

Peace and Conflict Impact Assessment (PCIA) of Swedish Development Cooperation with Sri Lanka

March 2001

Kenneth Bush



SWEDISH INTERNATIONAL DEVELOPMENT
COOPERATION AGENCY

Department for Cooperation with Non-Governmental
organisations and Humanitarian Assistance

Foreword

Since 1998 the Swedish Development Cooperation with Sri Lanka through Swedish International Development Cooperation Agency, Sida, should have a conflict perspective.

This prompted Sida to learn more and to put its own work under the scrutiny of some of the methods that have been discussed and used in the work to develop the DAC Guidelines on Conflict, Peace and Development Co-operation. Dr Kenneth Bush was asked to look at the Swedish Development Cooperation with Sri Lanka, and to make a Peace and Conflict Impact Assessment (PCIA) of it.

The report at hand is thus an example of how PCIA can be used. For Sida it is a pilot-case that demonstrates the method on a country and project-level. The report, however, gives much information on Sri Lanka and development cooperation, and will be important for coming reviews of the cooperation between Sweden and Sri Lanka.

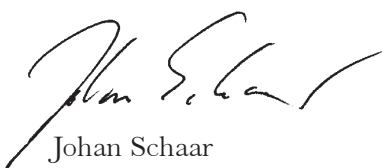
The initiative to the study was taken by the Division for Humanitarian Assistance and Conflict Management, Sida, in collaboration with the Embassy of Sweden in Colombo.

The views and interpretations expressed in this document are the author's and do not necessarily reflect those of the Swedish International Development Cooperation Agency, Sida.

September, 2001



Börje Mattsson
Chargé d'affaires
Embassy of Sweden, Colombo



Johan Schaar
Head of Division
The Division for Humanitarian Assistance
and Conflict Management, Sida

Table of Contents

Introduction to the Study	1
I Introduction to Peace and Conflict Impact Assessment (PCIA)	2
The Idea and Practice of Peace and Conflict Impact Assessment (PCIA).....	2
Figure 1: Five Areas of Potential Peace and Conflict Impact	5
Related Principles, Terms, and Issues	6
“Peacebuilding”	6
<i>Peacebuilding-As-Impact</i>	6
<i>Conflict</i>	7
II Setting the Context: ODA and Militarized Violence in Sri Lanka	8
A cursory Review of Conflicts in Sri Lanka	8
Donor views of violent conflict in Sri Lanka	8
Chronology of Donor Responses to the Conflict	11
Patterns of ODA Flows to Sri Lanka	13
Swedish ODA to Sri Lanka	15
III Peace and Conflict Impact Scan of Selected Sida-supported Activities	16
 PROJECT: Electrification Project	17
Project Description	17
Initial Scan for Potential Peace or Conflict Impact Issues	17
Analytical Discussion	18
Sida – What to do?	20
<i>Corruption and Politicization</i>	20
<i>Working in the North and the East: Use Electricity Distribution as a</i>	
<i>Confidence Building Measure</i>	20
<i>Governance Investments Through Rural Electrification</i>	21
 PROJECT: Agricultural and Fisheries Inputs for Resettled Farmers	
 and Fishermen	21
Project Description	21
Initial Scan for Potential Peace or Conflict Impact Issues	22
Analytical Discussion	22
<i>Political Sensitivities and Weli Oya</i>	23
Sida – What to do?	24
 PROJECT: Integrated Rural Development Project (IRDP)	
 – Plantation Sector	25
Project Description	25
Initial Scan for Potential Peace or Conflict Impact Issues	25
Analytical Discussion	25
<i>Political Volatility in the Plantation Sector</i>	25
<i>IRDPs in the Plantation Sector</i>	27
<i>Ad Hoc Conflict Management and Conflict Avoidance Mechanisms</i>	28
<i>IRDP Reinforcement of Authoritarian Control on the Tea Estates?</i>	28

PROJECT: Research Cooperation	29
General Observations: The PCIA Dimensions of Research	29
<i>“Problematization”</i>	29
<i>Harnessing Epistemic, Experiential, and Political Power</i>	30
Sida-specific Observations	30
Recommendation	32
Description of Project	32
<i>Initial Scan for Potential Peace or Conflict Impact Issues</i>	32
PROJECT: Education for Peace and Democracy	33
Project Description	33
Analytical Discussion	34
IV Peace and Conflict Impact Considerations for Swedish ODA to Sri Lanka ..	35
The Modalities of Swedish Development Assistance in Sri Lanka	35
Avoiding the Ghettoization of Peace Work	38
Integrating, rather than separating, the two-fold emphasis of the 1998–2000	
Country Strategy: Peace and Democracy; and Economic Development which	
Supports the Poor	39
The Use of Preparedness Planning as an Incentive for Peace	39
The Potential Conflict Impact of Rapid Economic Growth	40
The Emptiness of Discussions About Economic Restructuring if the	
Militarized Economy is Ignored	41
<i>The Armed Labour Force</i>	41
Economic Development that Benefits the Poor Within the Context of	
Liberalizing Economy	43
<i>Critical Dates in the Economic Health of Sri Lanka</i>	43
The 1983 Riots	44
V Conclusions and Recommendations	46
Bibliography	47

Appendices 57

Appendix I:

Terms of reference for assessment of the peace and conflict impact of
Swedish development cooperation with Sri Lanka 58

Appendix II:

Translation of country strategy for the development cooperation between Sweden
and Sri Lanka, 1998–2000 61

Appendix III:

Kenneth Bush, A Measure of Peace: Peace and Conflict Impact Assessment (PCIA) of
Development Projects in Conflict Zones, Working Paper #1, (Ottawa: International
Development Research Centre, 1998). 73

Appendix IV:

A Case Study of Two Water Projects in Sri Lanka with Opposite Impacts on the
Incentive Structure for Peace and Conflict: The Mahaweli/Madura Oya Project
and the Gal Oya Project 96

Appendix V:

Does oda subsidize military expenditures and militarization in Sri Lanka? 99

Appendix VI:

Short Articles on CEB, Corruption, and Mismanagement 102

Appendix VII:

CONCLUSION to: Bush and Saltarelli, *The Two Faces of Education in Ethnic Conflicts:
Towards a Peacebuilding Education for Children*, Innocenti Insights, UNICEF International
Child Development Centre, Florence, Italy, 2000. www.unicef-icdc.org/pdf/twofaces.pdf .. 103

Peace and conflict impact assessment (PCIA) of Swedish development cooperation with Sri Lanka

A report prepared by Kenneth Bush¹

Introduction to the study

Peace and Conflict Impact Assessment (PCIA) is a means of anticipating (pre-project, as far as possible), monitoring (in-project), and evaluating (post-project) the impacts of proposed, on-going, and completed development projects on: 1) those structures and processes which strengthen the prospects for peaceful coexistence and decrease the likelihood of the outbreak, reoccurrence, or continuation, of violent conflict, and; 2) those structures and processes that increase the likelihood that conflict will be dealt with through violent means.

In late 2000, the Embassy of Sweden in Colombo requested a review its development programming in Sri Lanka through the lens of PCIA, motivated, in part, by the introduction of a new Country Strategy Framework in 1998 which has the goal of “promot[ing] development which is characterized by peace and democracy and which includes sustainable economic development which benefits the poor.”²

The current study is one of the first attempts to apply a peace and conflict impact analysis to a development programme in Sri Lanka.³ At the outset of this report, it is useful to begin by noting a few caveats.

First, in light of the short amount of time allocated to the preparation of this report, it should not be seen as a full or comprehensive evaluation of the Swedish development programme – which has been operational in Sri Lanka since 1959. The preparation of a comprehensive report would require intensive and extensive interviews with those involved in past and current projects and programmes in Stockholm, Colombo and field sites throughout the island. This detailed information would then need to be set in the context of changes in the levels and dynamics of militarized violence (at local and national levels) over time. This would be a fascinating exercise, but it is well beyond the scope of this study. Rather, the current document provides a general review and assessment of *selected* projects and programming sectors as well as the current country strategy for development cooperation between Sweden and Sri Lanka (largely based on documentary material). This study might more accurately be called a *scan* of peace and conflict impact of selected Swedish development initiatives, rather than a comprehensive assessment (See ToRs in Appendices).

Second, and relatedly, the projects which were highlighted for particular attention by the Embassy are largely recent undertakings. Indeed, many are on-going projects. Thus, the utility of PCIA lies not so much in the assessment of direct on-the-ground *impact* because of a lack of operationalization or insufficient time for peace or conflict impacts to become apparent. Rather, its utility lies in its potential as a analytical programming and planning tool to (1) suggest questions that must be answered before moving ahead with a project, (2) outline possible modifications that might be made to the project in order to amplify positive peacebuilding impact and to avoid or dampen potential peace-destroying impacts and (3) help guide the monitoring of a project by highlighting areas of potential peace or conflict concern.

Third, we should bear in mind the need for humility and the omnipresent possibility that changes in the peace and conflict conditions at local, regional, and national levels are the result of non-project factors. And, as any-

¹ I would like to thank the staff of the Swedish Embassy in Colombo for their assistance in the preparation of this report – in particular Stina Karlton for moving the idea for this study forward. Camilla Orjuela of the Department of Peace and Development Research, Gothenburg University, was especially helpful in her research assistance for this study. The views expressed in this study are mine alone. They do not necessarily represent the views of the Swedish Embassy in Colombo or the Swedish Government.

² *Translation of Country Strategy for the Development Cooperation Between Sweden and Sri Lanka 1998–2000*, (Passed by the Swedish Government on 5 February 1998), February 15, 1998. (Mimeo).

³ For other related efforts, see Frerks and van Leeuwen (2000) and Bush (1999). Noteworthy in other country contexts are: Chr. Michelsen Institute and Nordic Consulting Group (1997) for Mozambique; and Joint Evaluation of Emergency Assistance to Rwanda (1996) for Rwanda. Very recently, SIDA released a three volume study of its peacebuilding projects in selected war-affected countries. [insert reference]

one who has tried to work in Sri Lanka knows, under the current “political dispensation” the Ministry of Defence or “Men in Khaki” have disproportionate power (if not a veto) over all decisions and activities related to peace and conflict in the North and East of the country.

Fourth, PCIA should be seen as a reconstructive and interpretive exercise. It is more of an art than a hard science in the sense that it is founded on an examination of a project within a “thick” understanding of the social, political, and economic context of the immediate and broader setting – in this sense it is no different from assessments of environmental impact or gender-impact. As amply illustrated below, this does not mean that this exercise is not empirically based.

Fifth and finally, one must note the relatively small size of Sida Development Programme in Sri Lanka, and the consequent need to calibrate expectations regarding the scale and scope of potential impact the dynamics of

The ability of international donors to exercise a positive and lasting peace-building impact is diminished to the extent that the largest and most influential donors are not on board....

peace and conflict in Sri Lanka. As discussed further below, it is important to recognize that the ability of international donors to exercise a positive and lasting peacebuilding impact is diminished to the extent that the largest and most influential donors are not on board, *i.e.*, the World Bank, the Asian Development Bank, and Japan. As was pointed out in discussions with the Colombo donor community, there appears to be a negative correlation between size of ODA budget in Sri Lanka and the level of self-consciousness about the potential peace and conflict impact of development programming in war-prone regions (though this appears to be changing slowly). That is, the larger the development programme, the less likely it is that peace and conflict issues will be incorporated explicitly and systematically into interventions. This underscores the need for concerted, consistent,

and coherent approaches by the donor community as a whole (most certainly, the most powerful actors) as well as by individual donors and implementing actors.

In an effort to illustrate both *how* PCIA might be applied, as well as *what* it might reveal when it is applied, we have inserted self-conscious and explicit discussions of issues that might arise, and therefore should be considered before, during and after a development intervention in conflict-prone areas. As noted above, in order to adequately interpret the past or potential peace and conflict impact of an initiative, a “thick understanding” of context is essential. For this reason, the discussion of projects – both those for which interviews were possible, but also for those for which they were not possible – is heavy on contextual analysis as a means of illuminating potential peace or conflict impacts.

The study is structured as follows. The first section introduces the concept of Peace and Conflict Impact Assessment, and sketches out some of the most critical issues for Sweden (and other donors) concerning the inter-relationships between development assistance and militarized violence in Sri Lanka. In the second section of the paper, attention turns to a more specific scan of the potential peace or conflict impacts of selected Sida-supported development initiatives. The paper concludes with a more detailed discussion of the Swedish Country Strategy for Sri Lanka.

I Introduction to peace and conflict impact assessment (PCIA)

The Idea and Practice of Peace and Conflict Impact Assessment (PCIA)⁴

PCIA is premised on the belief that the incorporation of peace and conflict issues into the formulation, implementation, operation, and evaluation of development projects is best undertaken through a process analogous to that used to introduce gender and the environment into mainstream development thinking and practice. That is, until we developed the analytical, programming, and evaluation tools to monitor and assess the impact of our development work on gender relations and the environment, our understandings of linkages and impact were only impressionistic – and thus non-cumulative. Hence, our understandings of these particular dimensions of development work did not cohere in a body of policy-relevant knowledge because of the difficulties of

⁴ This section draws directly from Bush 1998.

comparing and refining understandings across cases in different sectors and geographical regions. PCIA is an attempt to develop and apply systematic analogous analytical and programming tools.

The integration of peace and conflict concerns into our development thinking calls for the construction of the conceptual and evaluation tools that may be applied *to the full range of development activities in conflict-prone regions*, from traditional development projects in education, agriculture, communications, research, and health, as well as to more overtly political projects in “good governance,” democratic development, and human rights

The peace and conflict impact assessment of development projects differs from “evaluation” in the conventional sense because its scope extends far beyond the *stated* outputs, outcomes, goals and objectives of conventional development projects or programmes. Rather, it attempts to discern a project’s impact on the peace and conflict environment – *in areas it may not have been designed explicitly to affect*.

The term and idea of “Peace and Conflict Impact Assessment” or “PCIA” was first introduced into the Northern donor lexicon in a 1996 CIDA-sponsored paper for the OECD Task Force⁵ on Conflict, Peace and Development Cooperation entitled, ““Good Practices for the Peace and Conflict Impact Assessment (PCIA) of Development Projects.””⁶ The idea was further refined and developed in an International Development Research Centre Working Paper entitled, *A Measure of Peace: Peace and Conflict Impact Assessment (PCIA) of Development Projects in Conflict Zones* (Bush 1998). The operationalization of the idea progressed slowly in various (usually uncoordinated) efforts by a range of governmental, non-governmental, and multilateral actors including: CIDA; the Canadian Department of Foreign Affairs and International Trade; DFID; the International Development Research Centre; the Canadian Public Health Association (International Programmes); the World Health Organization; the World Bank; the Conflict Prevention and Post-Conflict Reconstruction (CPR) Network; and others.

In many cases however, the rush to “capitalize upon” and “implement” PCIA would seem more closely related to the “commodification of peacebuilding”⁷ than an awareness or acceptance of the profoundly transformational implications of PCIA for the standard operating procedures of our standard development practices. That is, if taken seriously, PCIA challenges both donors and operational development actors to fundamentally rethink all of their work in areas prone to militarized violence.⁸ “Add-PCIA-and-Stir” approaches are no more appropriate today than “Add-Gender-and-Stir” approaches were twenty years ago. Despite rhetorical support for the need to “mainstream” PCIA, efforts are hampered by conceptual confusion and bureaucratic resistance to internal and operational changes.⁹

... the incorporation of peace and conflict issues into the formulation, implementation and evaluation of development projects is best undertaken through a process analogous to that used to introduce gender and the environment into mainstream development thinking and practice.

In many cases however, the rush to “capitalize upon” and “implement” PCIA would seem more closely related to the “commodification of peacebuilding”¹ than an awareness or acceptance of the profoundly transformational implications of PCIA

...if taken seriously, PCIA challenges both donors and operational development actors to fundamentally rethink all of their work in areas prone to militarized violence

⁵ This DAC body was subsequently transformed first into a “Working Group,” and then into a “Network.”

⁶ “Good Practices for the Peace and Conflict Impact Assessment (PCIA) of Development Projects,” A Paper Prepared by Kenneth Bush for CIDA for the OECD DAC Task Force on Conflict, Peace and Development Cooperation, Paris, Sept 1996.

⁷ The commodification of peacebuilding refers to “initiatives that are mass-produced according to blue prints that meet Northern specifications and (short-term) interests, but that appear to be only marginally relevant or appropriate for the political, social, and economic realities of war-prone societies” (Bush 2001).

⁸ This report uses the term ‘militarized violence’ rather than ‘war’ because it conveys a more accurate sense of the nature of violent conflict in Sri Lanka. While it includes conventional military engagements between organized forces of war, it also encompasses the full spectrum of abuses that defines ‘dirty wars’ around the world perpetrated by (primarily, though not exclusively) men, in or out of a uniform. It thus includes control through terror and the manipulation of fear, the systematic abuse of human rights, and a totalizing process by which all social, political, and economic problems come to be defined as military problems – and, as military problems, the most suitable response is deemed automatically to be the application of the weapons of war.

⁹ Conceptual confusion is evident in recent initiatives by International Alert, Saferworld, and the International Development Research Centre. See: International Alert/Saferworld 2000. Similarly, DFID 1999 drops “peace” from its study on “Conflict Impact Assessment” resulting both in an unfortunate acronym (CIA), and in an apparent failure to recognize the intimate inter-connectedness of the two fundamental components of the peacebuilding process: the *deconstruction* of the structures of violence and the *construction* of the structures of peace as intimately interconnected components of the peacebuilding process (as discussed further below).

More worryingly, Southern voices have been almost wholly excluded from an increasingly donor-driven exercise – the very source of the original articulations of the idea of PCIA.

More generally, Peace and Conflict Impact Assessment challenges one of the most problematic and under-examined assumptions of the development process, namely that ‘development equals peace’, and by extension, that ODA invariably contributes to peace. In the past, peace and development were viewed as being synonymous or co-dependent. In some cases, this continues to be the dominant developmentalist dogma. While this is sometimes true, often it is not.

Logically, if ‘development equaled peace’, then conflict should diminish as a country ‘develops’, but this was not what has happened in Sri Lanka. Indeed, violence escalated alongside a significant improvement in living standards for some segments of the population and a surprisingly robust rate of national economic growth (in light of the costs of war). Thus, despite the fact that the infrastructure, economy and population in the North and North East have been ravaged by war, the economy *at the macro level* has continued to grow strongly.¹⁰

PCIA challenges one of the most problematic and under-examined assumptions of the development process, namely that ‘development equals peace’

It appears that in many cases the very process of development aggravates conflict in a variety of ways, by: 1) exacerbating perceived and real socio-economic inequalities; 2) privileging certain groups over others; 3) increasing the stakes in the competition for political control; 4) introducing new structures and institutions which challenge the old ones, and so on. Further, we need to bear in mind that under conditions of ‘ethnicized conflict’, identity is mobilized and politicized through violence. The result is the politicisation of ethnicity and the ethnicization of politics.¹¹ Consequently all social, political, and economic life comes to be defined and strained through the lens of ethnicity. Under such conditions, international interventions (developmental, humanitarian and economic) will

unavoidably have an ethnic impact, due as much to the context of intervention as to the content.

At the risk of being unduly didactic, the hypothetical examples below illustrate how it is possible for a project to fail according to limited developmental criteria (*e.g.*, irrigation targets, health care delivery, literacy levels) but to succeed according to broader peacebuilding criteria.

Example 1: Developmental Failure, Peacebuilding Success

It is quite possible that a project may *fail* according to limited developmental criteria/indicators (*e.g.*, irrigation targets, health care delivery, literacy rates) but *succeed* according to broader peacebuilding criteria/ indicators. For example, an education project may fail to produce students able to pass state-wide exams, but succeed in reducing tensions between particular social groups by creating and institutionalizing a non-threatening and constructive environment which increases contact and decreases misunderstanding by dispelling stereotypes and misconceptions. Unless there is a sensitivity to the peace nurturing achievements of this hypothetical project, then it would be cast as an unsuccessful project, that is, its negative developmental impact would eclipse its positive peacebuilding impact.

