



Australian aid: Approaches to peace, conflict and development

SUSTAINABLE, BROAD-BASED GROWTH IS IMPOSSIBLE IN COUNTRIES WHICH CANNOT GUARANTEE PUBLIC SAFETY. AND SECURITY IS NOT MERELY A PROBLEM FOR BUSINESS. IN VIOLENT OR INSECURE ENVIRONMENTS, INEVITABLY THE POOR PAY THE HIGHEST PRICE.

THE FACTS

Since 1980, almost half of the world's least developed countries have suffered a major conflict. Over 90 per cent of wars now take place within states rather than between them. During the 1990s alone, wars claimed over 5 million lives. The toll in terms of human suffering, economic dislocation and wasted development opportunities has been enormous.

There is no direct causal relationship between poverty and conflict. Poor countries do not automatically descend into conflict and not all conflict-prone countries are poor. However, research has shown that poor countries are more at risk of violent conflict than are countries with higher per capita incomes. All other things being equal, a country with gross domestic product of \$250 per person has, on average, a 15 per cent risk of experiencing a civil war in the next five years. With gross domestic product of \$5000 per person, the risk of civil war over the same period is less than 1 per cent.

When violent conflict occurs, along with its direct consequences – military and civilian deaths, the displacement of populations and the collapse of state institutions, for example – there can be long-term political, economic, environmental and social costs that increase poverty.

Countries emerging from conflict are faced with damaged physical infrastructure, scarce employment opportunities, reduced foreign investment, increased capital flight and an inability to uphold the rule of law. Conflict leads to increased military expenditure, which diverts resources from public and social spending and contributes to poor quality education and inadequate service delivery. This effect is amplified by the reduced ability of the government to collect revenue and manage the economy due to the weakening or collapse of key state institutions.

The cycle of conflict and poverty is hard to break. Violence militates against economic growth, erodes gains made in governance and undermines public confidence in state security forces and the credibility of law-makers. Displaced populations create new pressures on marginal lands, health systems and governance structures.

The World Bank noted in its 2003 publication *Breaking the Conflict Trap – Civil War and Development Policy* that the ‘economic and health costs of conflict are not usually compensated by any post-conflict improvements in economic policy, democratic institutions or political freedom. On the contrary, all three usually deteriorate’.

AUSTRALIA’S PEACE, CONFLICT AND DEVELOPMENT STRATEGY

Over three-quarters of Australia’s major bilateral aid programs operate in countries that are experiencing, recovering from or are vulnerable to conflict.

Development assistance is one of the most effective foreign policy tools to reduce the incidence and severity of conflict. While aid is not a panacea, it can create disincentives for people to resort to violence and provide alternatives to conflict through, for example, dispute resolution. It can also help to generate employment, particularly for disenfranchised youth.

Australia’s approach to peace and conflict issues is set out in the 2002 AusAID document *Peace, Conflict and Development Policy*. This policy strengthens the aid program’s role in addressing symptoms of conflict through humanitarian relief and reconstruction. It focuses on preventing conflict and building peace by concentrating on the causes of conflict. The goal is to sensitise the development cooperation program to conflict.

Conflict and peace building are crosscutting challenges that can be in any development activity or overall approach to a country program. The approach taken in the Australian aid program to development activities in conflict-afflicted or post-conflict countries is evident in the following examples.

SOLOMON ISLANDS

Solomon Islands endured considerable challenges in the years following ethnic tensions and the coup of 2000. By early 2003 the country had many of the characteristics of a failed state – general lawlessness was growing, extortion and open corruption were rife, and government management of the economy and delivery of basic services had collapsed.

In response to this situation and a request from the Solomon Islands Government, Australia and Pacific Island Forum nations mobilised the Regional Assistance Mission to Solomon Islands (RAMSI) in July 2003. The purpose of RAMSI is to restore physical and economic stability and basic government functions in Solomon Islands. RAMSI has been able to build on work already undertaken through the aid program, which has included reducing poverty and building peace in rural areas of Solomon Islands.

AusAID’s Rural Livelihood Strategy aims to address a key structural cause of the conflict – the lack of economic opportunity and the inequitable distribution of resources. The

strategy aims to address this by providing a range of small-scale interventions aimed at developing income-generating opportunities for the approximately 85 per cent of the population living outside Honiara.

