

Sixth, assessing success or failure in peacebuilding depends crucially on who does the assessing. External agents, namely aid donors, are tempted to judge results by the outputs of their own projects. IDRC experience pushes us strongly to engage the participation of local people, in their own communities, in assessing progress in peacebuilding and development. Popular participation in the design, execution, and evaluation of research and policy is a core element of good governance.

There you have a short list of impediments to deriving helpful evidence from peacebuilding research. There is, moreover, a second category of impediments: factors that work against the application of evidence once we find it. I will mention only three, quickly.

One is the lack of capacity typical of new, weak states in the early post-conflict phases of recovery.

A second factor militating against effective application is resistance among governing circles to dialogue, to compromise, or to accommodating new or unconventional evidence. This resistance operates with special force within authoritarian regimes.

A third factor—lamentably common—is a failure among researchers themselves to design their research or explain their findings in ways that are immediately and obviously useful to policy-makers. Closing the loop between research and action places a special obligation on researchers to deliver evidence-based advice that is relevant, comprehensible, and ready for practical application.

I have now spent several minutes compiling what might sound like a pessimistic catalogue of frustration—a comprehensive and conclusive argument for the futility of research in peacebuilding.

But my argument runs exactly to the contrary. Good research and sound evidence *can* make a difference. Experience proves it. The interesting question is: Under what conditions does research become an effective tool of peacebuilding and development? Putting it differently, when does evidence make a difference for the better?

I propose to answer that question by way of two examples—one quite small, and not very far from here, and the other rather larger and more famous. Both, I am pleased to say, were supported by IDRC.

In Guatemala, land use and land ownership have incited violent conflict for many decades. Land was a fundamental issue in Guatemala's 40-year civil war, which ended with a peace agreement in 1996. But land continues to divide Guatemalans; just last April, for instance, hundreds of landless farmers occupied farmland in the department of Alta Verapaz.

The history of this conflict will not surprise you. Over many years, land had been confiscated for the benefit of a small and wealthy elite—often seized without heed to legal title or traditional and communal occupation. Even today, just two per cent of Guatemalans own 70 per cent of the land—using it mostly to grow products for export. And during the civil war, land seizures formed part of a brutal campaign of murder, displacement and exile.

The 1996 Peace Accords provided for measures of land reform. These included redistribution of land to poor farmers; a property registry; and the introduction of a land tax. The creation of a land fund, called Fontierras, was the key institutional innovation that would mobilize these reforms.

But the performance of Fontierras was disappointing from the start. By last fall, it had satisfied only a small fraction of the demand for land. Furthermore, it was estimated that by 2006, more than 350,000 families would be applying for land—but that Fontierras would only meet two per cent of that demand.

With IDRC support, two grassroots Guatemalan organizations launched an independent study of Fontierras. One of those organizations is made up of NGOs and cooperatives, while the other is a federation of peasant organizations. Researchers interviewed officers of international financial institutions active in Guatemala (including the World Bank), along with Fontierras authorities, business people, and experts in land policy and markets. Significantly, they spent considerable time visiting farmers and villagers; they held workshops in no fewer than 23 communities across Guatemala.

Their report pinpointed internal faults with Fontierras operations: the poor quality of its technical assistance, for example, and bureaucratic inefficiency, and corruption. Much more illuminating, however, was the finding that the biggest problem with Fontierras was the market-based economic model on which Fontierras was based.

To sum it up simply, land redistribution through Fontierras depends on voluntary, negotiated transactions between willing buyers and willing sellers. This is the market model generally recommended. But there were gaps and contradictions. In Guatemala, the government had failed to enforce its own tax on land. By not enforcing tax collection, it was in effect subsidizing the rural elite. It had also been undercutting any incentive among big land-holders to sell. The effect of all this? Chronic shortages of land for sale, and most of it of low quality.

This evidence from research was well timed to influence judgments at the World Bank, which is a major funder of Fontierras. And it has already prompted operational reforms inside Fontierras itself. We will have to wait to see if the Guatemalan government makes lasting changes to enforce the collection of land taxes. In the meantime, this stands as a persuasive demonstration that participatory, transparent, and timely research—even amid the turmoil and setbacks of post-conflict recovery—can inform and improve development policy and action.