Example 2: Developmental Success, Peacebuilding Failure

The converse of the above also holds true. It is possible for a project to *succeed* according to established developmental criteria but *fail* in terms of peace nurturing. To continue with the hypothetical example above: an education project may indeed succeed in increasing the number of students which pass the state-wide examinations, however, if the bulk of those students are (or are perceived to be) members of one particular social or ethnic group, then the project may exacerbate inter-group tensions by creating/reinforcing the perception that one group is being privileged at the expense of the other.

¹⁰ This is not to suggest that economic growth is necessarily reflected in an increase in standards of living for all sectors of a population – which is why it is important to highlight that in the Swedish Development Frame, one of the goals is economic development *which benefits the poor*.

¹¹ The “politicization of ethnicity” refers to the process by which anthropological details of individual and group identities become politically salient dividing lines between groups. Often, this is a process which is facilitated by favoritism (real and perceived) in the allocation of “public” resources by governments as well as by international actors. The “ethnicization of politics” refers to the ways in which the formal political process comes to be structured according to ethnic identities and differences, *e.g.*, the appearance of political parties based on ethnicity or calls for ethnic quotas.

As the development assistance industry is currently configured, the funding for second project is more likely to be renewed over the first one – unless conflict conditions deteriorated to the extent that it was decided that continuation was too risky for project staff, in which case the postponement/termination of the project would be blamed on the impact of the conflict on the project rather than the impact of the project on the conflict.

A full discussion of the conceptual and practical parameters of Peace and Conflict Impact Assessment is included in the Appendix. Here, it is sufficient to note five areas of potential peace and conflict impact. They are intended to be suggestive, rather than definitive. Some – or none – may apply to any given case. The very specific details (and indicators) of impact will ultimately be culled from the project site itself.

Figure 1: Five Areas of Potential Peace and Conflict Impact

POTENTIAL PEACE & CONFLICT IMPACT AREAS	EXAMPLES
Institutional Capacity to Manage/Resolve Violent Conflict & to Promote Tolerance and Build Peace	Impact on capacity to identify and respond to peace and conflict challenges and opportunities; organizational responsiveness; bureaucratic flexibility; efficiency and effectiveness; ability to modify institutional roles and expectations to suit changing environment and needs; financial management.
Military and Human Security	Direct and indirect impact on: the level, intensity, dynamics of violence; violent behaviour; in/security (broadly defined); defence/security policy; repatriation, demobilization and reintegration; reform and retraining of police and security forces/structures; disarmament; banditry; organized crime.
Political Structures and Processes	Impact on formal and informal political structures and processes, such as: government capabilities from the level of the state government down to the municipality; policy content and efficacy; decentralization/concentration of power; political ethnicization; representation; transparency; accountability; democratic culture; dialogue; conflict mediation and reconciliation; strengthening/weakening civil society actors; political mobilization. Impact on rule of law; independence/politicization of legal system; human rights conditions; labour standards.
Economic Structures and Processes	Impact on strengthening or weakening equitable socio-economic structures/processes; distortion/conversion of war economies; impact on economic infrastructure; supply of basic goods; availability of investment capital; banking system; employment impact; productivity; training; income generation; production of commercial product or service; food in/security; Impacts on the exploitation, generation, or distribution of resources, esp. non-renewable resources and the material basis of economic sustenance or food security.
Social Reconstruction and Empowerment	Impact on: quality of life; constructive social communication (e.g., those promoting tolerance, inclusiveness and participatory principles); displaced people; in/adequacy of health care and social services; in/compatibility of interests; dis/trust; inter-group hostility/dialogue; communications; transport); resettlement/displacement; housing; education; nurturing a culture of peace.

(Bush 1998)

Related Principles, Terms, and Issues

“Peacebuilding”¹²

The concept of peacebuilding is foundational to the current study. Because language is the basis for action, it is appropriate to begin by revisiting the term, particularly in light of the intentional and unintentional fuzziness in its current use.¹³

In this report, “peacebuilding” is used in its broadest sense to refer to those initiatives which foster and support sustainable structures and processes which strengthen the prospects for peaceful coexistence and decrease the likelihood of the outbreak, reoccurrence, or continuation, of violent conflict. This process entails both short- and long-term objectives, for example, short-term humanitarian operations and longer-term developmental, political, economic, and social objectives. Peacebuilding, therefore, is a two-fold process of *deconstructing* the structures of violence, and *constructing* the structures of peace. These are two inter-related, *but separate*, sets of activities which *must be undertaken simultaneously*. Any intervention which includes one without the other is guaranteed to fail to have a net positive peacebuilding impact. Clearly, the instruments required for peace construction (such as those for building trust within and between communities) are different from those required for deconstruction (such as disarmament, demobilization, and the demilitarization of society, economy and polity).

Peacebuilding is a two-fold process of *deconstructing* the structures of violence, and *constructing* the structures of peace

Peacebuilding is not about the imposition of “solutions,” it is about the creation of opportunities. The challenge is to identify and nurture the political, economic, and social space, within which *indigenous* actors can identify, develop, and employ the resources necessary to build a peaceful, prosperous, and just society. Put another way, genuine peacebuilding requires the inversion of the increasingly typical Northern controlled, top-down, approaches. And ultimately, peacebuilding entails the strengthening or creation of those structures and processes that are democratic, fair and responsive to the needs and concerns of an entire population, from the weakest members to the most powerful – *e.g.*, institutions which protect and advance the political rights and responsibilities between the state and civil society, and which strengthen human security through the promotion of robust and sustainable economic, judicial and social practices.

It cannot be over-emphasized that at its essence, *peacebuilding is an impact or outcome rather than a type of activity*

This is a only working definition. It is meant to guide our thinking, not to constrain it. The principal or cardinal concepts that guide or undergird our work should be revisited regularly. Unfortunately, this has not been a characteristic of the peacebuilding dialogue internationally.

Peacebuilding-As-Impact

It cannot be over-emphasized that at its essence, *peacebuilding is an impact or outcome rather than a type of activity*. Over the last few years, peacebuilding instruments have typically focussed on such activities as human rights projects, security sector reform, democratic institution strengthening, public sector reform, and more nebulously, “good governance” projects. While these activities *may have* had positive impacts on the peace and conflict environment, there are also cases where they have had negative impacts (Anderson 1999; Bush 2001). That is, there are instances where “peacebuilding projects” have had peace destroying impacts.¹⁴ It is therefore essential that we consider (even emphasize) the peacebuilding and peace-destroying potential of all interventions in conflict prone regions, in particular those *development* activities that

¹² This definition is first introduced in Bush, “Towards a Balanced Approach to Rebuilding War-Torn Societies,” *Canadian Foreign Policy*, Vol III, No. 3 (Winter 1996), pp. 49–69.

¹³ Here, I recall the convenient assertion by a former military officer that peacebuilding was simply subset of peacekeeping. He simply replaced “peacekeeping” with “peacebuilding” in his presentations and funding applications. This is a fine example of the way in which institutional interests define terms to suit their existing resources and skill sets.

¹⁴ Iain Guest of the Overseas Development Council, in an editorial entitled “Misplaced Charity Undermines Kosovo’s Self-Reliance,” develops the contentious argument that the \$456 million UN Mission in Kosovo (UNMIK) operation – which included peacebuilding components – “was squandered on a foreign-driven emergency relief operation that has undermined Kosovo’s [significant] indigenous capacity for recovery.” (Guest 2000). The same observation is made regarding Conflict Resolution Workshops in the Republika Srpska (“RS”) of Bosnia Herzegovina (Bush 2001).

are not conventionally framed or analyzed in this context – for example, activities and initiatives in agriculture, irrigation, health, education, and so on. Not only are such initiatives or instruments far more prevalent than “peacebuilding” projects, but they are less likely to be viewed as being as overtly “political” and therefore are less likely to encounter political flak. If we understand peacebuilding as an impact, then it is necessary to delineate the “peacebuilding impact” of an initiative, from its developmental impact, economic impact, environmental impact, gender impact and so on. When we do so, we see that positive humanitarian or developmental impacts are, at times, coincident with positive peacebuilding impact, but disturbingly, sometimes they are not.

Understanding peacebuilding as impact is especially relevant to the 1998 Sida Country Strategy for reasons discussed more fully below. One of the most significant programming implications is that it is neither necessary, nor advisable, for Sida to reject its past work in “traditional” development initiatives (for example, in education and rural development) in order to address the Country Strategy’s explicit priority on “peace and democracy.” The challenge is to strengthen and amplify the *peacebuilding/peace and democracy impact* of its traditional work.

Conflict

Conflict should not be seen to be a necessarily negative or destructive phenomenon. In essence, development is *inevitably* conflictual, destabilizing, and subversive because it challenges established economic, social, or political power structures which inhibit individuals and groups from pursuing their full potential. However, there is a need to maintain a clear distinction between violent and non-violent conflict. While PCIA focuses more on violent, rather than non-violent conflict, it has a special interest in those liminal moments at which non-violent conflict “turns” (“re-turns”) violent and is militarised. PCIA views the presence or absence of conflict mediating mechanisms and institutions¹⁵ to be central factors influencing whether a conflict passes the threshold into violence – this might include representative political systems, a transparent and fair judicial system, an equitable social system, and so on. Some have argued that violent conflict is the ultimate expression of the breakdown of a society’s systems of governance, and that reconstruction therefore rests primarily upon the renegotiation and refashioning of new systems of governance at the community, sub-national and national level. Thus, “reconstruction” requires strategies and interventions to promote institutional arrangements that can facilitate and sustain the transition from violent conflict to sustainable development. An appealing feature of this kind of approach is the way its analysis of the problem is tied directly to an understanding of the nature of solutions.

Despite an emphasis on the institutional dimensions of violence and peacebuilding, PCIA also appreciates the variations of, and the connections/disconnections between, different manifestations and types of violence. In the Sri Lankan case, this would include: LTTE-SLA violence; legacies of JVP violence; simmering Plantation Sector violence; election violence and inter-Political Party violence; militarized criminal activity and corruption. None of the contemporary manifestations of violence in Sri Lanka are *sui generis*. They follow the trajectory of societal and political developments in the country over time. An understanding of the present requires a consideration of its linkages to the recent and distant past, as well as immediate coincidental events. The implication for the application of PCIA is that it underscores the need to peel away the multiple layers of violence to build a sense of their interconnections, dynamics, histories, contexts, and trajectories.

... PCIA underscores the need to peel away the multiple layers of violence to build a sense of their interconnections, dynamics, histories, contexts, and trajectories.

And finally, it is necessary to point to the problematic question of the legitimacy of using force to affect change. There are many ways to change economic, social, and political structures – implicit or explicit violent modalities are certainly included within the menu of options (*e.g.*, support for armed resistance, the threat or use of militarized force, and so on). Under some conditions such violence *may be* required to affect change. However, this option cannot be legitimate within a *genuinely developmentalist* approach to change. The application of violence might be justified using consequentialist logic (the end justifies the means), but it cannot be justified or

¹⁵ The term “conflict mediating” is used self-consciously to refer to mechanisms that manage, resolve, or settle conflicts and disputes non-violently as they arise. These are distinct from “conflict dampening” mechanisms which have as their primary objective the limitation of the level of conflict using whatever means are deemed most effective, whether violent or non-violent. For example, in South Africa the apartheid system was certainly successful in dampening anti-apartheid challenges, but it did so through direct and indirect mechanisms of violence - using everything from security forces, to urban planners, to structural violence of poverty, illness, and illiteracy.

legitimized using developmental logic.¹⁶ Furthermore, violence is a particularly blunt instrument that: 1) is prone to generating unanticipated, unintended, and uncontrollable consequences; and 2) risks legitimating the use of violent force as a means of conflict resolution.

II Setting the context: ODA and militarized violence in Sri Lanka

A cursory review of conflicts in Sri Lanka

This report has neither the space nor the mandate to undertake a detailed examination of the dynamics and history of militarized violence in Sri Lanka. The reader is directed towards the bibliography for more detailed studies in this area. However, any examination of Sri Lanka must begin by acknowledging that it is a country characterized by simultaneous integration and disintegration, as illustrated in a knot of anomalies and incongruities that confounds the critical observer and, more importantly, *serves to sustain* a crisis of governance which has degenerated into protracted, militarized violence. Thus, Sri Lanka is a country which:

- enjoys high levels of literacy and life expectancy, but has seen over 70,000 people killed or disappear in political violence since 1983;
- saw 1,400 troops killed in one 36-hour battle in late 1998, but rarely sees such events make the front pages of the international newspapers;
- saw its economy grow by 6.4% in 1997, but has the second highest level of military expenditure as a percentage of GDP (6%);
- is a democracy where women have had the vote decades longer than their counterparts in some cantons of Switzerland, but where emergency regulations govern public life, and the military makes the key decisions affecting the lives and livelihoods of the population in one-third of the island; and
- has an open market economy, but 32% of income transfers to rural areas come from army recruitment and compensation (Dunham and Jayasuriya 1998).

Sri Lanka is a country characterized by simultaneous integration and disintegration, as illustrated in a knot of anomalies and incongruities that confounds the critical observer and, more importantly, *serves to sustain* a crisis of governance which has degenerated into protracted, militarized violence.

To further complicate matters, militarized violence on the island is not confined to a single conflict. Rather, the country has been wracked by multiple conflicts that have varied in intensity, as well as geographically and temporally. Often these conflicts intersect at international and very local levels, but sometimes they do not.

Where does this thumbnail sketch of Sri Lanka leave us? It should, at a minimum, induce a considerable degree of caution in (1) making comparisons between the Sri Lankan experience and that of other war-affected countries and (2) applying lessons or approaches from other countries to Sri Lanka.

Donor views of violent conflict in Sri Lanka

In 1981, the simmering violence in Sri Lanka was all but invisible to most students of international politics including international donors. Indeed, the island was still portrayed as a “model Third World democracy.” The overall quality of life was high and as Mick Moore puts it, Costa Rica and Sri Lanka “could once have been seen as staging posts on the road to a social democratic utopia” (1990: 347). Sri Lanka was an envied anomaly because of its ability to maintain such a relatively high standard of living despite its low GNP per capita.

¹⁶ For a contrary view which recommends that NGOs should “consider the privatization of security” (translation: “the use of mercenaries”) for “humanitarian purposes,” see the CARE Canada-sponsored study entitled *Mean Times: Humanitarian Action in Complex Political Emergencies*. (Bryans, Jones, and Stein 1999). If acted upon, this would unavoidably militarise both humanitarianism and peacebuilding. If armed forces employed by so-called “humanitarian” actors are to be used for something more than window dressing, then at some point they will have to pull their triggers. In crude terms, the authors of the study must answer the question: what is an acceptable ratio of “locals” killed to assistance delivered?

In retrospect, this the problem of invisibility lay not just the fact that the conflict was neglected, or that subsequent violence was unanticipated – since this might be explained away as the result of the relatively unimportant status of Sri Lanka in international politics. Rather, a larger analytical issue becomes apparent when one reviews the published accounts of ethnic relations in Sri Lanka: the analysis and explanation of the patterns of conflict tend to differ substantially depending on whether they were written before or after the escalation of violence following the 1983 Riots. Post-1983 discussions tend *not* to ask the questions of why or how that “model Third World democracy” was transformed into what Robert Oberst once labelled “the Beirut of South Asia.” Instead of examining the disintegration of Sri Lanka as a transformation, there has been a *tendency to anachronistically project the Tamil-Sinhalese divide of today onto the reading of the past*. Thus, the dominant tendency of both researchers and donors has been a myopic focus on the perceived *continuity* of violence in Sri Lanka rather than its *discontinuity* (or fluctuation).¹⁷

Thus, Sri Lanka tends to be a case which illustrates the projection of a pattern of continuity onto conflict which is discontinuous, variable, and nuanced. The high levels of present violence are projected onto the past resulting in the distortion of our understanding of the underlying dynamics of violent identity-based conflict. There are clear policy implications which follow from this analytic predisposition: development initiatives which focus narrowly on structures and processes of ethnicized violence are doomed to fail, unless there are complementary efforts to nurture and build those inter-group institutions of co-operation and peaceful coexistence that are evident in both historical and contemporaneous inter-group relations.

Even today, in the midst of severe violence, there exist pockets and processes of inter-group co-operation and peaceful coexistence. The violence and group boundaries are not continuous, undifferentiated, or impenetrable. Sri Lanka exhibits a pattern identical to that identified by Edward Azar in his studies of the Middle East: “Conflictual and cooperative events flow together even in the most severe of intense conflicts. Cooperative events are sometimes far more numerous than conflictual ones even in the midst of intense social conflict situations. However, conflictual events are clearly more absorbing and have more impact on determining the consequent actions of groups and nations [and, one might add, on determining the outsider’s impression of the conflict].” In the Sri Lankan case, the government continues to provide assistance to civilian populations within rebel-held territory. While certainly not unproblematic, this underscores a structural opportunity for peace-building. Turning his attention to prescriptive concerns, Azar adds: “Cooperative events are not sufficient to abate protracted social conflicts. Tension reduction measures may make the conflict more bearable in the short term, but conflict resolution involves a far more complex process than mere conflict management” (Azar 1986: 30–31).

The point emphasized here is that the casting of present antagonisms as the continuous trajectory of the past obscures the examination of both the patterns of conflict and the sources of group identity. The conflict is neither as dichotomous nor as homogeneous as often suggested. The policy implication is that there exist opportunities for constructive donor-supported initiatives provided we possess the programmatic creativity and capacity.

There appear to be two critical junctures in the evolution of donor understandings of the conflict:

- 1983 and the escalation and militarization of the conflict, and
- 1987–90 and the hyper violence of the JVP resurgence.

The 1983 riots initiated a slow process of learning and re-thinking within the donor community about their respective and collective roles in responding to humanitarian needs, in sustaining development initiatives in conflict-prone settings, and in nurturing peace. In 1987, when the clash between the JVP and the Sri Lankan State generated unprecedented levels of violence in

... development initiatives which focus narrowly on structures and processes of ethnicized violence are doomed to fail, unless there are complementary efforts to nurture and build those inter-group institutions of co-operation and peaceful coexistence that are evident in both historical and contemporaneous inter-group relations.

The capacity to analyse the structures and processes of violent conflict in Sri Lanka varies from donor to donor. Not surprisingly, the more refined this analytic capacity, the greater the likelihood that peace and conflict issues will be incorporated explicitly into a donor’s development programming in Sri Lanka.

¹⁷ Notable exceptions may be found in the work of Bruce Matthews, Elisabeth Nissan and R.L. Stirrat, Jonathan Spencer and Stephen Kemper.

the South, Northern donors (spurred on by international and domestic attention) became more vocal about state violations of human rights and issues of bad governance (lack of transparency; politicisation of the judiciary; corruption; ethnic manipulation of government structures; and so on). While the JVP resurgence was snuffed out by late 1990, the international donors' policy emphasis on, and sensitivity towards, human rights and governance remained – only it was directed towards GSL-LTTE conflict in the North and North East.