Following the violence of 2000 in Solomon Islands, the Community Peace and Restoration Fund provided a peace dividend for the entire population, particularly those in isolated rural areas. The overarching goal of the fund was to help the process of attaining peace and development by assisting communities to peacefully resolve disputes and address priority community needs. The fund met this goal by supporting more than 700 activities in education, health, community facilities, roads, training, agriculture and women's and youth welfare.

A recent impact assessment of the Community Peace and Restoration Fund concluded that it was very successful in addressing one of the main causes and consequences of the tensions – the unequal and inadequate distribution of resources and services. The work of talented and committed Solomon Islanders in provincial centres throughout the country was the key to this success. This national network will be the foundation for work under the recently commenced Community Support Program.

The Solomon Islands Law and Justice Institutional Strengthening Program seeks to address another key cause of the breakdown of peace and stability in the country – erosion of the traditional ways of managing conflict and resolving disputes. The program incorporates aspects of traditional justice and conflict resolution by enabling traditional leaders to be the interface between the modern legal system and kastom law.

Australia is also supporting a range of activities undertaken by non-government organisations that focus on supporting community resilience and promoting peace between communities.

SRI LANKA

After decades of fighting between the Government of Sri Lanka and the Liberation Tigers of Tamil Eelam, there now appear to be signs of peace, with an extended cease-fire in place. Australia is helping to build peace in Sri Lanka by focusing on removing land mines, reintegrating internally displaced persons, rehabilitating communities and empowering the most vulnerable in conflict-affected areas.

Australia has funded activities in Sri Lanka through the Australian Community Rehabilitation Program. These activities were designed to reduce the scope for conflict among communities. One activity involved women in the north and eastern districts of Ampara, Batticaloa, Jaffna, as well as displaced Muslims in Puttalam and women in central Sri Lanka and Galle. It adopted a number of approaches to improve the status of women affected by conflict by, for example, increasing their income levels through small loans and by improving the capacity of local authorities to respond to violence against women. Latrines and wells were constructed to reduce the need for women to use the forest and to reduce the time needed to collect water. In addition, workshops and youth exchanges were arranged to improve local understanding of the peace process and the role of women.

This activity was sensitive to the local factors causing conflict, which ensured that it did not contribute further to conflicts within and between local communities. This was achieved by working through community-based organisations that understood community needs and could participate in the decision-making. The activity also allowed all members in the communities to discuss the activity in open meetings or workshops, and provided opportunities for women from different parts of the country to meet and discuss their shared concerns.

A joint Canada–Australia initiative, Voices of Reconciliation: Turn Up the Volume, is to be undertaken in partnership with the

Sri Lankan Centre for Policy Alternatives. It aims to strengthen and broaden peace constituencies in Sri Lanka and reduce the potential for a return to full-blown armed conflict.

A key weakness of many of the civil society organisations in Sri Lanka is their ineffective engagement with the mainstream media. As a result, they are unable to inform and shape public opinion or raise the concerns of the public regarding the peace negotiations. As part of the initiative these organisations will have their capacity to communicate messages to the public and policy makers developed.

As well as the problems Sri Lanka's civil society organisations face in this area, there is a general reluctance within the media itself to change and reform. Media personnel are rarely given the training needed to report complex issues fairly and objectively. This problem was exacerbated by previous extensive media suppression brought about by the conflict. As a result of these factors much of the reporting in Sri Lanka is biased or skewed. The joint initiative aims to strengthen the media's capacity in reporting and to change their culture to be more sensitive to the conflict.

PHILIPPINES

The conflict and lack of security in the Philippines have a number of dimensions and complex causes. The displacement and exclusion of religious and ethnic minorities under internal migration programs, an historic neglect of Mindanao in the development programs of the Philippine Government, local disaffection with political structures and more generalised breakdowns in the systems for maintaining law and order all play a role.

Australia's aid program for the Philippines has focused on southern Philippines since the mid-1990s, in recognition of the high incidence of rural poverty and the impact of conflict. Mindanao is the primary focus

of the assistance for building peace and preventing conflict.

Australia has been the largest contributor to the United Nations Multi-Donor Program set up following the signing of the peace accord between the Government of the Philippines and the Moro National Liberation Front in 1996. The program has helped to establish 163 'peace and development communities' in former conflict areas, providing basic services, livelihood programs and capacity building. An evaluation of its third phase (2001-04) recommended that the program be continued for five years to consolidate, expand and sustain the peace-building gains.