Before describing a second case of effective research, I ought to spell out a useful distinction. At IDRC, we are always aware that we take part both in “research on” peacebuilding and development, and in “research for” peacebuilding and development. That is to say, we try to advance what might be called an objective or empirical understanding of these dynamic and complicated processes. But we are also trying to improve and accelerate those processes, in ways that especially benefit the poor.

As one illustration—and my second example—I want to offer a very brief sketch of the War-torn Societies Project. This is a well-known peacebuilding endeavour in which some of you might have participated.

The Project was established in 1994, by the UN Research Institute for Social Development based in Geneva, and by Geneva’s Graduate Institute of International Studies. Initially supported by IDRC, the Project eventually attracted more than 25 bilateral and multilateral donors by the time it reported its findings in 1998.

The War-torn Societies Project applied an innovative methodology known as participatory action-research. The object was to engage the widest possible diversity of local, national, and international actors in a post-conflict setting—and to involve them in an exploration of possible peacebuilding actions. The approach was implemented in four dissimilar countries: Eritrea, Mozambique, Guatemala, and Somalia.

I will not even attempt to summarize the radically varied results in these four settings. And in a sense this is an important lesson learned and re-learned: Every setting contains its own decisive details, and these particulars need to be accommodated in any successful peacebuilding strategy.

What I can do is quickly outline some features of participatory action-research, and some of the reasons why it is worth applying in other post-conflict contexts.

The overall procedure is simple enough. A small team of researchers in each country joins forces with members of the most significant actors—the government, usually, along with NGOs, former combatants, political parties, business organizations, unions, aid donors, indigenous people’s organizations—anyone willing to engage in collaborative research, analysis, and consultation.

The aim is to map out strategies for building peace and fostering development after violent conflict. That is the product. But equally important is the process: building trust and confidence between contending sides, jointly making new discoveries of fact, and reframing issues in ways that open up positive-sum solutions and agreements. The process is transparent and inclusive, working always to encourage local ownership. And because it is nonbinding, voluntary, and informal, it is less threatening and more accessible than the high-stakes bargaining of formal negotiations.

Participatory action-research is designed as a low-risk enterprise of learning, testing, and acquiring new and shared understanding of the realities—and the opportunities—of the post-conflict environment.

The War-torn Societies Project has produced a remarkable and provocative variety of findings and insights, and I encourage you to explore them for yourselves. For my part, I will restrain myself and mention just three observations growing out of IDRC’s experience with the Project and similar research.

And one parenthesis—the researchers found it hard to integrate a gender dimension. In one case, in Somalia, the researcher, a young Canadian of Somalian origin, was jailed after religious leaders complained. Let us come back to gender in the discussion. It requires a lecture all on its own!

First, research does not always destroy myths and beliefs about history. Sometimes, research confirms the truth of old grievances and past injustice. In such cases, research can also shine a light on a new and different future. Not a future of redressing old

wrongs. But a future of better intentions, stronger systems of justice, and development that is fairly shared. I should add that one of the virtues of the War-torn Societies Project was that it was much less concerned with “root causes” of past conflict than with forward-looking policy and action.

My second observation is that, after violent conflicts, people sometimes, and understandably, yearn for a return to the familiar patterns of life before war. But the familiar patterns of life are part of what gave rise to that violence in the first place. This is one reason why popular participation in research is so necessary, and so productive. It can enable people to arrive at a new understanding of their own situation, and fashion a new vision of their future.

My third observation (though it is not a new insight, certainly) is that successful peacebuilding must address the political economy of conflict—that interaction of greed and grievance. The fact is that war itself, for some people, can be a profitable undertaking. Think of blood diamonds, or cocaine, not to mention guns. Governments, and their enemies, sometimes derive sinister but real and bankable benefits by perpetuating violence. In these cases, peacebuilding must correct both the politics and the economics of a country in conflict.

That is where the evidence leads us. But to build peace and achieve development, evidence alone is never enough. I turn now to a question that preoccupies us at IDRC as much as any other question we confront: That is, how do we close the loop between research and policy, evidence and action?