The capacity to analyse the structures and processes of violent conflict in Sri Lanka varies from donor to donor. Not surprisingly, the more refined this analytic capacity, the greater the likelihood that peace and conflict issues will be incorporated explicitly into a donor's development programming in Sri Lanka. Thus, for example, the relatively sophisticated conflict analysis of Sweden and Norway is coincident with a programmatic peace and conflict emphasis (Royal Ministry of Foreign Affairs 1998; Sida 1997); the moderate conflict analytic capacity of the World Bank (1998) is coincident with a moderate emphasis; and, until very recently, the relatively undeveloped focus of Japan is reflected in a one-way concern with the impact of the conflict on its development and humanitarian program to the relative neglect of the possible role and impact of its programming on the dynamics of peace and conflict

Interestingly, although 1983 and 1987–90 are seen to be two “critical junctures” in donors' understanding of the conflict, the flow of ODA to Sri Lanka continued to increase until 1991, when it began a fairly rapid downward trend. However, it is important to examine the qualitative as well as quantitative dimensions of ODA. It is thus possible to identify the gradual incorporation of human rights and conflict mitigation/resolution dimensions in to development programming of some donors, particularly the like-minded group consisting of the Netherlands, Sweden, Norway, Canada and the UK. However, this process was neither uniform among donors, nor conflict free. In the late 1980s and early 1990s, the Consultative Group Meetings between bilateral donors and the International Financial Institutions in Paris provided the venue for sometimes heated discussions on whether good governance and human rights issues should be considered as development issues and thus addressed with development instruments.¹⁸ Even today, Japan, the largest of all donors in Sri Lanka, does not explicitly incorporate governance, human rights or peace and conflict issues in its programming (JICA 1998). This stands in stark contrast to the current Swedish Development Framework, and to the Norwegian approach which notes in its “guidelines for a coherent approach to a coordinated policy” that “it is important to concentrate co-operation more on measures that relieve distress, support peace and reconciliation, promote human rights, develop democracy and contribute to economic development” (Royal Ministry of Foreign Affairs 1998).

Bold statements by Japan at the December 2000 Sri Lanka Development Forum in Paris suggest that that it is moving from its position of silence on the wars, to one which is more in line with the others in the donor community.¹⁹ Such a move is to be welcomed and applauded. Some of the key points made by the Japanese are:

1. Although the Forum was about development rather than peace, they felt that it was important to say that bringing an end to the conflict should be the GOSL's overriding priority – *“time has come to go beyond rhetoric and to solve conflict”*
2. In light of economic constraints, Japan was considering decreasing its overall global ODA by as much as 30%. In assessing the level of support to agiven country, there would be a link to the country's human rights record and military expenditures
3. The GOSL's major social program, Sumurdhi, has a record of poor targeting, politicization, and the creation of a culture of dependency. Japan therefore called on the GOSL to abolish the programme

This position by Japan, and the general irritation expressed by the donor community in Paris concerning the “disconnect” between the stated intentions of the GOSL and the realities of the ground, suggest the development of a greater consolidation of the donor community's position towards the GOSL. Such a common front is a necessary (but not necessarily sufficient) condition for getting the GOSL to develop specific plans of action and to set definite time tables with monitorable targets and indicators.

¹⁸ These are presented in diluted form in: World Bank, *Chairman's Report of Proceedings*, October 1990 Sri Lanka Aid Group Meeting (Washington: 11 March 1991)

¹⁹ Details on the Paris 2000 meeting are culled from a widely circulating non-report of the event.

Chronology of Donor Responses to the Conflict

Donor responses to the conflict have been conditioned by political and security conditions – both generally and in the specific areas within which they work. Prior to the escalation of violence following the riots of 1983, the dominant approach to development programming in Sri Lanka tended to emphasize large scale infrastructural projects. The best known of these large-scale initiatives is the Accelerated Mahawelli Development Programme (AMDP, 1977-mid-1980s) – a case study of which is presented in the Appendices. The large scale of the AMDP amplified its political impact and therefore justifies further examination.

The AMDP was a massive electricity and irrigation programme for which the World Bank served as a major source of external financing and played the lead donor co-ordination role. The conspicuous absence of consideration of the project's possible negative impact on simmering tensions is striking – considering that it had glaring ethno-political implications: (1) there was an ethnic overlay to the geographical areas which would benefit (or not) from the project; and (2) the government decision to resettle displaced Sinhalese villagers in traditionally Tamil regions. The decision by the Jayawardene government to compress and accelerate the 30-year program into six years further exacerbated ethnic tensions. The original version of the programme had included irrigation projects in the Tamil-majority Northern Province; but this was removed from the accelerated programme with the argument that it would be too expensive and problematic technically. Yet donors supported that programme, as well as the government's national development programme which included no specific initiatives for the Northern Province. In this environment, consideration of the possible negative impact of development programming on the (dis)incentive structure for peace or conflict was not simply neglected, it was rejected. According to the World Bank, "those donor who did raise concerns in the late 1970s and early 1980s about ethnic balance in the AMDP resettlement did not get a very sympathetic hearing" (World Bank 1998, p. 136).

by supporting development programmes that were perceived to be exclusionary, if not antithetical, to the interests of the Tamil community of the North and East, ODA exacerbated relations between communities.

In broad terms, we may ask what the impact of this was on the dynamics of peace or conflict in this particular phase of ODA in Sri Lanka. It would appear that by supporting development programmes that were perceived to be exclusionary, if not antithetical, to the interests of the Tamil community of the North and East, ODA exacerbated relations between communities. The perceived exclusionary character of the government's development programme created incentives for the Tamil leadership *not* to be seen to be working with the government – otherwise there was a risk that they would lose the support of its Tamil constituency. It also strengthened their challenge of the legitimacy of the government's claim to represent the entire island, rather than just the Sinhalese South. The Tamil sense of alienation from the political process was formalized in 1983 when the democratically elected members of parliament from the TULF (Tamil United Liberation Front) were expelled from government.²⁰ By excluding the political party which had won every seat in every community with a Tamil majority, the government of J. R. Jayawardene marginalized democratic politics and pushed political expression out of the democratic arena. Political grievance were increasingly articulated through the violence of Tamil militant groups.

Particularly explosive were the Tamil militant responses to what they saw as Government efforts to alter the demographic composition of the East Coast by increasing Sinhalese settlement in, and control over, areas claimed by separatists to have been traditionally inhabited by Tamils. This so-called "West Bank scheme" envi-

²⁰ TULF was marginalized in Sri Lankan politics by its expulsion from parliament in August 1983, when through the use of an extraordinary parliamentary procedure, the UNP-dominated government approved a motion of non-confidence in the TULF leader of the opposition, A. Amirthalingam. This was followed by the Sixth Amendment to the Constitution which required all MPs to take an oath to the "unitary constitution" of Sri Lanka. TULF members of parliament were subsequently expelled when they refused to take an oath of loyalty under which they would have had to renounce even peaceful efforts towards separatism in the north (the Sixth Amendment). This expulsion alienated the Tamil community from the parliamentary process and consequently, political grievances came to be increasingly expressed through the actions of militant Tamil groups both in the inter-group arena (e.g., attacks on Sinhalese military personnel, Sinhalese settlers, and random Sinhalese victims of terrorist attacks) and in the intra-group arena (internecine feuding, the murder of dissenters, the assassination of Tamils working for the Sri Lankan government such as policemen, and assassination of moderate Tamil politicians including the mayor of Jaffna in 1975 and the TULF leader Amirthalingam in 1989. By all accounts, the LTTE is responsible these two assassinations – and many more. See Hoole et al. (1992)).

While the Accelerated Mahaweli Development Programme did not create the conflict, it did exacerbate it in the areas in which it operated.

sioned the relocation²¹ of thousands of *armed* Sinhalese “settlers” trained in self-defence on government-owned land in this area (Weaver 1988: 67; *FEER* 21 February 1985: 39). By 1985, over 50,000 Sinhalese had already been relocated on traditional Tamil land (including ex-convicts, retired military personnel and families displaced by the AMDP). Unable to affect the government’s colonization policy, some Tamil paramilitaries responded with terror and violence against these settlements – including the brutal massacre of whole communities including the well publicized incidents at the Dollar and Kent Farms in 1984. It is critical to emphasize that this is not an episode of forgotten or distant history.

These events continue to be volatile points of reference on the contemporary political landscape. As will be seen below, they have a direct implications for one particular project considered by Sida in conjunction with FAO (Provision of Agricultural and Fisheries Inputs in Jaffna, Mannar, and Vavunya – See below).

The AMDP illustrates that at this stage of the Sri Lankan conflict(s), there was not a shared understanding of the nature of the violence. Indeed there appears to have been wide spread myopia which excluded the consideration of the conflict in development programming. There was a host of other aggravating factors amplifying the impact of the AMDP on the incentives for Tamil leaders to reject an increasingly exclusionary rules of the political game. While the programme did not create the conflict, it did exacerbate it in the areas in which it operated.

In general terms it is possible to identify the following general patterns of donor response over time.

- In the post-1983 period, there was a shift away from large-scale infrastructural projects – due as much to changes in development thinking as to the escalation of violence and instability in Lanka. In this initial period, donors attempted to continue their development work in the War-Affected areas of the North and East.
- As the conflict intensified, donors were forced to turn their attention towards meeting the real and immediate humanitarian needs of a growing displaced population. The types of responses are identified below.
- During the JVP hyper-violence of 1987–90, as one Head of Aid put it, “for some bilaterals, the island of Sri Lanka shrunk to the island of Colombo – and for some it shrunk even further to the island of Colombo 7.” This was a time of retrenchment, and for some donors, some fundamental re-thinking of their programmes in Sri Lanka.
- In the late 1980s and early 1990s, some donors began to consider how to explicitly incorporate peace-building/conflict resolution/or conflict mitigation projects into their portfolio of initiatives. During the 1980s, donors such as Sweden, Norway, Canada, and the Netherlands began to explore the prospects for incorporating human rights criteria into their development programming.

At present, there appears to be a growing awareness of the need for more self-conscious effort to understand and amplify the potential peace and conflict impact of conventional development projects, in addition to continuing with support for peace-specific projects (Simon Harris 1999, GTZ 1998). Increasingly, there is a recognition of the need both to understand the impact of ethnic conflict on development programming *and vice versa*, the impact of development programme on the dynamics of peace and conflict.

²¹ The term “resettlement” refers to the return to the original home of a person. In contrast, the movement of a person to a place other than his/her original home is “relocation.” Official government policy in Sri Lanka is to encourage the return of displaced people to their original homes, *and not be relocated*. For this reason, relatively little relocation has taken place, and people have remained in IDP camps for a long time. Recent action has been undertaken by UN agencies, in cooperation with the local GAs, to find ways for people to be relocated since it remains unclear if they will be able to go back to their original homes in the foreseeable future. I wish to thank Stina Karlton for elaborating on this theme in her comments to an earlier draft of this paper.

Patterns of ODA Flows to Sri Lanka

In Sri Lanka, the volume of foreign development assistance has always been large relative to the size of the economy. Indeed, in the early 1980s, the Sri Lankan Finance Minister asserted that ‘we have been able to obtain greater volume of foreign aid and foreign assistance *per capita* than perhaps any other Third World Country’ (Herring, 1998). This fact, combined with the universally recognized high quality of life (as measured by life expectancy, education, literacy, health, and so on), stands in stark contrast to the vicious spiral of violence on the island since the early 1980s.

Somewhat surprisingly, it is difficult to acquire consistent statistics on flows of ODA to Sri Lanka. Pockets of data are hidden in embassies and foreign ministries around the world. According to estimates in the Swedish country strategy (Sida 1998), ODA to Sri Lanka amounts to US\$ 800m or 6% of the Gross Domestic Product. The bulk of this is earmarked for infrastructural investments by the World Bank, Asia Development Bank, & Japan. Swedish assistance constitutes approximately 1% of the total ODA received by Sri Lanka. However, as illustrated in the table below, the OECD DAC appears to generate somewhat lower estimates (most probably the result of the application of different methodologies of measurement and data collection). Table 2 provides an overview of the volume and pattern of assistance in the recent past.

in the early 1980s, the Sri Lankan Finance Minister asserted that ‘we have been able to obtain greater volume of foreign aid and foreign assistance *per capita* than perhaps any other Third World Country’.

Table 2: Net ODA flows of the most important OECD donors to Sri Lanka (US\$)

	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	TOTAL
Japan	73.1	63.8	83.7	126.9	118.3	199.8	185.2	176.1	256.1	96.1	147.2	213.8	263.7	173.9	134.6	2312.3
USA	49.0	76.0	85.0	66.0	35.0	41.0	43.0	75.0	78.0	52.0	34.0	37.0	25.0	4.0	5.0	705.0
Germany	42.6	33.7	53.6	73.2	39.7	37.2	40.8	26.2	11.2	4.0	14.4	7.0	11.4	15.8	9.8	420.6
UK	55.5	28.4	12.3	17.3	16.3	30.4	30.9	21.3	20.0	16.3	11.7	12.4	13.6	12.1	17.4	315.9
Netherlands	25.4	20.7	14.5	17.2	23.5	28.4	18.0	22.3	15.2	10.4	9.3	14.7	14.1	13.1	14.0	260.8
Sweden	28.3	32.3	33.3	24.0	19.9	7.2	6.3	10.6	134	12.1	12.0	8.5	124	125	139	246.7
Norway	11.7	11.9	10.3	12.2	15.6	16.4	13.3	22.5	13.2	13.7	12.1	15.0	14.2	31.7	15.9	229.7
Canada	36.1	30.4	21.9	21.6	21.8	28.3	15.4	4.3	9.8	7.6	5.9	4.9	4.0	4.0	3.6	219.6
Finland	4.7	5.3	6.0	10.3	14.0	15.2	19.5	13.6	13.6	9.6	6.3	5.1	1.6	0.7	0.7	126.2
Australia	7.9	8.7	2.5	2.2	1.4	2.7	5.1	4.0	5.0	5.6	6.5	5.9	6.9	10.4	6.4	81.2
France	5.1	2.9	3.4	8.8	7.1	12.6	1.3	11.0	2.2	9.2	1.4	-0.2	0.9	-1.8	1.6	65.5
Switzerland	2.5	1.9	3.3	3.8	4.3	4.0	3.6	3.6	10.3	3.9	3.3	3.7	4.0	2.1	2.2	56.5
Denmark	2.4	1.8	3.0	3.4	4.6	7.7	9.1	6.4	4.2	1.6	0.7	0.4	0.5	-0.8	1.5	46.5
Italy	0.7	0.2	0.2	0.1	3.7	4.1	5.1	4.8	2.2	5.2	6.9	5.4	0.4	0.0	0.5	39.5
Belgium	0.3	0.7	1.1	1.0	0.8	1.0	0.5	1.1	0.9	0.9	0.7	0.7	0.7	0.4	0.3	11.1
Austria	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.9	1.7	0.7	0.2	0.3	0.2	0.3	0.1	5.2
Total Bilateral	345.4	318.8	334	388.1	326.2	436.1	397.4	403.8	457.3	248.9	272.7	334.8	374.1	278.9	228.3	5145.0
Multilateral	124.4	144.4	145	160.6	173.1	156.0	151.2	329.8	435.5	395.9	347.7	257.4	184.4	218.5	119.2	3343.1
TOTAL	469.8	463.2	479	548.7	499.3	592.1	548.6	733.6	892.8	644.8	620.4	592.2	558.5	497.4	347.5	8488.1

Source: OECD DAC, *Geographical Distribution of Financial Flows to Aid Recipients* reprinted in Frerks and van Leeuwen (2000:103)

- ODA is defined by DAC as “those flows to developing countries and multilateral institutions provided by official agencies, including state and local governments, or by their executive agencies each transaction of which meets the following tests: (1) It is administered with the promotion of economic development and welfare of developing countries as its main objective; and (2) It is concessional in character and conveys a grant element of at least 25%. To calculate the grant element of an ODA transaction, a 10% discount rate is used.

- The table displays *net* ODA which, in the explanation of DAX, differs from gross ODA in the following sense: “At the same time as DAC Members are extending new grants and credits to the developing world, they are also receiving repayments of principal. Accordingly, the data on total new flows (gross disbursements) are adjusted to a net basis by deducting amortization receipts, recoveries on grants or grant-like flows, and repatriation of capital occurring during the period of report (“net flow” or “net disbursements”). Flows originating from transactions undertaken on initiative of residents of developing countries (balance of payment liability side entries) are not recorded in DAC statistics.”

It is fair to say that while the levels of violence escalated in Sri Lanka after 1983, most donors attempted to continue with their development programming as usual. Bilateral donors are quite frank about this in interviews. A brief review of the Swedish development programme as portrayed in semi-annual reports reflects the same trend. However, as the violence began to impinge on their programming, it became clear that development-as-usual was not always appropriate or possible. Initially, donor response was pragmatic, but off the mark. Instead of considering the peace and conflict impact of development and humanitarian programs, they framed the question as: how can we ‘do’ development in conflict situations? In Sri Lanka, this required a more

... the past has come to define the present – shaping both the analytic lenses used to think about it and the institutional structures used to respond to it. To the extent that ODA reinforces, rather than deconstructs, such institutions, then it may aggravate conflict.

self-conscious and politically sensitive approach to technical decisions on questions of *who* to work with (e.g., NGOs or the government of Sri Lanka), *how* to work (e.g., issues of access, monitoring, staff security, sustainability, communications and so on), and *where* to work (according to the ebb and flow of violence). While this was an improvement on earlier approaches, it was still focussed narrowly on the *developmental impact* of developmental initiatives. It did not yet systematically consider the *peace and conflict impact* of development initiatives. A narrow developmentalist perspective leaves critical questions unaskable, for example: What factors condition the peace and conflict impact of ODA, for better or for worse? How do development interventions legitimize/delegitimize certain actors, identities, and histories? How does this affect the potential for good governance or bad governance? More specifically, how do they affect the dynamics of peace or conflict?

To understand the contemporary impact of ODA on ethnicity and conflict/governance in Sri Lanka, we have to appreciate the degree to which the social, economic and political infrastructure continues to bear the burden of the past. Indeed, after 18 years of ethnicized violence, the past has come to define the present – shaping both the analytic lenses used to think about it and the institutional structures used to respond to it. To the extent that ODA reinforces, rather than deconstructs, such institutions, then it may aggravate conflict.

The challenge [is this]: to develop governance capacity and have a positive development impact without being pulled into politicized battles between factions within government or into the ethnicized military conflict by being seen to be supporting one side over the other.

One of the hard decisions faced by donors in the late 1980s and early 1990s was who to work with, and through, in Sri Lanka. In the Sri Lankan context, Mick Moore has argued that the ‘use of state power for the benefit of the ordinary *Sinhalese* has been, and remains, the primary legitimation, implicit or explicit, of all governments elected since 1956 at least, and arguably, since 1931’ (Moore, 1985: 29).²² Escalating human rights abuses by state actors fueled discussions amongst donors about how best to articulate their concerns to the Government of Sri Lanka. In this context, Canada decided to restructure its development programme so that it would work only through non-state actors. In contrast, Sweden has continued to work at a bilateral level with the Government of Sri Lanka, as well as with and through NGOs and IOs on the ground. The challenge posed by the decision to continue working directly with government actors is this: to develop governance capacity and have a positive development impact without being pulled into politicized battles between factions within government or indirectly into the ethnicized military conflict by being seen to be supporting one side over the other. This is no mean feat, given the

long pattern of the ruling regimes using the distribution of public goods as a means of currying political support. This is a basic operating principle of politics in any country in the world.

²² For detailed early discussions of this phenomenon see: W.A. Wiswa Warnapala and D.E. Woodsworth (1987). *Welfare as Politics in Sri Lanka*, Monograph Series No. 22, Centre for Developing Area Studies, McGill University, Montreal Canada; and Janice Jiggins (1979). *Caste and Family in the Politics of the Sinhalese, 1947–76*, Cambridge: Cambridge University Press.

Swedish ODA to Sri Lanka

Swedish development cooperation with Sri Lanka started in 1959 with support to the country's family planning programme. In the 1970s this was extended to include a number of projects in collaboration with various agencies of the UN. In 1974, import support was added and by 1975, Sri Lanka became one of the regular programme countries to receive Swedish Aid.

A development cooperation office was opened in 1976 as part of the Swedish Embassy in Colombo, and is staffed today from Sida. In 1976, assistance was extended to include support to research activities through SAREC, the Swedish Agency for Research Cooperation with developing Countries. These activities are financed on grant terms outside the country's allocation. In the early 1980s two more Swedish government agencies further strengthened cooperation between the two countries, SWEDFUND, through two joint ventures, and the Swedish Commission for Technical Cooperation, BITS, by providing scholarships in different fields of education.