While still focusing on the Moro National Liberation Front and its communities, the fourth phase of the program, Act for Peace, will also reach other post-conflict, conflict-affected and conflict-vulnerable communities, especially of indigenous people.

Achieving lasting peace and development in the volatile environment of Mindanao will be challenging. AusAID is developing a flexible approach that encompasses both direct peace-building activities and initiatives to strengthen relevant institutions and build the community-level constituency for peace. An expanded assistance package for Mindanao is being developed that will:

- > strengthen counter-terrorism capacity
- > support peace advocacy, training and awareness
- > improve basic education in both government and Islamic schools, and
- > foster economic development.

The UN Multi-Donor Program together with the World Bank managed Mindanao Trust Fund (MTF) will be central planks of this assistance. The MTF will support the peace process between the Moro Islamic Liberation Front and the Government of the Philippines.

BURMA

Burma remains an isolated and impoverished country with poor economic and social policies that have severely weakened its economic and social infrastructure, particularly in health and education. The underlying causes of Burma's dire humanitarian situation are political. They relate to very poor management by the state and its failure to take responsibility for the needs of the population.

Australia's assistance to Burma is primarily humanitarian and is delivered through UN agencies and local, international and Australian non-government organisations to address needs at the community level. It seeks to reach the most vulnerable, especially women and children in border areas, children and youth in conflict with the law and Burmese refugees on the Thailand–Burma border.

Through the Australian aid program the CARE Australia project, Rakhine Rural Household Livelihood Security, is focusing on returning refugee Rohingya households to Northern Rakhine State. This state is arguably one of the most impoverished areas in the country. The ethnic Rohingya population lives under very difficult economic, political and social conditions. They are denied many of their fundamental human rights, including the right to citizenship and freedom of movement. This, combined with high population densities, excessive taxation and natural disasters, contributes to critical food insecurity and a weak livelihood system for the majority of Rohingya households.

The project's goal is to substantially enhance the security of household livelihoods in two townships of Northern Rakhine State. To achieve this, the project will scale up interventions that have proved their value under a previous project. These included establishing community forestry, mobilising women's savings, setting up income

generation groups and improving access to health services. Under the previous project landless non-citizen Rohingyas gained formal title to community forestry land and as a result, average total household assets doubled.

The new project will benefit more than 80,000 people and it is anticipated that CARE Australia will replicate the project in Chin State.

FURTHER INFORMATION AND RESOURCES

AUSTRALIA'S POLICY

AusAID, Peace, conflict and development policy, www.ausaid.gov.au/publications/pdf/conflict_policy.pdf, Canberra, June 2002.

OTHER INFORMATION

www.womenwarpeace.org
(UNIFEM Portal on Women War and Peace)

www.undp.org/bcpr
(UNDP Crisis Prevention and Recovery)

www.un.org/Depts/dpko/lessons
(Peacekeeping Best Practices)

www.un.org/womenwatch/daw/public/eWPS.pdf
(Women, Peace and Security Publication)

www.cdainc.com
(Collaborative for Development Action Inc.)

www.ipacademy.org
(International Peace Academy)

www.med.unsw.edu.au/SPHCMWeb.nsf/page/AUSCAN
(The School of Public Health and Community Medicine is researching the interface between health and conflict and documenting best practice)



MORE INFORMATION ABOUT AUSTRALIAN AID

Further information about the Australian Government's overseas aid program is available online at www.aisaid.gov.au

Australian Agency for International
Development (AusAID)
GPO Box 887
Canberra ACT 2601 Australia
Telephone (02) 6206 4000

FRONT COVER IMAGE: A young Solomon Islander displays her hope for the future. Australia and other Pacific nations are working to rebuild peace and stability in the Solomon Islands through the Regional Assistance Mission to Solomon Islands (RAMSI). PHOTO: Gary Ramage

BACK COVER IMAGE: Sri Lanka: Radha 29 (Projects Co-ordinator, left) talks to a widows group. They meet once a week to discuss various issues to help rebuild their lives after being displaced by conflict. PHOTO: Will Salter

Published November 2005

www.aisaid.gov.au