To inform better peacebuilding with better evidence, we need a two-sided strategy addressing the supply of good research evidence—and the demand for it.

We need supply-side measures to enhance research capacity in the South for the South, so that people of the South can better explore and understand the realities of conflict prevention and resolution, pre-requisites for development. At the same time, researchers will have to make their findings more relevant to the questions that policy-makers want answered—and make their answers more intelligible.

Then too, we need demand-side measures to enhance the capacity of decision-makers in the South to encourage research in their own societies, to hear and absorb the evidence, and to apply that evidence in timely, equitable, and productive ways.

What we are describing, ultimately, is nothing more—and nothing less—than the operation of democratic governance. By which I simply mean governance that is open, participatory, accountable, and effective.

Research—the generation and dissemination of knowledge—is an essential element in an enduring democracy. The logic of this is pretty clear. People are entitled, as a matter of right, to participate in the decisions that govern their lives. But participation is only

meaningful if it is knowledgeable. People, and their representatives, need to know the facts on which real choices are made. They also need knowledge of good governance—procedures of choosing that are openly democratic. This is arguably the highest calling for development and peacebuilding research: To inform public choices, so as to make those choices fairer, and more effective.

Here I cite, and wholeheartedly endorse, the argument for democratic governance set out in the UNDP's 2002 *Human Development Report*. In the words of the *Report*: “Countries can promote human development for all only when they have governance systems that are fully accountable to all people—and when all people can participate in the debates and decisions that shape their lives.”

At the heart of the democratic governance argument, as the *Report* affirms, is this plain truth: “Political freedom and participation are part of human development, both as development goals in their own right and as a means for advancing human development.” To phrase it a little differently, democratic governance is both an important *objective* of peacebuilding and development, and a necessary *instrument* of peacebuilding and development.

Another inescapable truth is that democracies are better than the alternatives at managing conflict. At bottom, this is what democracies are—sets of agreed procedures by which people in society resolve their conflicts peacefully. Conflicts do not end in democracies, not even in rich and happy democracies. But democracies succeed insofar as they manage, resolve, or reduce conflict without violence.

And it is violence that ends discussion, that stops the search for compromise, that closes minds to the promise of a better and peaceful future.

The UNDP *Report* concludes that people in violence-prone countries “will never see enduring public peace and personal security until the police, military and other security forces are under firm democratic control.” It is easy to see that long-established democracies are unlikely to experience civil war. What must be remembered as well is that even less-deeply-rooted democracies are “better able to cope,” as the UNDP says, “with political unrest.”

This is not to claim that democracy is irreversible. Regrettably, young democracies are vulnerable to military coup or resurgent authoritarianism. But democracies can also survive, fostering peaceful and sustainable development for their citizens.

I will add still another argument for the pragmatic value of democratic governance. The rules and institutions favouring democratic governance also facilitate economic growth. To attract and hold domestic and foreign investment requires a legal and regulatory regime that is transparent, reliable, justly adjudicated, and free of corruption. So, if you want to promote private investment in a growing economy, you are going to need the same kinds of governance that together define a democracy.

Before concluding, and to be clear, I would interject two cautions about democracy. First, democracy is not a synonym for peace. Democracy can be violent, and unjust, where it excludes some people from participation, where it oppresses, where it discriminates and denies people the freedom to exercise ordinary human rights. This is not an argument against democracy, but an argument for more of it. It argues for the fair application of the rule of law. And it argues for special attention, where necessary, to the needs of marginalized communities (including, often, indigenous peoples) and of girls and women (who generally carry the heaviest burdens of poverty and exclusion).

My second caution is that democracy is never complete, and never perfect. It is an effort, a process, a work in progress. The success of a democracy can be measured as much in the openness and equity of its procedures as in the outcomes of its policies.

I will end now where I began—by thanking the University for Peace, and by commending all of you for your dedication to the advancement of peace and development. You personify, in your own work in your own countries, and in your presence here, the importance of new knowledge in securing and sustaining democratic governance. By informing the choices of citizens and of governments, evidence-based knowledge can foster human security and human development together.

Thank you.