During the period from 1978–87, the import support component was used mainly for Sweden's co-financing of the Kotmale hydro-power project (the second largest Swedish development project ever). That was one of the three large scale power projects within the Mahaweli programme built with external assistance. The Kotmale power plant commenced operations in 1985 and since completion of the project, other areas of cooperation have grown in importance.

In 1981, Sida produced a Rural Development Strategy aimed at guiding Swedish supported rural development efforts. This document spelled out the need for directing the benefits of development activities towards the poorest half of the population and for empowering the poor through a process of people's participation. Since the completion of the Kotmale project, rural development and education have become the two largest Sida-supported programmes. Sida's rural development support covered the Integrated Rural Development Programme and the Change Agent Programme, and was phased out in 1998. The IRDP was implemented in Matara, Badulla and Anuradhapura districts.

Sida's support for the education sector started in the 1970s with projects in the field of vocational training. (For a review and evaluation, see Gunasekara 2000.) From 1986 and onwards the focus was on improvement of basic education, especially for the poorest and most neglected groups in society, namely children in plantation areas and in remote villages. Capacity building and upgrading of the quality of the education system as a whole has also been supported by Sida. Sida's involvement in the education sector was phased out in 1998.

In addition to bilateral (government to government) development cooperation, Sida also contributes financially to the activities of Swedish and Sri Lankan Non-Governmental Organizations. The NGOs have been addressing problems in the fields of human rights, gender equality, children's rights, peace, conflict resolution, environmental protection etc.

As a response to the destruction caused by violent conflicts in Sri Lanka, Sida has since the 1980s provided humanitarian assistance, channelled through international organizations (such as the UN and ICRC), and Non-Governmental Organizations.

The current country strategy governing the development cooperation between Sweden and Sri Lanka was approved by the Swedish Government in February 1998, and has been extended to be valid until December 2002. The strategy brought a shift in focus and concentration from primary education and rural development to promotion of development for peace and democracy and sustainable economic growth, which benefits the poor. An increase in research cooperation and support for economic growth, with a greater participation of Swedish institutions and companies is also a major feature of the country strategy in force.

In project documentation throughout the years of Sida development cooperation with Sri Lanka, the violent conflicts in the country (both in the North-East and in the South) are most often dealt with as obstacles to the implementation of development work. In this sense, it follows the same general pattern evident for most other donors. During the JVP uprising in the late 1980s field visits by donor representatives and consultants had to be cancelled, and programmes were forced to run on half pace, as was the case with the Integrated Rural Development Programme in Matara (Halvårsrapport september 1998, p.7).

Projects in the North-East, except those dealing with relief and rehabilitation to victims of the militarised violence, have been put on hold, awaiting a “peaceful solution to the conflict”

Projects in the North-East, except those dealing with relief and rehabilitation to victims of the militarised violence, have been put on hold, awaiting a “peaceful solution to the conflict” (something which was anticipated both in 1987 with the involvement of the Indian Peace Keeping Forces in the conflict, and in 1994 with the coming to power of Chandrika Kumaratunga on a pledge to negotiate with the LTTE and find a solution to the ethnic conflict). Sida repeatedly emphasizes its willingness, if and when peace comes, to fund reconstruction projects in the North and East, something which is expected to have a peacebuilding impact.²³

Developing countries like Sri Lanka receive assistance from Sweden either through international organizations like the UN Agencies and other international financial agencies or directly from Sweden. The Swedish Parliament decides on the financial allocation to each programme of that particular country, most of which are in the form of grants. Representatives of Swedish and Sri Lankan Governments meet every second year to decide on how best the financial allocations can be utilized.

It should be noted, within the context of the Swedish interest in PCIA, a number of very useful reports attempting to examine the connections/disconnections between the character of the conflict and the shape and direction of its Swedish development programming: *Expectation and Reality: Challenges on Sri Lanka's Path of Development* (Sida 1997); *The New Sri Lankan-Swedish Development Cooperation Process – Report from the Kandy Workshops in February 1998* (Sida 1998); and *Report from Seminar on Swedish Development Cooperation with Sri Lanka (Kandy II)* (Sida 1999).

A discussion of the implications of the modalities of Swedish ODA for PCIA is continued in the final section in tandem with a discussion of the Swedish Country Development Strategy.

III Peace and conflict impact scan of selected Sida-supported activities

The preceding sections have introduced the concept of Peace and Conflict Impact Assessment, and sketched out some of the most critical issues related to Sweden (and other donors), development assistance, and militarized violence in Sri Lanka. In the next section of the paper, we turn our attention to a more specific scan of the potential peace or conflict impacts of selected Sida-supported development initiatives. This will be followed by a more detailed discussion of the Swedish Country Strategy for Sri Lanka.

At this stage, it is worth repeating one of the introductory comments to this study, that the projects here, are largely recent or on-going undertakings. Thus, the utility of PCIA lies not so much in the assessment of direct on-the-ground *impact* because of a lack of operationalization or insufficient time for peace or conflict impacts to become apparent. Rather, its utility lies in its potential as an analytical programming and planning tool to (1) suggest questions to be answered before moving ahead with a project, (2) outline possible modifications that might be made to the project in order to amplify positive peacebuilding impact and to avoid or dampen potential peace-destroying impacts and (3) help guide the monitoring of a project by highlighting areas of potential peace or conflict impact.

Some of the projects receive more attention than others. This is as much due to the amount of time available for analysis as to the potential impact of the project. It should also be noted that the analysis of each project is based largely on desk studies. Only some were buttressed with follow-on interviews.

²³ Cf. Utvecklingssamarbetet med Sri Lanka 1988/89-1989-90 – Förberedande Direktionsbehandling – D1, 1987: 18.

PROJECT: Electrification project

Project Description – Ceylon Electricity Board (CEB) and Sida, Rural Electrification Project – 4

As part of the Rural Electrification Programme, this project will be carried out in six provinces, namely the Central, Southern, North Western, Sabaragamuwa, Uva, and North Central Provinces of Sri Lanka. Once underway, this will be the largest multi-year project supported by Sida. Its budget will be approximately 300,000,000 Kroner, of which 80,000,000 will be in the form of a grant. Its total budget will be larger than the annual budget for the country framework. While it is a large project by Sida standards, it should be noted that CEB has larger projects supported by the Asia Development Bank. Sida had supported the Kotmale project under the CEB Generation Department, however this is its first time working with the Distribution Department. It is a project which was conceived and managed entirely between Stockholm and the Government of Sri Lanka.

The project will entail the construction of: about 400 Distribution Substations; 600 km of 33kv MV lines; 1500 km of LV lines; and the provision of service connection to about 65,000 consumers. The identification and the selection of the villages based on economic and technical criteria will be carried out by the CEB. The project was formally started in 1998, and is currently at the stage where applications have been sent out bidders.

Initial Scan for Potential Peace or Conflict Impact Issues

- **Equity Issues:** Who gets electricity and who does not? Who decides? What are the criteria for the selection of villages beyond the vague reference to “technical and economic criteria.”²⁴ Could the distribution of electricity be used to further particularistic political interests? Could the project exacerbate relations geographically (urban-rural), socially, or ethnically because of its location or sequencing? Might it aggravate perceptions of inequality or favoritism at different levels from the national to provincial to village level?
- **Exclusion Issues:** The project excludes the North and East. Could it aggravate the sense of exclusion by Tamil and Muslim populations in these areas and thereby exacerbate regionalisms?
- **Inclusion Issues:** To the extent that the distribution of electricity is seen to be fair and equitable, the project may contribute to a sense of inclusion by populations outside of major urban centers, and thereby contribute to the lessening of grievances in these areas. This is in addition to the potential developmental benefits such as increased economic activity, better health, information access, and so on.
- **Corruption/Legitimacy Issues:** The Embassy of Norway recently released a report criticizing the negative impact of corruption in the government. Not surprisingly, it was soundly criticized and rejected by the GOSL. Nonetheless, there are increasing accusations of corruption and mismanagement in the public arena. The CEB has been specifically targeted. Even President Kumaratunge is reported to have said on the Sri Lankan Independent Television Network (ITN) that “the CEB is reeking with corruption and had the CEB implemented the policies agreed upon years ago, the power crisis would not have reached the present proportions.”²⁵ While public accusations by politicians and public figures should not be accepted uncritically at face value, they do suggest areas of potential conflict impact that should be monitored over the life of a project. Because the CEB is a public company, its management is directly related to issues of governance. To the extent that the Sida project reinforces transparency and accountability within the CEB, then it is a contribution to “good governance.” To the extent that it does not reinforce these capacities, it is,

Initial Scan for Potential Peace or Conflict Impact Issues

- Equity Issues
- Exclusion Issues
- Inclusion Issues
- Corruption/Legitimacy Issues
- Politicization Issues

To the extent that the Sida project reinforces transparency and accountability within the CEB, then it is a contribution to “good governance.” To the extent that it does not reinforce these capacities, it is contributing to “bad governance.” Under conditions of protracted militarized civil war, the conflict impact of bad governance may be direct or indirect, but it will almost certainly increase poverty and suffering.

²⁴ This refers to economic rates of return of around 10%. In the event that a household was unable to afford the connection fee, a loan by the People’s Bank would be guaranteed by CEB.

²⁵ See Appendix: “CEB Malpractices: Minister Calls for Auditor Report”; “The Financial Crisis in the Ceylon Electricity Board”; and “CEB Mismanagement Charged on Chairman and Board of Directors.”

by default, contributing to “bad governance.” Under conditions of protracted militarized civil war, the conflict impact of bad governance may be direct or indirect, but it will almost certainly increase poverty and suffering. And, to the extent that poverty and suffering are linked to violent conflict, it contributes to the spiral of violence. In Figure One of the introductory section which suggests areas of potential peace and conflict impact, the current concern fits into “Institutional Capacity Building to Manage and Resolve Violent Conflict and to Promote Tolerance and Build Peace” and “Economic Structures and Processes.”

- **Politicization:** The CEB falls under the responsibility of the Minister of Power and Energy, General Anurudha Ratwatte who is also the Deputy Minister of Defence. It is no secret that General Ratwatte’s controversial election campaign in the Kandy District has come in for severe criticism.²⁶ His own ministerial colleague and PA General Secretary himself, charged there was thuggery and intimidation of voters by General Ratwatte’s supporters. Police have been probing allegations over the use of State vehicles, armed men and military deserters during the polls campaign. They have also been probing complaints over the seizure and stuffing of ballot boxes in some polling stations allegedly by supporters of General Ratwatte – a move that prompted Election Commissioner, to annul the count of votes in some polling booths. In light of these wide-spread allegations Sida must be extra vigilant that the Electrification-4 Project *both be, and be seen to be*, transparent and accountable. Such allegations are clearly not a reason for not moving ahead on the project. However, they are a reasonable basis for instituting protective measures and monitoring mechanisms accordingly.

Analytical Discussion

In the preliminary documentation concerning the feasibility of the project, explicit reference was made to the application of some form of conflict impact assessment to the project. It was argued (somewhat disingenuously) that it would be difficult to assess potential conflict impact because there are no methods for assessment. Additionally, it was asserted that the electrification project was unlikely to have a peace or conflict impact because it would be limited to six “non-conflict-affected” provinces.

... the economic self-interests and culture of self-aggrandizement that have evolved during the course of the wars, serve to perpetuate the violence and stymie international and national efforts to stop it. Within the ranks of the military and the Ministry of Defence, this is manifest in what could be called the criminalization of militarization

There are a number of points that should be made in reaction to these assertions. First, a fully developed methodology is not required to ask – or to answer – the question of whether an intervention might have a peace or conflict impact. The question in its most elemental form is this: will the project foster or support sustainable structures and processes which strengthen the prospects for peaceful coexistence and decrease to likelihood of the outbreak, reoccurrence, or continuation of violent conflict? Sufficient conceptual, methodological and operation direction to begin answering this question may be found in Frerks and van Leeuwen (2000), Bush (1999 and 1998), Reyhler (1999), International Alert/Saferworld 2000, and CIDA/PBU 1998. Peace and conflict awareness may be incorporated into the project formally and/or informally – as was done when Sida insisted upon the inclusion of a Swedish engineer/monitor throughout the life of this project (more below).

Second, the belief that the project will be located in six areas *unaffected by “the” conflict* is highly problematic. There is not an area in Sri Lanka which has been unaffected by 17 years of militarized violence, and as discussed in the introductory sections above, there is a multiplicity of violent conflicts in Sri Lanka, not a single one. Sometimes they intersect

and fuel each other, sometimes they are separate and parallel. One axis of confrontation which is increasingly violent – and potentially relevant to the current project – is the on-going battle between the Peoples Alliance and the United National Party. As one Government Agent expressed it in an interview before the 2000 Parliamentary Elections: “there will be no resolution of the war between the LTTE and SLA until there is a resolu-

²⁶ Details in this section draw directly from Iqbal Athas, “War Drums Amidst Peace Hopes,” *The Sunday Times*, 26 Nov 2000, p.11. Athas writes: According to a highly placed Government source, second thoughts over his reappointment as Deputy Minister of Defence [in light of the alleged malpractice in the Parliamentary elections of October 2000] arose over placing the Police Department, or the Law and Order Machinery, in his hands. ‘The task became increasingly difficult for President Kumaratunga, after further matters relating to the events that took place in the Kandy district during the Parliamentary elections arose,’ the source said. ‘Some of these matters have become the subject of continued investigation or action in the Courts,’ the source added. General Ratwatte was appointed nonetheless.

tion of the war (sic) between the UNP and PA.” In this context the potential peace or conflict impact of the electrification may well be more directly associated with the UNP-PA feuding rather than the LTTE-SLA war. One person interviewed for this project felt that there was no question that this project was intended to be used by the PA to generate political capital. It is equally important to bear in mind the intra-PA tensions and the inter-Departmental rivalries that may intrude in the life of this project. To defuse this possibility, Sida must place significant emphasis on equity of distribution – supported by the necessary monitoring mechanisms.

The project was expected to start simultaneously in all selected Provinces; something that might have the effect of avoiding accusations of favoritism (that is, if they were seen to be allocated equitably in both PA and non-PA support constituencies). The central criterion identified by the government to identify and justify each project site is the availability of infrastructure (roads, etc.). The obvious implication of this criterion is that those communities that already have basic infrastructure will benefit further from electrification. Those communities without such infrastructure will not receive such services. Practically speaking, it goes without saying that infrastructure is needed if electricity is to be distributed. But, by default then, this excludes many of the most war-affected areas, where the need – and sense of exclusion – is greatest.

However, an exception was made for the plantation areas – which lack infrastructure, but which were included in the project because of their great need for electrification. In these areas, the particular social, political and economic conditions suggest a different set of potential peace or conflict impacts. In this part of the country, the project must monitor the potential negative impact on intra-plantation sector tensions between unions, and between unions and political parties. (There is a more detailed discussion the power dynamics within the plantation sector in the section below on Integrated Rural Development Projects).

If the central criterion for electricity distribution is the availability of infrastructure, then there is a danger of a creating a situation where those who have services, get services. To the extent that the allocation of public resources is seen to be politicized, then there is a danger that this criterion might exacerbate perceptions (and tensions) over issues of favoritism, both within Sinhalese-majority areas and between Sinhalese and Tamil majority areas. In this context, Herring (1998) has shown how public expenditures *expanded* during the programme of economic liberalization from 1977 onwards. However, while public expenditures expanded, they did not do so evenly or equitably – not geographically, politically, or *ethnically*. In keeping with the ethnicized political modus operandi in Sri Lanka, public expenditures became the means by which the ruling regime dished out favors to curry political support. To the extent that largess was disbursed primarily to its Sinhalese supporters, then such patronage contributed to the sense that the government was not a national champion, but an ethnic one – a sense that was reinforced by the increasingly militarized responses of the state to dissent in Tamil majority areas. Certainly, the lion’s share of rewards was delivered to government supporters in Sinhalese areas. Mick Moore (1990: 357) goes so far as to argue that the contradictions between International Financial Institutions’ principles of liberalization and the expansion of the public sector in Sri Lanka meant that external development assistance had changed from support *for policies* to support for the *government per se*. Moore concludes: ‘I suspect that the UNP has undermined the democratic political system and perpetuated its own rule partly from the elemental desire to remain in clover’. Whether this modis operandi has changed under the PA is doubtful.

The danger of increasing an ethnicized North-South divide must be borne in mind because of the absence of the North and the East from the project. This needs to be set in the context of the lack of government investment in the Tamil majority areas before the spiral into militarized violence after 1983. Indeed, this was a major irritant contributing to the the violence. According to the 1981 Central Budget, the capital expenditure in the Jaffna District (approximately 6% of the total population) was only 2.6% of the national capital expenditure. On a per capita basis, the capital expenditure in the Jaffna District was Rs 313, while the national expenditure was Rs 656. In addition, foreign aid allocation to the Jaffna District for the period 1977–82 was nil (CRD, 1984: 15). Furthermore, as late as 1975 almost 90% of industry on the island continued to be located in the Sinhalese majority Western Province (Shastri, 1990: 70). Of the 40 major government-sponsored industrial units, only five were located in predominantly Tamil areas – of these four were established in the 1950s and one in the 1960s (Manogaran, 1987: 130–34, 139). All of these figures are based on a period which was relatively peaceful. While such economic discrimination added to the disgruntlement of Northern Tamils and was criticized by Tamil politicians, it is the full-scale warfare that has decimated the regional economy.

If the central criterion for electricity distribution the availability of infrastructure, then there is a danger of a creating a situation where those who have services, get services. To the extent that the allocation of public resources is seen to be politicized, then there is a danger that this criterion might exacerbate perceptions (and tensions) over issues of favoritism

Sida – What to do?

The Rural Electrification Project is a very important project to consider within the context of Peace and Conflict Impact Assessment – not least because of the financial magnitude of the project in addition to the other concerns noted above.

Corruption and Politicization

The question of how to avoid corruption or overt politicization is a very difficult. Particularly in a project of this size. This is the reason it needs to be asked throughout the project – particularly in light of a culture of self-aggrandizement that has evolved during the course of the wars. Given the history of the Government (indeed all governments) to use the allocation of public resources for their own political gain. The contemporary system of patronage and kick backs is, on the one hand, evident in newspapers and in the conspicuous consumerism in ultra-luxury goods – such as luxury cars. Yet, on the other hand (and not surprisingly), there are no publicly available studies on contemporary patterns of patronage or the political economy of greed and war. Interestingly, there is not a person living or working in Sri Lanka who cannot regale the interested listener with stories of favoritism, nepotism, and cronism – from the president's office (with the largest Cabinet in the world) down to village level government. The point here, within the context of PCIA, is that all projects have to be assessed with an eye to determining whether they might contribute to these dimensions of predatory governance. It should also be emphasized that compared with most other political systems in the developing world, the Sri Lanka political infrastructure is still *relatively* robust and there is plenty of scope for strengthening political structures and processes from within working along side engaged and competent governmental partners.

The CEB Officials interviewed for this study displayed a high level of professionalism and technical competence. It was evident that they were not unfamiliar with the challenges of fending off political interests in the operation of the Electricity Board.

While the technical aspects of the proposals in the tendering procedure can monitored, the monitoring of other aspects is much more problematic. The novel mechanism by which Sida will attempt to exercise oversight of both the tendering process and the implementation phase is through the Stockholm-hired “Project Engineer” to facilitate, advise, and support CEB in technical, commercial and contractual matters. (S)he will be required to control, supervise and monitor the implementation of the Project. (S)he will report to the CEB and Sida, but will be CEB's engineer. In light of the concerns articulated above, this is a very useful mechanism to build into the project. Management at CEB noted that this type of monitor was not required by other donors in the projects they supported. However, it had a healthy view of it. It saw the “monitor” as a trust building and learning mechanism *for Sweden*, so that the next time, it would not be necessary.

Working in the North and the East: Use Electricity Distribution as a Confidence Building Measure

Although the North and the East is absent from the this project, it is important to highlight the fact that the CEB is actively involved in the of generating and distributing electricity to war-affected areas of the East. This is no mean undertaking given the direct impact that war has on its functional on-the-ground capacities. For example, there are problems of erratic access, as well as the logistical challenges maintaining the supply of equipment and personnel in the North and the East – and there is the problem of CEB equipment being blown up by armed stakeholders. It was estimated by CEB that approximately 400 transformers have been blown up over the last 3–5 years, at a value of 600–700,000 rupees each.. Yet, despite these challenges, the CEB works in uncleared areas – although understandably not to the same extent as it does in government-controlled areas. In these areas, the CEB has been able to negotiate access and the space to work. Nonetheless, the challenges to working in the East are on-going.

The picture of the extent of CEB activity in the North is more difficult to discern than in the East. It maintains a station in Jaffna which continues to function, albeit with difficulty. Discussions within the CEB revealed that it had already drafted a “rough-and-ready” assessment and proposal for the rehabilitation of the electrical system in the North and East should peace ever break out. Such advance planning is to be commended and, as discussed above within the context of the possibility of using preparedness planning as a means of building incentives for peace, might be more systematically brought into wider discussions of other post-war needs and responses. However, it is unclear how its current work might fit into these discussion since a review of the CEB's *Medium Voltage Distribution Development Plan, 1999–2007* lacked any details for Mullaitivu, Vavuniya, Mannar, Kilinochchi and Jaffna.

The Sida Rural Electrification Project 4 should consider including some sites in the North and East. However, in light of the fact that the CEB already has funds for projects in these areas which it is unable to disburse, the initial Sida sub-project (or “proto-project”) would need to generate concrete and practical answers to the central question: “*how* to bring electricity into these areas?” How can it build on the common interests to have these areas connected to the electrical grid while defusing potential obstacles – as was done in 1998 when electricity returned to Batticaloa? This will require the application of additional types of resources (political, organizational, dialogue, negotiation) and perhaps a different time line than the rest of the project. Can a genuinely consultative process be initiated so that the necessary space can be created for electrification? Can the Batticaloa experience be replicated elsewhere? Further, Sida should support planning for full scale electrification as part of reconstruction in a post-war scenario. Promises made by donors on funding can also be incentive at peace negotiations.

The Sida Rural Electrification Project 4 should consider including some sites in the North and East. the question that needs examination and concrete, practical answers is: “how to bring electricity into these areas.” ... Further, Sida should support planning for full scale electrification as part of reconstruction in a post-war scenario.

Governance Investments Through Rural Electrification

The goal of the GOSL is to have 80 percent of households electrified by the year 2005 (including those in the NE). Currently, 58 percent of households are electrified. Because rural electrification is not economically feasible under a purely market-driven approach, public money will have to be put into electrification if it is to meet its goal. However, in other areas of the island, the consumer demand and infrastructural capacities exist to enable CEB to operate using a more explicitly market driven approach. These two faces of the CEB (private/ public) open possibilities for governance strengthening initiatives.

CEB is now in the process of being restructured so that it can be run and managed more as a private company (more efficient and market oriented) rather than as a public enterprise. This is an area where Sida can play an active role, directly and indirectly, as well as individually and collectively with other like-minded donors. The transition from public to private company is especially challenging within a highly volatile and politicized environment. However, there may be lessons to be applied from another Sida-supported project on the “Institutional Development of the Bank Supervision Department of the Central Bank of Sri Lanka” in terms of institutionalizing an internal oversight function. The primary objective of the Sida-supported CEB project would still be rural electrification expansion. However, it would include explicit components in privatization, transparency and accountability. That is, it would go beyond the monitoring function of the Sida-Appointed Monitoring Engineer, and attempt to institutionalize such features of private sector enterprise.

PROJECT:

Agricultural and fisheries inputs for resettled farmers and fishermen

Project Description: Agricultural and Fisheries Inputs for the Resettlement of Conflict-Affected Farmers and Fishermen in Jaffna, Vavuniya, and Mannar Districts, 2000–Jan 2001 (Proposed Joint Project: Sida, FAO, GOSL)

The first thing that needs to be stated with regard to this project is that Sida has pulled out of it. In our judgment, this is the right decision. And, it appears to be the right decision for the right reasons.

Project Description

The rehabilitation objective of the project is to help 6,000 displaced farming families and 699 displaced fishing families in Jaffna, Mannar and Vavuniya districts. The project also aims at the improvement of the training capacities of the District Agriculture Training Centres in Jaffna and Vavuniya. The immediate objective of the project is to increase the food security of the 6,600 [sic] farm families and increasing their income generation capacities through increased production of fruits, coconuts, vegetables, and poultry products. In order

The first thing that needs to be stated with regard to this project is that Sida has pulled out of it. In our judgment, this is the right decision. And it appears to be the right decision for the right reasons.

to meet this objective, training will be provided to about 1000 farmers in horticulture production, poultry management, and seed multiplication with a focus on enhancing capabilities of women who traditionally manage these activities.

Initial Scan for Potential Peace or Conflict Impact Issues

- *Cleared or Uncleared Project Sites:* In the initial documentation, it was not clear whether the project would apply to both cleared and uncleared area, or just the former. Subsequent documentation indicates that it would only apply to “cleared” areas. This raises the danger that the project may create or reinforce the separation and isolation of the [Tamil] groups in areas not befitting from the project – which in turn raises the possibility of exacerbating tensions and differences.
- *Land Ownership and Usership Issues.* How will the project affect existing farmers and fishermen? Might it aggravate possible tensions with existing farming and fishing communities
- *Politicization of Resettlement:* In a country where, by conservative estimates, 500,000 people have been internally displaced by militarized violence, every initiative associated with “resettlement” will be highly political and contentious.²⁷ The ethnicization of geography is a natural and parallel development to the ethnicization of politics and of war. In Sri Lanka, massacres have occurred because the resettlement of populations from the majority ethnic group were perceived to be part of a colonization plan that threatened minorities. Will the proposed project contribute to similar tendencies?
- *Timing and Elections:* The project was to be implemented during elections (presidential and parliamentary). Could the project be “misappropriated” politically? Could it be used to curry political favours.
- *Tensions between the resident and the displaced populations.* What is the situation of resident farmers and fishermen? Will this project increase competition and conflict in areas of fishing or farming.
- *Impact on Gray Economies:* How will the project (acquisition of goods and services, increased production and income generation) fit into the gray and economies that have thrived most virulently in areas directly affected by militarized violence?
- *Political Volatility of Location:* The project proposes to work in “millennium villages” which are to be established in each district. These are described as areas where “IDPs will be resettled or relocated” *exclusively*. [?] Further, the government has requested that these villages be “considered when formulating future projects.” The risks of politicization of the project in these villages seem very high – particularly in light of the discussion below regarding the violence surrounding what appear to be similar, earlier, schemes (e.g., Welī Oya).
- Possible positive impacts: provision of non-war incomes; increased food security; Increased resources/ capacity and legitimacy of local governance actors.

Analytical Discussion

Clues to one of the most potentially explosive impacts of this project were almost invisible in a scan of written documentation. However, from a peace and conflict impact perspective, large red warning flags should have been raised when FAO suggested that the worsening security situation in the North required that Jaffna be replaced by another site: Welī Oya – one of the most contentious areas in the politicized and ethnicized interface between the GOSL and many Tamils in the North and East. It is unclear whether the Welī Oya suggestion raised any concerns for those moving the project forward within FAO. In light of the mis-spelling of the site in FAO documentation (“Woli Oya”), it there doesn’t appear to have been an appreciation of the sensitivities around the suggested site.

²⁷ According to the US State Dept, by the end of 2000 approximately 490,000 persons were displaced by the conflict. Over 340,000 persons, principally in the Vanni region, remain displaced by the past several years of fighting; during the year the battles near Jaffna displaced an additional 150,000. US State Department 2001.

The section below will discuss Weli Oya, briefly. At this stage however, it should be said that it appears that a second option has been fashioned to deal with the difficulty in working in Jaffna, namely transferring the resources that would have gone there, to the remaining two sites (Mannar and Vavuniya). However, based on available documentation, it is still not entirely clear that this has been definitively agreed upon as the way of moving the project forward.

Political Sensitivities and Weli Oya

Before any donor supports any activity in Weli Oya, it must be fully aware of the political hyper-sensitivities surrounding the area because of its association with the perception that the government is attempting to colonize and “Sinhalaize” lands traditionally populated by Tamil-speaking peoples. Based on the pattern of government-supported resettlement of displaced Sinhalese villagers, there is a wide-spread perception (particularly, though not exclusively, within the Tamil communities), that the government is attempting to alter the demographic composition of the area and thereby to increase its control over it. This so-called “West Bank scheme” envisions the resettlement of thousands of armed Sinhalese “settlers” trained in self-defence on government-owned land in this area. (Weaver 1988: 67; *FEER*, 21 February 1985: 39). By as early as 1985, over 50,000 Sinhalese had already been resettled on “traditional Tamil land” (including ex-convicts, retired military personnel and families displaced by the massive Mahaveli water project). Unable to affect the government’s perceived colonization policy, some Tamil paramilitaries responded with terror and violence against these settlements – including the brutal massacre of whole communities. – Such as the Dollar and Kent Farm Massacres in 1984.

The cultural and strategic importance of the area is expressed by one Tamil scholar as follows: “This region connects the Tamil-dominated AGA divisions of Kuchchaveli of the Trincomalee District and Mullaitivu of the Mullaitivu District. If this region were to be transformed into a Sinhalese-dominated area through colonization, the linkage between the Tamil areas of Eastern and Northern Provinces would be severed.” (Manogaran 1994: 114)

Even moderate scholars are explicit in their rejection of government policies and practices in Weli Oya:

“The whole Accelerated Mahaveli Programme, especially the Manal Aru or Weli Oya Scheme, are part of the state’s overall military strategy and are heavily funded by foreign governments and agencies. The extensive colonization schemes in the North and East have not only completely completely funded Sinhala settlements, but also created the infrastructure to service them. Rehabilitation funds and materials have also found their way into the military effort or have favoured an ethnic group. Just as a simple illustration, the blue UNHCR tents for refugees are widely used in army camps, and the drilling of tube wells for resettlement programmes also extends to adjacent military camps.²⁸

Identical concerns are expressed by pro-government Tamil paramilitaries:

“The EPDP Parliamentarian, Mr. M. Chandrakumar has protested to the government about the forcible evacuation Tamil and Muslim civilians [175 families] from their traditional villages in Muthur. He said that this an attempt to settle Sinhalese in these traditional Tamil villages. The Sri Lankan army has created and sustained many Sinhala colonies in several parts of the predominantly Tamil eastern province, particularly in the Trincomalee district, since 1983 by driving out Tamils from their traditional villages in those areas. The largest network of such Sinhala settlements established by the Sri Lankan army is in Manalaaru (renamed in Sinhala as Weli Oya), south of Mullaithivu and in Thennamaravaadi, in the northern end of the Trincomalee district. Thousands of Tamil residents were forcibly driven out of eighteen traditional villages in Manalaaru and from the large old village of Thennamaravaadi almost overnight by the Sri Lankan army in 1984. More than ten Tamil villages were also destroyed later as part of the Sri Lankan army strategy to secure the

Settlers strip captured town
TamilNet, Dec 20, 1997

“Reports from Vavuniya said today that the army and Sinhala settlers in the military colonisation scheme of Manalaaru (renamed as Weli Oya by army) have ransacked the abandoned town of Nedunkerni which was captured in early June during the first phase of Operation Jayasikurui.”

²⁸ Somasundaram 1998: 42. See also UTHR (J)/University Teachers for Human Rights (Jaffna) (1994). *Somebody Else’s War*. Movement for Inter-Racial Justice and Equality, Colombo.

Sinhala colonies which were established in Manalaaru. Tamil MPs in the Sri Lankan Parliament said that they fear that the army's action in Muthur is aimed at undermining the Tamil and Muslim population in the region."²⁹

The risks are compounded when one considers not just that Weli Oya might be included, *but that it would be included at the perceived expense of Jaffna*. In this context, the modification of the project proposal is heavily imbued with political significance.

These concerns continue to be voiced consistently in public and, as a cursory review on the Internet reveals, there is enough information available to induce caution among donors before waltzing into a project in Weli Oya.

The risks are compounded when one considers not just that Weli Oya might be included, *but that it would be included at the perceived expense of Jaffna*. In this context, the modification of the project proposal is heavily imbued with political significance. It is likely to be viewed, or be politically manipulated to be viewed, as being part of a continuing Sinhalese colonization strategy. The veracity (or lack of veracity) to this claim is not the issue. From a PCIA perspective, the primary concern is whether it is likely to contribute to peacebuilding or to violence escalation. In this case, it is more likely to be the latter.

Sida – What to do?

It might be argued that the dropping of Jaffna as a project site, and the redistribution of the freed-up funds to the other two sites, effectively side-steps the Weli Oya issue. However, the striking insensitivity to this politics around the Weli Oya suggestion should induce considerable caution within Sida regarding continued participation in this project. The long list of potential peace and conflict impact issues (noted above) remains to be addressed before a full and firm commitment to this project should be considered by Sida.

Even more important than the final decision of Sida to pull out of this project is the process by which the decision was made. While the time constraints for this study do not allow a comprehensive examination, it is possible to offer some tentative observations.

Officially, it was the 10-month delay in the GOSL's signing off on the project that finally provoked Sida's exit. The delay on the government's side may have been due a variety of reasons, including MoD resistance to development resources being taken into the conflict zones; the government's desire to pressure FAO to increase its level of diplomatic representation in Sri Lanka by appointing a Resident Representative; or the desire to use the project to curry political support during the election campaigns of late 2000.

It is important to highlight the timing and channels of communication in this project because they suggest operational practices that may inhibit the ability to identify potential peace and conflict impacts. It was in July 2000 that FAO sent a letter to Sida (Stockholm) which argued that the security situation in the North necessitated the restructuring of the project by dropping Jaffna and adding Weli Oya. (It can only be assumed that Weli Oya was proposed at the suggestion of the GOSL.) FAO then suggested that a Rome-based consultant be sent to Sri Lanka to "work out the details." The Sida (Colombo) office received only a fragment of the FAO letter sent to Stockholm, and ultimately the decision to pull the plug was made in Stockholm.

If we accept that on-the-ground presence is a critical ingredient for identifying and monitoring peace and conflict impact, then we can see that there are a number of details in this story that are problematic. The suggestion that a Rome-based consultant could bungee jump into the complex environment of Sri Lanka to sort out the project is optimistic at best, and dangerous at worst since a lack of sensitivity to the highly political details could result both in a developmental failure and a conflict-aggravating impact. Rome is a long way from Colombo, let alone Jaffna, Vavuniya and Mannar.

One solution to this set of issues is to broaden the role and capacity of the SIDA Colombo office to more actively engage in these conversations and to have a more direct role in decision-making in these projects.

More problematic however, was the way communications and decisions at the Stockholm and Rome levels seemed to circumvent those with on-the-ground expertise in Sida Colombo. If the Colombo office received only pieces of information and correspondence (via Stockholm rather than Rome), then its ability to provide measured and appropriate input would be inhibited.

²⁹ SLA spearheads Sinhala Colonisation, TamilNet, March 25, 1998:

One solution to this set of issues is to broaden the role and capacity of the Sida Colombo office to more actively engage in these conversations and to have a more direct role in decision-making in these projects.

PROJECT: Integrated rural development project (IRDP) – Plantation sector

Project Description

In the 1980s IRDP was considered to be one of the best approaches to correcting regional imbalances and to generate employment. It was an approach which sought to explicitly draw on and harness local initiatives and energies. Starting in 1979 in the Kurunegala district, IRDPs were then implemented throughout the island with support from several donors, including Sida. This involved a range of activities, including: agricultural extension and training, tea production, animal husbandry, irrigation and drainage, fishery, road construction, transportation, education, health, drinking water development, as well as support to the development of administrative systems, and (on a small scale) income generation through micro credit schemes. Special attention was given to improvement of the economic and employment conditions in rural areas with emphasis placed on: (1) developing innovative technical and institutional solutions; (2) promotion of innovation within government institutions, NGOs, private enterprises and grass roots level organizations; (3) planning and implementation of activities based on innovations; and (4) provision of advisory services to institutions implementing innovations. The IRDPs are considered to have positively affected the living standards of rural people through the development of social and physical infrastructure (Sida 1994).

Sida IRDP support was channeled through four different projects: Matara District Integrated Rural Development Project (MIRDP); Badulla District Integrated Rural Development Project; the Change Agent Programme (CAP) [a national programme focused on people's participation]; and technical support to the Regional Development Division [the central government body in charge of all integrated rural development projects in Sri Lanka]. Throughout the 1980s, rural development was the largest Sida programme in Sri Lanka, accounting for about 30 percent of the total development support to the country (Lindahl et al. 1991:7).

The current discussion directs its attention only to IRDPs within the Plantation Sector which included the construction and improvement of housing, educational facilities, health centers, and water facilities.

Initial Scan for Potential Peace or Conflict Impact Issues

- By working through authoritarian structures of control on the tea estates, were they reinforced? If so, do successful IRD projects have a positive development impact and a negative peacebuilding impact?
- The flexibility and responsiveness of IRD projects appear to enabled *ad hoc* conflict management and conflict avoidance mechanisms to be fashioned and implemented in the Plantation Sector.

By working through authoritarian structures of control on the tea estates, were they reinforced? If so, do successful IRD projects have a positive development impact and a negative peacebuilding impact?

Analytical Discussion

Political Volatility in the Plantation Sector

Generally speaking, there is much less attention paid to the Tamils of Indian origin living and working in the tea industry in the Hill Country of central Sri Lanka. For this reason, it is useful to briefly sketch out some of the issues and changes that are contributing to the (frequently neglected) political volatility within this area of the country.

The socio-economic conditions of the Plantation Tamils are among the worst on the island. It is a group which tends to be separated (socially, politically, economically and geographically) not only from Sinhalese populations, but from other Tamil groups as well. The great social distance between the Plantation Tamils and the

14 Tamils arrested in hill country

Fourteen Tamil youths were arrested on suspicion by Sri Lankan police during a search operation in the hill town of Bandarawela on Monday. Five of the arrested are young women, sources said.

Police sources said the arrested were suspected members of the Liberation Tigers who had been providing arms training to Tamil youths in the central plantation area.

They were produced before the Bandarawela magistrate today. The judge ordered the police to submit medical reports of the arrested youths before Wednesday.

Sources said some of the arrested were employed at shops in the town while the remaining were living in lodges looking for jobs.

[TamilNet, January 15, 2001 17:26 GMT]

For Plantation Tamils – no less than for Northern and Eastern Tamils, or for unemployed Sinhalese youth in the South – the likelihood of using “extra-parliamentary” or “extra-legal” means of pursuing their political interests are directly related to the legitimacy and efficacy of existing legal and political channels. This does not bode well for the future of the Up-Country at a time of increasing mobilization, politicisation, and confrontation.

other Tamil communities is reflected by a project initiated in the 1970s by the late Bishop Leo Nanayakkara to educate Jaffna Tamils about the poverty-stricken plight of Plantation Tamils. He was struck by two observations: 1) the Jaffna Tamils’ lack of awareness concerning the conditions on the tea plantations; and 2) the low regard in which Plantation Tamils were held by Jaffna Tamils. This latter point is frequently reflected in the Jaffna Tamil use of “low Tamil” when addressing Plantation Tamils. Unfortunately, political events eventually buried this project.

Like other groups of Tamils, the Plantation Tamils have been displaced by the successive waves of communal violence. The post-election riots in 1977, as well as the violence against the Plantation Tamils in 1980 and 1981 sent many seeking refuge in Vavuniya and other northern districts. A number of Sri Lankan observers reported that this helped to facilitate tentative contact between Plantation Tamil youths and some of the Tamil paramilitaries, such as PLOTE and EROS – contact which has not yet resulted in any type of concerted action or cooperation. It was not until the 1983 violence that displaced Plantation Tamils began seeking refuge in South India from the violence. It has been estimated that in 1983, two-thirds (approximately 20,000) of those Tamils who sought refuge in Tamil Nadu were Plantation Tamils from the Kandy and Nuwara Eliya regions.³⁰ It is important to note that the violence which has displaced Plantation Tamils has been that of rioting mobs rather than that of Tamil paramilitaries and government forces. Thus in recent years this group has not suffered the same type of dislocation as those in the North and the East. Political powerlessness and social and geographical separation from other Tamil groups have tended to cast Plantation Tamils into the political back water. However, changes within that community may soon increase politicization and volatility.

Changes within the Plantation Tamil community which are altering the politics of identity and confrontation include the increases in literacy, education, and political awareness. These changes are reflected in the shifting political demands of Plantation Tamils from issues of citizenship and labour to issues of political representation and governance. The emergence in the early 1990s of a Plantation Tamil political movement called the Up Country Peoples’ Front (UCPF), led by P. Chandrasekaran, is a development that presages the political mobilization that is under way. The significance of the UCPF lies less in the organization per se, than in the internal social changes noted above that have made this development possible. As one researcher noted, “in the course of my research, I have met ten Chandrasekerans.” One community worker predicted that it will be the next generation of Plantation Tamil youths – those who are educated and unemployed – that will be the basis of the politicization of the Plantation Tamils interests. . And indeed, in the mass violence that spilled through the up-country in October 2000, Chandrasekaran was again arrested for inciting mobs against government officials (more below). For Plantation Tamils – no less than for Northern and Eastern Tamils, or for unemployed Sinhalese youth in the South – the likelihood of using “extra-parliamentary” or “extra-legal” means of pursuing their political interests are directly related to the legitimacy and efficacy of existing legal and political channels. This does not bode well for the future of the Up-Country at a time of increasing mobilization, politicisation, and confrontation.

In the mid to late 1980s there were tentative efforts by Northern Tamil militant groups to enlist Plantation Tamil youths into the broader Eelam struggle. Indeed, Chandrasekaran contested the 1989 elections under the PLOTE banner. Such contacts have been relatively limited and results have been minimal. Nonetheless, Government fear of such infiltration has led to mass round-ups arrests of Plantation Tamils by Police in the Hill Country. The hitherto failure of Northern militant efforts to expand the Eelam struggle into the Plantation areas suggests the fundamental social tension between the Northern Tamil

³⁰ Figures from a 1985 survey conducted by the Madras Christian College, Department of Statistics cited in: US Committee for Refugees, *Sri Lanka: Island of Refugees*, 1991. p. 9.

and Plantation Tamil political projects. Ironically, the more severe the crackdown on the alleged political activities of the Plantation Tamils, the more likely it may be that they will respond to Northern militant overtures. Indeed, despite the apparent incongruity of the arrangement, a number of Plantation Tamils teamed up with the Marxist Sinhalese JVP during the terror of the 1987–89 Insurrection. Clearly, political convenience may go a considerable distance towards blending the ostensibly incompatible.

Many of the “new” political voices among the Plantation Tamils arise from the disgruntlement with the inability of the Ceylon Workers’ Congress (CWC), the largest Plantation Tamil trade union, to “deliver the goods.” In the past, political dissent and demands could be pacified or defused by the adroit manoeuvring of the former leader, UNP Minister S. Thondaman which included cracking down on opposing unions as well as delivering significant political gains on paper – specifically citizenship – for those Plantation Tamils who had been disenfranchised at independence. However, the death of Mr. Thondaman has given rise to jostling for control within the CWC. His death has set in motion a battle for succession which has yet to be fully played out, and has removed an element of stability³¹ within the Plantation Tamil areas. At this stage, a struggle for political control will likely take place both within and among the CWC and the political groups in the Hill Country. This struggle need not be violent, and it need not attract the mobilized violence of Sinhalese chauvinists, but the destabilization will provide convenient points of access for those with political scores to settle.

IRDPs in the Plantation Sector

Lindahl et al (1991) have already undertaken a detailed evaluation of Sida’s support for IRDP. They concluded that while the developmental impact at a micro level may have been significant for individuals (such as access to clean water, micro-credit access, and so on), the impact at the macro or structural levels (in terms of real change in income distribution in rural areas, holdings of assets, or the power structures) has been “tokenism.”

An inability to conduct field interviews means that the peace and conflict impact analysis of the current study cannot match the empirical depth of the Lindahl et al. evaluation. However, it can offer a few cursory observations on possible peace and conflict impacts of IRDP in the Plantation areas. It is interesting to note that a similar conclusion to Lindahl’s might be made with regard to peace and conflict impact. At a micro level, conflict management mechanisms appear to have been introduced with local-level impact, while at the macro level the fundamental conflict-nurturing structures remain unchanged.

As noted above, while there was an increase in the expression of dissatisfaction by Plantation workers throughout the 1980s, they were the overwhelmingly the victims rather than the perpetrators of *violent* conflict in the Estates. The consideration of PCIA for development interventions in this sector is essential given the importance of identifying and understanding the conditions which push non-violent conflict over the edge into violent conflict. Recent dynamics of conflict and confrontation in the Hill Country contrast with those of the 1980s. For example, in October and November 2000, there were widespread demonstrations and violence by Tamils in the Hill Country (described in some media reports as “Estate Laborers”) in response to the massacre of 25 Tamil children being held in a Government Centre in Bindunuwewa for “rehabilitating” former LTTE child soldiers. Trains were set on fire, mobs attacked police who, in turn, shot and killed protesters, and a curfew was imposed throughout the hill country. Allegations that the massacres were orchestrated by security forces have not diminished with time. It is precisely this volatility that should underscore the need for careful PCIA in all projects in the Plantation Sector.

Discussions with some individuals involved with the IRDP in the Plantation sector reveal two particularly interesting ways in which it affected the dynamics of peace and conflict at a local level. The first is an example of what should be seen as the spontaneous fashioning of an ad hoc conflict management and avoidance mechanism when the need arose. The second is the way in which the project may have reinforced authority structures within the political economy of the Tea Estates which are largely antithetical to peacebuilding.

[There are] two particularly interesting ways in which [IRDP activities] affected the dynamics of peace and conflict at a local level in the Plantation Sector. The first is an example of what should be seen as an ad hoc conflict management and avoidance mechanism which was spontaneously fashioned when the need arose. The second, is the way in which the project may have reinforced authority structures within the political economy of the Tea Estates which are largely antithetical to peacebuilding.

³¹ And, of course, stability is not the same as “peace.” Indeed, there are many occasions where stability is maintained through tremendous violence.

Ad Hoc Conflict Management and Conflict Avoidance Mechanisms

Tensions escalated in the Hill Country when workers living in villages close to Tea Estates complained that they were being treated unfairly because the IRDP benefited only those who lived on the estates. In particular, they saw the improvements to the squalid line houses of the Estate Workers and argued that their living conditions also needed improvement. Here, it is important to note the ethnic overlay of this situation. Not all the estate workers are (1) Indian Tamil; and (2) not all estate workers live on the estate. In areas with IRDPs, it was estimated that 60% of the workers were Indian Tamils living in line houses on the estates, while 40% were Sinhalese who lived off the estate in nearby villages.³² The likelihood of this spilling into ethnically fuelled violence was considerable. In response to this precarious situation, the managers of IRDPs in the Plantation sector initiated a credit scheme which open to all permanent workers – specifically including those living off-Estate. The project was framed as a credit scheme, rather than a grant programme because the houses in the villages that might be built or improved would become the property of the builders, unlike the expansion of the Line Houses which remained property of the Estate. The intended, and effective, impact of this initiative was a defusing of the simmering tensions generated by the perception of unfairness in the allocation of IRDP resources.

IRDP Reinforcement of Authoritarian Control on the Tea Estates?

IRDP initiatives were managed through the Superintendent of the Estate (described in one interview as being “like the king of the estate”), who usually relied on his *Kangany* for implementation. From a peace and conflict impact approach, it is essential to recognize the social and political role of the kangany on the estates. Outside of the gender-specific power relations within the household, the next most immediate level in the hierarchy of power relationships on Tea Estates, is the one between the *Kangany* and the estate workers (largely female pluckers). As the “chief” over the workers, the relationship of the *Kangany* to the workers has been notoriously abusive (Little 1999). He is a Indian Tamil chosen from among the workers who is characterized as carrying a stick with which to monitor, and beat the workers. In short, he is the physical force face of the Superintendent of the Estate.

The *Kangany* satisfied the plantation manager’s need for labour and maintained a paternalistic system of control over labour. The system of control conspired with a number of other factors to ensure the subordination and dependency of the labourers. *Kanganies* were and are strict supervisors of labour.... the character of the hierarchy and differentiation [is] one which exerts maximum control over labour to instill and maintain respect for those in authority, to inhibit labour mobilization, and to evolve a cheap labour regime on the estate. Management and *kanganies* worked together in maintain this control.³³

Some have argued that the power of the *Kangany* has been eclipsed by the *Talahver* – the union representative on an Estate. The difference between the two is that the *Kangany*, in effect, is a company man, and the *Talahver* is a union man. As one interviewee put it, “Some are them are good men, some are not.” The same applies to the Superintendents of estates.

Regarding the operationalization of the IRDP in the Plantation Sector, a serious question has to asked: did the implementation and management structure of IRDP in the plantation sector reinforce an authoritarian hierarchy which maintains itself through the implicit and explicit use of violence. It is difficult to imagine that this did not happen in some cases. However, a clearer sense of the extent to which this occurred would require more detailed field work in the estates where IRDPs were introduced.

Did alternative approaches exist that might have avoided or mitigated this? Development organizations which have tried to work on the ground with workers in the Estates have all emphasized the difficulty in gaining access to partner-beneficiaries. Some interviewees felt that there was greater access, if not cooperation, when the estates were publically operated. In an era of privatization, even that limited access is diminishing as bottom line concerns eclipse social concerns. More creativity and learning from experience is required here. A project would have both a positive development impact and peacebuilding impact when it nurtures social, political, and economic relations which are characterized by respect and dignity, using perhaps an approach which is

³² Interview with Mr. S. Amarasekara, currently Secretary of Ministries of Fisheries and Aquatic Resources and Development — formerly the IRDP coordinator in Matera from 1980–1990, and in charge of the National Programme from 1990–1999.

³³ Angela Little (1999). *Labouring to Learn: Towards a Political Economy of Plantations, People and Education in Sri Lanka* (London: Macmillan)

genuinely participatory and that creates the space within which plantation workers themselves can develop the capacity identify and resolve problems which affect their lives.

An extremist argument would be that there is no way to work in the Plantation Sector without reinforcing exploitative social and economic structures. However, such an argument ignores the variability between estates and their management noted above. When Father Paul Casparsz of Satyodaya was asked how he found the space within the plantation sector to pursue his work in promoting and protecting the dignity and rights of workers and their families, he responded that Satyodaya starts with those Superintendents and Talahvers and Kanganies who are cooperative. “Once you start showing success, the un-cooperative ones will begin clamoring to get on board.”

This discussion has focused primarily on the place of the *kangany* in one subset of a broader matrix of power, control, and violence (latent and manifest) within the Plantation Sector. A more comprehensive analysis would have to consider the broader constellation of relationships, competing authority structures, and points of potential confrontation and conflict in the Plantation Sector. Listed below are six such structured relationships.

1. Intra-Familial Relations
2. *Kangany*-Worker Relations
3. Worker-Estate Management Relations
4. Union-Management Relations
5. Union-Union Relations
6. Political Parties-Union Relations

Elements of coercion and violence have been present in each of these sets of relationships – as have elements of cooperation and collaboration (though probably to a much lesser degree). From a Peace and Conflict Impact perspective then, all development initiatives in this sector need to actively monitor the ways in which their interventions affect relations within and between these authority structures.

From a Peace and Conflict Impact perspective, all development initiatives in this sector need to actively monitor the ways in which their interventions affect relations within and between the following authority structures.

1. Intra-Familial Relations
2. *Kangany*-Worker Relations
3. Worker-Estate Management Relations
4. Union-Management Relations
5. Union-Union Relations
6. Political Parties-Union Relations

PROJECT: Research cooperation

General Observations: The PCIA Dimensions of Research

Research is not, and never has been, a neutral activity. It is always for someone and for something. The sub-field of development research is even more explicit in its transformative intentions. However, it usually takes years for development research to move from the realm of concepts, ideas, techniques, and methodologies to something that can be operationalized, commercialized, and ultimately utilized. In other words the *developmental impact* of research is a down stream outcome (if it is an outcome at all). However, the peace or conflict impacts of development research need not wait until the research is operationalized. They may be evident much earlier in the research process. Thus, it is both possible and, in violence-prone regions, necessary to ask how a research project might affect dynamics of peace and conflict, directly or indirectly.

“Problematization”

One potential area of impact deserves to be more conspicuous in our understanding of the role of research both in development in general, and in peacebuilding in particular: the potential role of research in “problematization,” or the questioning of unquestioned ideas, policies and practices. Or put another way, problematization challenges the unquestioned “answers” that are offered on pressing issues. It questions answers. Development research may serve to cultivate and advocate more positive, critical orientations,

It usually takes years for development research to move from the realm of concepts, ideas, techniques, and methodologies to something that can be operationalized, commercialized, and ultimately utilized.... The *developmental impact* of research is a down stream outcome (if it is an outcome at all). In contrast, its *peace or conflict impact* may, under some conditions, be more immediate

which genuinely explore the connections between those taken-for-granted “facts” or understandings, and those structures and processes which maintain and perpetuate “underdevelopment” and violent conflict. For example, it might question the use of military force to address social and economic problems. Or it might question the framing of social, political and economic conflict as military security issues.

Relatedly, research has a crucial role in fostering alternative perspectives and approaches to pressing social, political, and economic issues – approaches that go beyond mere description or the abstract generalizations offered in typical academic analysis. This critical thrust of development research thus opens possibilities for thinking and acting in ways that challenge orthodoxies and explore uncharted paths that may lead towards transformation and empowerment in the fullest sense of the terms.

Harnessing Epistemic, Experiential, and Political Power

A research-action methodology harnesses the energies, ideas and expertise of the broadest range of actors as possible. Successful research-action projects balance the “epistemic power” of technical experts, the “experiential power” of operational development actors, and the “political power” of policy makers. In countries with domestic political environments that tend to stifle participation, (for example, Mozambique) research-action projects have created the space for civil society actors to contribute substantive input and sound technical advice into government decisions on issues as diverse as the decentralization of political power to the pricing of cotton. The role of research-action projects was even more conspicuous and productive in the immediate post-apartheid period of South Africa.

Research-action projects may serve to create an environment within which non-political actors are able to interact with government officials/political actors on a more equal basis. Perhaps more importantly, this may have a catalytic effect on the peacebuilding and reconstruction initiatives of participants both inside and outside of the formal political arena.

In Sri Lanka however, research-action initiatives do not appear to be common. And, in the context of the SAREC-supported research projects reviewed for this study, they were entirely absent. Instead, the projects were cast in the typical academic format which emphasizes academic training, workshops, and publications rather than the catalytic possibilities of a broader-based, participatory, applied, research-action *process*. Given the considerable capacities that exist in Sri Lanka within state and civil society, there is an opportunity to harness such energies and expertise in research projects with implicit and explicit peacebuilding dimensions. Though not without its problems, the Relief, Rehabilitation and Reconciliation Framework Initiative in Sri Lanka offers a glimpse of the first step in such a project. Research-action projects may serve to create an environment within which “non-political” actors (researchers, community workers, NGOs, the business sector, and so on) are able to interact with government officials/political actors on a more equal basis. Perhaps more importantly, this may have a catalytic effect on the peacebuilding and reconstruction initiatives of participants both inside and outside of the formal political arena.

On its own, research neither changes our thinking nor does it change the world. Its impact is dependent on wide range of factors including *inter alia*: networks and costs (political, economic, and social) of dissemination and operationalization; the presence or absence of effective mobilizers, entrepreneurs; and timing, opportunity and dumb luck.

Sida-specific Observations

Based on a review of the research proposals and a number of interviews, it would appear that the research projects neither consider peace or conflict impact issues nor reflect the priorities articulated in the country strategy of 1998–2000, namely peace and democracy and “sustainable economic development which benefits the poor.” A number of factors were suggested to explain this state of affairs.

Pipeline Lags and left-over projects: Because of the life cycles of projects, there is approximately a two-year lag between the release of Country Strategies for Development Cooperation and the winding down of existing projects. It appears that just as the selection of projects changes to reflect the priorities in the Country Strategy, it is modified again, thereby creating another lag/gap between the two.

Recommendation: That Sida be much more ready to start programming following the drafting and introduction of a Country Strategy Frame. Hopefully, this will be addressed in the hand book being developed by Sida Stockholm on how to draft Country Strategy Frames.

The relative independence of SAREC within Sida and the continuing academic culture of intellectual freedom. SAREC was incorporated into Sida only recently. It appears that SAREC still possesses the academic culture of intellectual freedom which is less directive than the bilateral donor culture might be. Thus, rather than be seen to directing or interfering with intellectual freedom of academics to choose the research topics and approaches of their choice, it encourages the process without specifying/suggesting content that might better fit the Country Strategy. Relatedly, the primary criterion for the final choice of research projects is more likely to be academic excellence (methodological rigor, novelty or need for research), and the efficient allocation of scarce funding resources (encouraging for example the concentration of funding in existing pockets of academic excellence in the Colombo and Kandy rather than the resource starved institutions of the Deep South, the North and the North East.

Recommendation: Incorporate SAREC-supported research more explicitly into the Country Planning Strategy.

The distance between Stockholm and Colombo geographically, socially, politically, etcetera). Because the selection and monitoring of research projects are managed more directly from Stockholm than from Colombo, the lack of immediate presence might obscure possible peace and conflict impact concerns.

Recommendation: Encourage the development of linkages between Sri Lankan universities who receive SAREC Funding.

The unquestioned assumption that research/and academic capacity-building will contribute indirectly and positively to peace. There appears to be an assumption that research and capacity-building is, in and of itself, a positive contribution to the peace process. This assumption needs to be challenged – particularly in Sri Lanka where unemployed, educated, youth provided the political dynamite for wide-spread insurrections in 1971 and from 1987–90.

Possible Built-in Bias of the University Grants Commission (UGC). The process by which Sri Lankan research grants are selected and funded by SAREC is as follows:³⁴ First, a request for research grants is sent by SAREC to the University Grants Commission which, in turn, sends the request of to all the universities in Sri Lanka.³⁵ University Departments then develop their proposals. From the university level, research proposals are then sent to the UGC. At this stage it is not clear whether there is an assessment, review, and selection process within the universities themselves (this was not the case for Sri Jayawardenapuram University.) The UGC makes the first selections of the research proposals, and then forwards its selections to ERD, which forwards them directly to SAREC where they are assessed according to the process and criteria set out in *Sida Guidelines for Applying Institutions*, June 2000. The panel of referees would include representation from the Swedish Embassy in Colombo. Proposals are then selected

It is quite possible that the UGC has a built in bias to accept proposals from those institutions with which they are most comfortable and familiar, especially the *alma mata* of the academic referees. The overwhelming emphasis on universities in Colombo and Kandy would lend weight to this possibility. This dynamic is evident in varying degrees in all academic councils and selection committee.

Among the institutions receiving grants in 2000–01 only two are the North or East. Apparently, some government people have expressed concerns about the relative lack of support for projects in universities/educational institutions outside of the Colombo/Kandy network and would like to see more research projects in the North and North East. The question and challenge is this: how can Sida support these government efforts/interest without being seen to interfering?

Recommendation:

That Sida be much more ready to start programming following the drafting and introduction of a Country Strategy Frame.

Recommendation:

Incorporate SAREC-supported research more explicitly into the Country Planning Strategy.

³⁴ See Appendix 1 in Sida (2000).

³⁵ While the bulk of Swedish research funds are channelled through the UGC, some are also funneled through the National Science Foundation, which has a similar internal review process. Thus, for example, in 2000 only 5 of 20 of the proposals were forwarded by NSF for SAREC review in 2000. (NSF has 15 working committees to assess proposals in the various fields)

Recommendation:

The incorporation of peace and conflict impact assessment into Sida's National Research Development would not be difficult – from an administrative point of view.

Recommendation

The incorporation of peace and conflict impact assessment into Sida's National Research Development Strategy would not be difficult – from an administrative point of view. Sida (2000) sets out the process by which research projects are screened and selected. Like most project screening mechanisms, it includes gender, environmental and ethical “considerations” within its checklist for Sida support (Appendix 2). It would be a straight-forward task of adding pcia here as another of the pre-project considerations. Similarly, it could be explicitly incorporated into “The Specific Criteria for the Assessment of Applications” (Appendix 3).

Some might argue that the criterion that the programme/project “be relevant for the development of the country” already creates the space for the consideration of peace and conflict impact within the selection process. However, for peace and conflict issues – no less than for gender or environmental issues – unless they are written in explicitly, then they are written out implicitly. And importantly, these types of considerations are not at all familiar to those within the academic research setting, especially outside the social sciences. For example, the highly political significance of research on archeological sites in politically contested areas might not be appreciated as part of a larger process of cultural colonization – whether this is an actual objective of the research or simply the perception of a vulnerable population is incidental to the political volatility of such research.

Description of Project**Research Project: Regional Imbalances and Poverty Alleviation**

This particular project is aimed at building research capacity in the field of Social Sciences at the University of Sri Jayawardenepura. For staff development, a split Ph.D. Program has been initiated. The research concerns regional imbalances and poverty alleviation project will carry out in-depth study of poverty in Sri Lanka with special reference to the rural sector. The objective is to assess the existing situation regarding poverty, provide in-depth information as to the more critical components of poverty, analyse the culture of poverty and its relationship to development, identify relationships between poverty and food security, investigate poverty with reference to human health and nutrition, investigate the feminization of poverty, assess past and present poverty alleviation strategies, analyze the role of political decision making, bureaucracy and NGOs in poverty alleviation, provide policy relevant recommendations leading to alternative approaches.

The second project is “Overcoming regional imbalances: approaches and strategies for the future.” The objective is to analyze the economic, social, historical and political factors responsible for regional imbalances, the implications of regional balances, examine the role and the contributions that regions make to development, critically assess the policy interventions undertaken to reduce regional inequalities, discuss the impact of regional development and the constraints to effective implementation. GIS will be installed at the university and used for research. The intention is to develop long-term institutional means for ensuring the continuity of development studies in collaboration with the University of Uppsala, Gothenburg and Karlstad.

Initial Scan for Potential Peace or Conflict Impact Issues

- This research project explicitly excludes the North and the East. It is thus impossible for its findings to be comprehensive or systematic in its analysis of regional imbalances. To the extent that the project ignores the North and East, then all national level generalizations regarding poverty alleviation are incomplete or flawed.
- In light of the discussion below on the distorting impact of the war on the economy of Sri Lanka, it is impossible to discuss regional imbalances or poverty alleviation without a serious examination of this phenomenon. Does this research then, implicitly subsidize the war (intellectually and theoretically) by ignoring it? Does it “de-militarize” what is an inherently militarized and politicized area of research?
- Will this research be peace and conflict impact sensitive since all of the research areas identified in the description above can affect, indeed *have*, affected, peace and conflict dynamics in SL?

- Who will benefit, and who will be seen to benefit from the training/educational opportunities/capacity building in each of these research proposals? Will the selection of beneficiaries be seen to be transparent, fair, and equitable?
- What kind of “governance issues” will be examined – and by whom? To what extent will communities be actively involved in the research and analysis? To what extent will they be passive objects of external analysis?
- Will the links between “entrepreneurial development” and conflict be included?
- Will union politics and worker rights be explicit, implicit or ignored (if ignored, will the research subsidize current inequities?)

PROJECT: Education for Peace and Democracy

“The state of the art review of current education for peace and democracy in Sri Lanka and recommendations on possible ways to move forward”

Project Description

This initiative is a response to a proposal by the Ministry of Education and Higher Education for a project on “the development of peaceful competencies” at the primary school level, which could be seen as part of the development of the new school reform.

Purpose of the Assessment:

1. Develop an overview of what is currently being done in the field of peace and democracy education and to evaluate lessons learned.
2. Analyse how a pilot project can be mainstreamed in the current education reform at primary and secondary levels, and the current school book reform and new directives for teaching Sinhala and Tamil as a second language for all students and how additional components can be added to the original proposal.
3. Provide concrete suggestions for the operationalization of the pilot project (including children’s participation).
4. Identify training needs among staff in schools, teaching training colleges or school administrators
5. Suggest mechanisms for sharing information and networking among organizers of education for peace and democracy
6. Suggest complimenting activities to the project in schools (e.g., support to civil society and media).
7. Investigate possibilities of building up the capacity in one University in Sri Lanka to carry out local action research in education for peace and democracy.
8. To analyze the current resource base in Sweden and Sri Lanka to support Education for peace and democracy.
9. To enable Sida to make informed decisions on future support (which will include a workshop to canvas the views of the principal stakeholders in Sri Lanka).
10. To suggest pilot provinces, zones, schools and colleges of education as well as possible counterparts in media and non-formal education by civil society.

Analytical Discussion

As discussed in greater detail below, one of the obvious and intended impacts of the new Country Strategy is a reorientation of the content of Sida programming, from what had become traditional areas of development programming (like education) to the “new” areas of peace and democracy. Rather than building peace and democracy components into the traditional program areas, a new menu of projects and partners are being cultivated. This particular project on Education for Peace and Democracy is a bit of an amalgam of old and new Country Strategies. Its education focus is part of a larger and longer-term commitment that Sweden has had in the education sector for over a decade. For this reason, it is appropriate to speak beyond the immediate project, to support for both traditional education and that which is more overtly linked to peace and tolerance as outcomes.

Formal education is often viewed as a neutral or technical process of information dissemination set within a given social reality. However, this perspective inhibits us from considering the role of education in the definition and maintenance of a “constructed” – rather than a “given” – society. The broadening of analytical focus allowed us to see that implicitly and explicitly, intentionally and unintentionally, education inevitably has a societal impact for good or for ill. As the author and critic Neil Postman has said,

... public education does not serve a public. It creates a public.. The question is, What kind of public does it create? A conglomerate of self-indulgent consumers? Angry, soulless, directionless masses? Indifferent, confused citizens? Or a public imbued with confidence, a sense of purpose, a respect for learning and tolerance? (p. 18)

Interestingly, when education is viewed in the context of conflict settings, it is often cast as a panacea for a broad spectrum of social ills, from racism to misogyny. While the impact of such educational initiatives has been mixed, their starting premise is the same: that formal education can shape the understandings, attitudes, and ultimately, the behaviour of individuals. If it is true that education can have a socially constructive impact on intergroup relations, then it is equally evident that it can have a socially destructive impact. This is especially evident in Sri Lanka in light of the volatility of access to higher education, particularly from the early 1970s onwards.

A recent study commissioned by UNICEF examines the positive and negative impacts of education in ethnic conflicts.³⁶ Two “faces” of education are identified: the negative face that, for example, shows itself in the uneven distribution of education to create or preserve privilege, the use of education as a weapon of cultural repression, and the production or doctoring of textbooks to promote intolerance. The positive face goes beyond the provision of “education for peace” programmes, reflecting the cumulative benefits of good quality education. These include the conflict-dampening impact of educational opportunity,³⁷ the promotion of linguistic and cultural tolerance, the nurturing of ethnic tolerance, the cultivation of inclusive citizenship, and the “disarming of history.”

One of the critical questions in a peace and conflict impact assessment of education programmes for peace is whether it is possible – or the degree to which it is possible – to inculcate a culture of peace and tolerance through institutional structures which are imbued with an antithetical culture, that is, a culture which is anti-democratic and authoritarian. For example, the whole issue of corporal punishment is not really addressed in the documentation for education projects. This is a striking oversight when different size “canes” for beating children routinely hang over the desks of head masters. Beatings often leave open welts over the childrens’ bodies. Recommendation: Sida could institute a no-beating/no-corporal punishment; etc policy in any of the schools they support, and a zero tolerance for violence in schools, including ragging.

The other critical question is how to link what goes on inside the school system with what goes on outside it. Thus for example, messages of peace, respect, and tolerance may be quickly washed away outside school walls in a society which fetishizes military violence. A recent example is the reaction to an Save the Children campaign to consciencize the public about the ways in which the war in Sri Lanka affects all children – not just those in the war zone. The public haranguing from the extremist National Movement Against Terrorism was followed by a grenade attack in the Save the Children Compound in Colombo.

³⁶ Bush and Saltarelli 2000.

³⁷ Of course, in the case of Sri Lanka, we have seen that educational opportunity which is not matched by employment opportunity may be trigger the disillusionment of youth – with explosively violent results.

IV Peace and conflict impact considerations for Swedish ODA to Sri Lanka

The Modalities of Swedish Development Assistance in Sri Lanka

Swedish ODA in Sri Lanka is currently channeled through five principal mechanisms.

- *Country-frame funding* which is set out in a formal agreement between the two governments. Funds normally enter the budgetary procedures of the Sri Lanka government as an integrated part of the operation of a Ministry or Authority. There is a growing flexibility in how these funds can be disbursed, but all projects need the approval of a governmental implementing body that will be politically responsible for the project.
- *Humanitarian Aid* which provides special responsive support to the war-torn areas from a budget outside Country Frame Funding.
- *Private Sector Development Funds* which are also available outside Country Frame Funding.
- *Regional funds* acquired by the Embassy from its regional department (Asia Department) at Sida HQ to be used for smaller contributions outside of the country-frame, mainly to support local NGOs within the context of the Country Strategy
- *Research Cooperation* supported with Sida/SAREC funds in cooperation with the Ministry for Higher Education. The main objective is to raise the research-capacity in post-graduate research, mainly in the field of science.

A conspicuous characteristic of each of these mechanisms is the degree they are directed from Sida HQ in Stockholm.

Each of these mechanisms is located in different parts of the bureaucratic structure of Sida.

The *Asia Department* has overall responsibility for Sri Lanka, including the drafting and signing of contacts between Sweden and Sri Lanka, hiring Swedish staff in the Embassy, and managing the drafting of the Country Strategy Frame. The Head of Asia Department convenes monthly meetings in Stockholm which consists of the following Departments, each of which has responsibilities in Sri Lanka (Sida CLM staff attend if they happen to be in HQ).

The Department of Humanitarian Aid has one programme officer who is responsible for South and South East Asia. While the current incumbent has a personal interest in Sri Lanka, she is directly responsible to the Conflict Policy Unit. Field visits to Sri Lanka are limited to about once a year. The Sida Department for Humanitarian Aid is mandated to work on conflict issues through the Conflict Policy Unit – working for example, with such organizations as the OECD DAC Working Group on Conflict, Peace and Development Cooperation, the CPR Network, and so on.

The Department for Infrastructure and Economic Development is responsible for private sector development. A wide range of activities is supported through this mechanism from capacity building in the Central Bank of Ceylon to training programmes for small businesses. This Department has organized many training courses, and consequently has also supported the development of human rights courses.

The Department for Democracy and Social Development is subdivided into a number of divisions, including: the Division for Democratic Governance; the Division for Health; the Division for Culture and Media.

SAREC or the *Department for Research Development* is responsible for capacity building in the area of research and higher education. Support for universities is oriented towards strengthening research promoting structures, academic capacity for research, and towards the application of research in selected problem areas. Emphasis is placed on the creation of capacity to provide research training and other post-graduate education.

A conspicuous characteristic of each of the Sida development assistance mechanisms is the degree they are directed from Sida HQ in Stockholm. Indeed, Sida-CLM appears to have limited authority to make project decisions and resource allocations – with the exception of support for NGOs. The decision-making structure

which formulates and animates Swedish programming is weighted almost entirely towards Stockholm. The fact that each of the programming mechanisms is located in different parts of the Sida-Stockholm bureaucracy increases the risks of compartmentalization and fragmentation of responsibilities and programming. This is discussed further below.

The remaining part of this section turns its attention to some of the implications of the modalities of the Swedish development programme (in general) as it is currently construed.

PCIA entails a close, on-going and interpretive monitoring of projects for possible impacts *beyond their developmental scope*, this is an area of activity which falls more directly into the scope of Sida-CLM work than Sida-HQ

The distance between Stockholm and Colombo (geographically, socially, politically, etcetera). It appears that the identification and development of projects are undertaken primarily in Stockholm, while monitoring and support are provided by Sida-Colombo. The distance between those with programming responsibilities and those with monitoring responsibilities may limit the responsiveness of Sida to peacebuilding risks and opportunities on the ground. Relatedly, the multiplicity of players in the formulation and operationalization of Swedish development programming in Sri Lanka raises the danger of disconnections between respective actors and initiatives within Sida, and possibly between Sida and the Ministry of Foreign Affairs. Because of the bureaucratic division of labour within Sida Stockholm, some issue areas are especially awkward to address because they either fall between the responsibilities of departments or because they cross-cut responsibilities of departments – for example “peace-focused” education through the regular curriculum

and Ministry of Education (discussed further below).

[The] shift toward peace and human rights does not mean that the on-going programming in education and other conventional development programme should be scrapped. The real is do things differently rather than to do different things!

At the moment, there are two means by which this distance is reduced. The first is the position of Second Secretary (Development Cooperation) Sida-Colombo, who has responsibility for monitoring the situation on the ground in Sri Lanka. The second is what appears to be good personal relationships between those officers in Stockholm and those in Colombo which help to facilitate good working relationships. For the time being, this alleviates some concerns about the Colombo-Stockholm divide, but it does not remove them. The speed and responsiveness often required to respond to, amplify, or reinforce peacebuilding impacts (or to dampen and avoid peace-destroying impacts) requires an on-the-ground presence reinforced by the capacity, authority, and resources to respond quickly and effectively. Nonetheless, even a cursory review reveals the need for very close cooperation between Sida HQ and Sida-Colombo particularly in the identification, monitoring and evaluation of Swedish-supported projects. This is particularly important when attention turns to the potential Peace and Conflict Impact of Sida-supported projects, since

this requires a close and on-going monitoring of projects for possible impacts *beyond their developmental scope*.

Decreasing interest in Sri Lanka as other countries increase in political significance. Sri Lanka has always been relatively anomalous because of its ability, as a small country, to sustain donor attention and support. However, seventeen years of grinding militarized violence, increasingly militarized politics, and domestic pressures on donors to respond to competing crises, have contributed to the erosion of international support to Sri Lanka.³⁸ In hard quantitative terms, this is reflected in the decline in ODA receipts. Due in part to the so-called CNN Effect, limited donor resources are being reallocated to media-amplified crises in other areas of the world.

Compartmentalization of Peace and Conflict Issues within Sida Stockholm. Peace and conflict issues have not yet been “mainstreamed” within Sida thinking and programming. As in other bilateral development agencies, a “functional” division of labour exists in which responsibility for peace and conflict issues are assigned to specific desks, departments or bureaus. In Sida, this is largely the Department for Democracy and Social Development and the Department of Humanitarian Aid. As peace and conflict issues become more conspicuous and unavoidable – in both development programming and in the public media – the tendency has been to reallocate and ear-mark existing resources within the ODA budget in order to be seen to be addressing these publicly

³⁸ As noted above, this was a conspicuous feature of the December 2000 Sri Lanka Donor Meeting in Paris.

important political issues.³⁹ Typically, the result is that resources are siphoned from traditional development programming budgets to those areas *seen to be* dealing with peace and conflict issues.

This appears to be the case in Stockholm where the Department of Education (which is responsible for supporting educational initiatives in Sri Lanka) has experienced progressive cuts to its budget while the Department of Democratic Governance (founded in 1995) has seen its budget grow in leaps and bounds. As a consequence, there has been a down-sizing of Sida education programming. Thus in Sri Lanka, Sida is moving away from the education sector – a sector in which it has acquired substantial expertise and has had demonstrated success. And most importantly from a peace and conflict impact perspective, this is a sector *which may have profound peace or conflict impacts at local, regional and national levels*. Instead, Sida has signaled its intention to move into a “new” and high (political) risk area of programming in the area of (explicit) conflict management. The Country Strategy shift toward peace and human rights *does not mean that the on-going programming in education and other conventional development programme should be scrapped. The real challenge – which is yet to be fully appreciated by donors – is to do things differently rather than to do different things!* To jump into different areas of programming entails a steep learning curve at the best of time. To jump into overt peace and governance programming in a conflict-prone setting is high risk undertaking in a high risk environment.

The “existential political reality in Sri Lanka” is that there is no way of doing anything on the island unless to you first have the political support and patronage. This is especially so in the case of Swedish development cooperation because it works directly with the Government of Sri Lanka and requires GOSL approval on all projects which fall within the Country Strategy. This can make the process of project formulation and implementation a highly political and politicized activity.

Recommendation: It was noted in interviews that the Sida office in Pretoria has a very different – and much more flexible – set of relationships with the South African Government compared with Sida/Colombo’s relationships with the Government of Sri Lanka. The South Africa Sida office has far greater role in project and partner choice. It was not clear why this was the case. However, a similar (*i.e.*, greater) degree of flexibility and authority would allow the Sida staff who are closer-to-the-ground in Colombo to increase the responsiveness of its development and peacebuilding programming. One of the ways that this has been achieved in South Africa is through a “Consultancy Fund” that can be used in private sector development. While such a mechanism is in place in Colombo, it could be used more efficiently and effectively if it was increased in size. All programming would still fall within the Country Strategy, but Sida/CLM would be better placed to circumvent cumbersome approval procedures with Stockholm and the GSL.

Prior to the current Country Strategy, the central orienting objective for the Swedish development programme in Sri Lanka was poverty reduction with a special emphasis on gender, environment, human rights through programming in education and rural development. There was no explicit focus on conflict *per se*. In contrast, the new (1998) Country Strategy, contains an explicit “conflict management perspective (conflict resolution and prevention).”⁴⁰ This section offers a critical review of the new country strategy through the lens of peace and conflict impact assessment. The intention is to stimulate continued critical discussion concerning the means and ends of Swedish assistance in Sri Lanka. That is, it is an invitation into an on-going discussion rather than a conclusive or definitive evaluation.

...compared with most other political systems in the developing world, the Sri Lanka political infrastructure is still *relatively* robust and there is plenty of scope for strengthening political structures and processes from within working along side engaged and competent governmental partners.

Recommendation: a [greater] degree of flexibility and authority would allow the Sida staff who are closer-to-the-ground in Colombo to increase the responsiveness of its development and peacebuilding programming

³⁹ “Publicly important political issues” because the government recognizes the need to be seen to be responding to those issues identified as important by its citizens and domestic support constituencies. This is where the role of the media becomes politically influential. While they might not tell you what to think, they do influence what you might think about. Examples abound, from famine in Ethiopia to genocide in Rwanda to secessionist violence in Indonesia.

⁴⁰ See Sida 1997, 1998a, and 1999 for more detailed information.

Avoiding the Ghettoization of Peace Work

Two Sida-sponsored workshops were organized to generate recommendations for how to operationalize the new country strategy (Sida 1998a and Sida 1999). The report of the 1998 workshop claims to “list and describe a very large number and a wide range of initiatives that Sida is already pursuing and could pursue” in the promotion of peace and democracy through good governance (Sida 1998a: pp. 10–15). This consists of:

- Strengthening democracy in the Pradeshiya Sabhas and in higher level government institutions
- Supporting the establishment of an effective Human Rights Commission
- Professionalizing Trade Unions
- Supporting the Law Commission
- Supporting the Judge’s Institute
- Promoting research cooperation into achieving better democratic institutions
- Strengthening electoral institutions and voter education
- NGO support for improving womens’ and childrens’ rights

The same report also identifies the following cluster of activities to promote “greater democratic responsibility in civil society”:

...the rush of donors into “so-called” peacebuilding activities, at the expense of traditional development programming is worrying, and possibly counter-productive.

- Professionalising the print and electronic media
- Strengthening grass roots institutions as a check on political society
- Resource and capacity building in schools for peace education
- Promoting research cooperation into greater democratic responsibility in civil society

When these two sets of activities are viewed from a perspective which is premised on understanding peacebuilding as an impact (see above), the range of activities is not as “wide” as it might, at first, appear. On the contrary, it is quite narrow. As discussed in the introductory section of this study, “peace, democracy, and good governance” programmes have typically employed instruments such as these in the areas of human rights

monitoring and awareness raising, security sector reform, democratic institution strengthening, public sector reform, media capacity building, “peace education,” and so on. While these activities *may have* had positive impacts on the peace and conflict environment, there are also cases where they have had negative impacts (Anderson 1999; Bush 2001). As importantly, it is essential that we also consider (even emphasize) the peacebuilding and peace-destroying impacts of those *development* activities that are not conventionally framed or analyzed in this context – for example, activities and initiatives in agriculture, irrigation, health, education, and so on. Not only are such initiatives or instruments far more prevalent than “peacebuilding” projects, but they are less likely to be viewed as being as overtly “political” and therefore are less likely to encounter political flak. If we understand peacebuilding as an impact, then it is necessary to delineate the “peacebuilding impact” of an initiative, from its developmental impact, economic impact, environmental impact, gender impact and so on. For these reasons, the uncritical rush of donors into “so-called” peacebuilding activities, *at the expense of traditional development programming* is worrying, and possibly counter-productive.

Let me be clear about what is *not* being suggested. It is not being suggested that donors should not support those activities which are conventionally labeled as “peacebuilding” activities. Rather, it is being argued that donors should not “ghetto-ize” or “compartmentalize” their peacebuilding initiatives from their considerable accumulated experience and expertise in “traditional” development assistance. To do so risks *lessening* rather than increasing the likelihood of having an overall positive impact on the structures and processes of peace, for the following reasons:

- (1) the political profile and risk levels of a project increase when it is seen to be a “peacebuilding project”;
- (2) there is an increased likelihood that government partners will balk at what will be seen as increasingly politicized programming;
- (3) funds are diverted away from development initiatives which can be argued to have a conflict dampening effect to the extent that their developmental benefits are seen to be justly and equitably distributed;

- (4) it neglects the considerable expertise and networks cultivated through past development activities which may have been, and could be, harnessed implicitly or explicitly to peacebuilding .

It is in the context of the last point (the risk of not building on existing experience and expertise) that one must examine the section of the Country Strategy, which reads:

“Projects for rural development and education are being phased out. During this phasing out period, projects for peace and democracy shall gradually increase in volume and shall greatly exceed present levels at the end of the strategy period” (p. 11).

The very process of mobilization for reconstruction and rehabilitation can, itself, be a critical element in nurturing the “trend towards long-term peace

If we understand peacebuilding as an impact, then this statement makes no sense. Indeed, it takes Sida away from those activities and sectors in which it has cultivated considerable expertise. The point to be reiterated here is that the Sida Country Strategy may well require Sida to do its development work differently, rather than to do different work.

The question to be examined here is whether Sida is missing the opportunity to capitalize on past programming successes *and to harness them to the objectives of the new Country Strategy*. Indeed, one of the issues in the discussion concerning the consolidation of Swedish-supported initiatives under the new Country Strategy is whether to develop the capacities of “weak” or nascent institutions or to support initiatives which are “to some extent, already on a firm footing and certain to be able to show outputs” (Sida 1998a). If Sida is interested in building on past successes. Then it should, for example, consider building on demonstrated accomplishments in the Education sector (Gunasekara 2000), by linking it more explicitly to the “conflict management” focus of the new Country Strategy. The UNICEF Innocenti Research Centre has recently begun to address this challenge in a research project entitled, *The Two Faces of Education: Towards a Peacebuilding Education for Children in Ethnic Conflict* (Bush and Saltarelli 2000). This could be a useful starting point for Sida if it was to decide to build explicitly on its achievements in the education sector in ways that amplify positive peace *and* educational impacts.

The same argument for building on past Sida development successes may be applied even more strongly to the decision to phase out projects in rural development – particularly since the Integrated Rural Development Projects is premised on popular participation, social mobilization, and the diversification of efforts to relieve poverty through self-help and the organization of groups (Sida 1994).

Integrating, rather than separating, the two-fold emphasis of the 1998–2000 Country Strategy: Peace and Democracy; and Economic Development which Supports the Poor

With the 1998 Country Strategy there is an opportunity to integrate, rather than separate, (1) peacebuilding and democracy through peace and conflict impact-sensitive economic development and (2) economic development through “peace and democracy” projects (e.g., a tee-shirt and print shop/project run by a “peace group” to both generate income and produce materials advocating for peace.)

The Use of Preparedness Planning as an Incentive for Peace

The Country Strategy emphasizes the need for greater “preparedness... to mobilize considerable amounts for reconstruction and rehabilitation *if there is a clear trend towards long-term peace.*”

This part of the Country Strategy raises the question of the ways in which efforts to facilitate preparedness for reconstruction and rehabilitation might be used to create incentives for the principal parties to begin the slow move towards peace. It would be a missed opportunity, if this particular section of the Swedish Country Strategy was interpreted to suggest that efforts to achieve “preparedness” have to wait until some externally initiated or *sui generis* “trend towards long-term peace” becomes evident. The very process of mobilization for reconstruction and rehabilitation can, itself, be a critical element in nurturing the “trend towards long-term peace.”

It may be instructive to reflect on events immediately following the election of Chandrika Kumaratunge and the People’s Alliance in 1994 (where the war-weariness of voters won out over extremism). The government sent a group of “peace emissaries” to Jaffna which was received by the LTTE in order to hear what the government was

willing to put on the table. After preliminary contact, the GSL commissioned a group of consultants to draft a Jaffna Reconstruction and Redevelopment Plan. The result was a classic, huge, infrastructure development plan – a new port, university, roads, telecommunications, and the kitchen sink. The price tag was around US\$600 million. The LTTE counter-proposal carried a price tag of US\$1.8 billion. This set the stage for the post-modern dance between Colombo, the LTTE, and the donors over a non-existent peace dividend which the donor community was in no financial position to deliver. What mattered however, was not the details nor the availability/lack of availability of funds. What mattered was that the *idea of a peace dividend*, appeared to be sufficient to stoke up enough self-interest to get some elements within both camps to a table for functional discussions.

Ultimately, these efforts failed to generate the necessary momentum to move from destruction to reconstruction. Part of the reason is that the plan relied only on the manipulation of economic incentives – which may have piqued the economic self-interest of protagonists sufficiently to get them to the table, but was not enough to affect their political interests. This suggests that if donors hope to have a significant and lasting impact on the behaviour of actors directly involved in the conflict, then they will need to affect not only the economic incentive structure, but the political incentive structure as well. And it may well be that changes to the political incentives may be beyond the ability of Colombo-based bilaterals. It will require the applications of political resources (as distinct from developmental resources) and leverage from their capitals. This is precisely the logic underpinning the Norwegian-driven peace initiative of 2000 and 2001.

Attitudes and interests are frequently inter-related..... The building of trust then, may also be facilitated through the strengthening and development of shared inter-group interests

It is worth noting that the building of trust need not focus exclusively on the socio-psychological dynamics of perception and attitude-formation. Attitudes and interests are frequently inter-related. In Sri Lanka, as in all regions racked by violent ethnicized conflict, the separation and polarization of communities not only inhibit inter-group contact and communication, but serve to reduce the common interest that groups have to address conflicts non-violently. The building of trust then, may also be facilitated through the strengthening and development of shared inter-group interests – in this case, infrastructural projects that all communities/factions/social groups have an interest in maintaining such as roads and ports projects sewer and electricity projects, or irrigation projects that cross-cut areas of tension. Similarly, it is possible to consider projects which facilitate the development of common political interests as well as material interests, e.g., international

contributions to the development of the post-Apartheid constitution in South Africa, and the reconfiguration of political structures in Malaysia which rewarded inter-ethnic accommodation over chauvinism.. Ultimately however, the building of trust between communities, and between the state and civil society, is a gradual and incremental process that may employ a broad range of tools – planning with the stakeholders for the attainment of alternative peaceful futures is one such tool.

The Potential Conflict Impact of Rapid Economic Growth

“More dialogue and rapid economic growth can diminish the risk of several of the potential conflicts becoming acute” (p.1).

Sometimes dialogue and rapid economic growth can diminish the risk of potential conflicts becoming acute; sometimes it does not. And many times, rapid economic growth *intensifies or exacerbates* conflict

Sometimes dialogue and rapid economic growth can diminish the risk of potential conflicts becoming acute; sometimes they do not. And sometimes (indeed, many times), rapid economic growth *intensifies or exacerbates* conflict. The central reason for applying peace and conflict analytic lens to development projects and programmes is to be able probe questions such as, “Who benefits?” “Who does not benefit?” “Who loses?” And how might (does/did) a particular intervention affect intergroup relations – and more specifically, the dynamics of peace or violent conflict, whether positively or negatively. These questions must be asked in each instance where economic growth is stimulated by external interventions. It cannot, and should not, be assumed that economic growth (especially *rapid* economic growth) is automatically conflict-dampening in impact. For example, in Sri Lanka, it has been argued that the very process of “liberalizing” the economy in the pursuit of rapid economic growth

was a notoriously destabilizing and conflict-inducing process – especially in the short and medium term. Indeed, some have argued that the UNP’s neo-liberal economic programme in the late 1970s and early 1980s played a significant role in creating the conditions and incentives for the riots of 1983 and subsequent spiral into violence (Herring 1998; Dunham and Jayasuriya, 1998; Moore 1990; Meyer 1984). See below.

The Emptiness of Discussions About Economic Restructuring If the Militarized Economy is Ignored

“The government [of Sri Lanka] has stated that it wishes to continue the restructuring of the economy, and higher economic growth led by increases in exports has been given priority.” (p. 7)

Any discussion of economic restructuring which ignores the distorting (and conflict sustaining) impacts of militarized economies – from the local to national levels – will at best be useless, and at worst harmful.

Any discussion of economic restructuring which ignores the distorting (and conflict sustaining) impacts of militarized economies – from the local to national levels – will at best be useless, and at worst harmful.

The Armed Labour Force

Kelegama (1999) offers the following estimate for pro-government forces in 1996: Army – 129,000, Air Force – 17,000, Navy – 21,000, and Police – 68,000 for a total armed forces strength of 235,000. However, this figure does not include the tens of thousands of village militias (or “Home Guards”); nor the pro-government Tamil Paramilitary Organizations; nor the estimated 30–40,000 army deserters who may, or may not, have kept their weapons. Further, any calculation of island-wide armed labour force must include the LTTE, estimated to be 13,200 (– 40–60% of whom are estimated to be under the age of eighteen, Sentinel South Asia 2000)

Related to the size of the armed forces, is the bloated size of the military budget. In a recent and rigorous study on the costs of the war in Sri Lanka, it has been estimated that from 1982 to 1996 defence expenditure as a percentage of total government expenditure has increased from 3.1 to 21.6 per cent. As a percentage of the GDP, the defence budget has increased from 1.1 to 6.0 during the same period of time (Arunatilake, Jayasuriya, and Kelegama 2000; National Peace Council/Marga 2001). Thus, military expenditures dwarf combined expenditure on education and health, the consequences of which affect availability and access to basic social services by all Sri Lankans (especially children).⁴¹

In interviews in Sri Lanka, there was a strong impression that Sri Lanka is shifting from being a Middle East remittance economy to a “war remittance economy.” This impression has been borne out in research by Dunham and Jayasuriya (1998). The chart below compares the change in the average per capita inflow to the poor from overseas remittances, governmental poverty alleviation programmes, and army recruitment and compensation as a percentage of the World Bank-defined poverty line.

Income Source	Transfers as a percentage of the rural poverty line			
	1985	1990	1993	1997
Remittances from Overseas	20	21	26	30
Foodstamp Prog	6	11	8	0
Janasaviya/Samurdhi Progs	0	10	9	9
Army Recruitment/compensation	5	11	13	32
TOTAL	31	53	60	75

Source: Dunham and Jayasuriya (1998).

This table illustrates the increasing importance of army recruitment and compensation in the lives of the rural poor. Having risen from 5 to 32 percent in twelve years, it now ranks as the most important source of external resources to the rural poor. It also dwarfs the official poverty alleviation programmes of the government’s Janasaviya and Samurdhi.

⁴¹ See Bush 2000a for an overview of the impact of militarized violence on children in Sri Lanka – inside and outside of the conventionally defined “war zones.”

In Sri Lanka, the government appears to be relying on military recruitment as a grand youth employment scheme.

Both in the rural areas and nationally, the Sri Lankan economy is increasingly shaped (and distorted) by war. Correspondingly, there is a danger that such economic dependencies may give way to a variety of economic, social, and political “addictions.” In Lanka, this appears to be reflected in the reliance of the government on military recruitment as a grand youth employment scheme. From the perspective of a youth facing limited employment opportunities and life options, military employment is a rational economic decision – despite the (youth-discounted) risk of injury or death. The implication of the shifting dependencies within the rural economy is articulated by Dunham and Jayasuriya as follows: “The emerging picture is one of a fragile and highly brittle peasant economy,

where poverty may have been staved off (for the moment) by transfers and remittances, but where there is no identifiable and sustainable way out of poverty” (Dunham and Jayasuriya 1998). Interestingly, we see that while poverty may have been staved off (for some segments of the Sri Lankan population), it is being bought at the cost of continued military violence.

While the military may attempt to justify the enlarged military apparatus using the language of national security, the government – and donors still engaged in Sri Lanka – have a responsibility to think through (1) how it will prevent war-time distortions from becoming self-perpetuating, and (2) how it will wean a young population off the expectation that the military (or the state more generally) will always be there to provide employment.

If, when, and how ever a post-war world arrives, the government will find itself with tens of thousands of soldiers to be demobilized into an environment characterised by the mass availability of weapons, a dubious economic base, youth expectations that will still need to be addressed if the country is to avoid a third round of JVP-style hyper-violence.

If, when, and however a post-war world arrives, the government will find itself with tens of thousands of soldiers to be demobilized into an environment characterised by the mass availability of weapons, a dubious economic base, and inflated youth expectations that will need to be addressed if the country is to avoid a third round of JVP-style hyper-violence. In this situation, the dilemma faced by the Sri Lankan government will be no different from those faced by Uganda when it attempted to demobilize. Namely, the need for political will and the resources to demobilize in an environment which will likely lack both. And, as the Uganda case illustrates, this is an expensive process. There, a World Bank programme provided cash payments of just over \$700 a person to resettle 23,000 discharged soldiers and their 50,000 dependants (cited in Cottey 1994: 39).⁴² In other words, the cash payments alone totalled more than \$51 million – for a fraction of the number of armed stakeholders who would need to be disarmed and demobilized in Sri Lanka. In addition to this cost, there are the large costs of retraining, resettlement, demining, and so on. The process becomes even more complex and precarious when one expands demobilisation to include the

Tamil paramilitaries, both the LTTE and the pro-government Tamil paramilitaries.

The argument that JVP style youth extremism is blunted as a result of the increased employment opportunities presented by mass military recruitment may, or may not, be true. But in either case, it is extremely short sighted. Unless a sustainable social, economic, and political environment can be fashioned (or a commitment won from the population to devote itself to its creation), the post-war scenario will contain the volatile mix of trained militarised youth, access to weapons, in an economy unable to absorb them.

In brief then, a bloated military structure poses serious obstacles to moving from the violent present to a less-violent future. A Catch-22 situation becomes clear: A war-dependent economy drains resources into non-productive activities – precisely the resources needed to restructure the economy and to reduce the war addiction and to move into a post-war world. As the economy becomes increasingly dependent on the war, it becomes increasingly difficult to restructure. The sheer volume of weapons circulating in Lanka should be cause for both extreme concern, not to mention shame (this includes both “legal” and “illegal” weapons). If we can imagine the possibility of a post-war Lanka (even if it is not clear how we might get there from here), how will these weapons be removed from circulation. How can Sri Lanka avoid repeating the weapons-generated echo effect/follow-on violence of “post-conflict” situations (such as Mozambique). The individuals to whom I spoke estimated the number of military deserters to be between 12,000 to 40,000. This too is part of the war economy – and part of the problem of transforming it.

⁴² Demobilization appears to have been successful, with approximately two thirds of the ex-soldiers returning to farming where the crime rate remains well below the national average (Financial Times, 24 April 1994, cited in Cottey 1994: 39).

The bottom line, is that any discussion of economic restructuring within Sri Lanka which does not explicitly address the militarized economy is an artificial and politically myopic exercise which is of limited practical utility.

Economic Development that Benefits the Poor Within the Context of Liberalizing Economy

One of the two-fold goals of the Sida Country Strategy is economic development which benefits the poor. In this context, the following dates should be borne in mind.

Critical Dates in the Economic Health of Sri Lanka

- December 28, 1998: Date of signing of the Free Trade Agreement(FTA) with India.
- January 2001: The decision by the Government to float the rupee appears to be an attempt to deal with its foreign reserves crisis.
- Summer 2001: Date by which some economists estimate the Government will depleted all of the foreign reserves at the Central Bank. Two events aggravated the draining of the foreign reserves in 2000, one external and one internal: (1) the sudden increase in the price of oil, and (2) the weapons-buying spree spurred on by the near fall of Jaffna to the LTTE in Spring of the same year. Once foreign reserves are depleted, the pessimistic scenario has Sri Lanka being forced into extreme austerity measures dictated by the neoeconomic logic that drives International Financial Institutions like the IMF. A practice of this scenario run might have been evident in early February 2001 when an IMF team visited Sri Lanka for high level meetings with the president following the foreign reserve crisis. A number of “issues” were said to have been emphasized by the IMF team, including the need for more efficient legislation in the private sector; and current management practices in public corporations. However, there does not appear to have been any explicit reference to arms expenditures, *per se*.
- 2004/5: Date by which the textile quota system ends and will leave Sri Lanka’s largest sources of foreign income open to market forces of cheaper producers. Some industry analysts have predicted that this will lead to the likely collapse of 50–60% of the garment industry.⁴³
- 2006: the next election (assuming the current government runs full term).
- 2008: Date by which the “negative list” of Sri Lanka items in the FTA (onions, Potatoes, rice) no longer are protected. This will likely increase the cost of staples, along with economic and possibly nutritional hardship.

a call to loot one's competitor, whom one could characterize as an exploiter or race enemy was a cheap way of making a reputation amongst the lower classes, and there was always the possibility of making an easy financial killing in buying in at low prices the booty which had become burdensome to the looters.

Individually and collectively, these economically significant events have great destabilizing potential. In a volatile and highly politicized environment, they can serve as a rallying point for the violent mobilization of dissent. It would be a mistake to forget that the Indo-Lanka Accord of 1987 was the necessary ingredient for the triggering of the 2nd JVP insurrection. While the Accord did not cause the insurrection, it triggered it.

Because the other central pillar of the 1998 Country Strategy is “economic development that benefits the poor,” it is important to discuss briefly some of the arguments that have linked the neoliberal programmes to the escalation of violent conflict because of the corrosive conflict impacts they are argued to have had. While neoliberal approaches to economic development are not the only approaches, they are the dominant ones. In this discussion, the riots of 1983 provide an instructive and important point of reference in an examination of the conflictual interconnections between economic development, partisan politics, and ethnicized violence – which must be born in mind as Sida attempts to operationalize its goal of economic development which benefits the poor. This discussion is intended to provide a clearer sense of the context (social, political, economic) within which this goal must be set.

⁴³ According to an Apparel Industry Executive quoted in the USAID supported study by Price Waterhouse Coopers, *Sri Lanka Competitiveness Study*, September 1998.

The 1983 Riots

All studies of contemporary Sri Lankan politics identify the “anti-Tamil riots” of 1983 as a critical marker in inter-group conflict. The episode was followed by an increase in the abuses and excesses that have come to characterize the conflict in both the inter-group and intra-group arenas, most evident in human rights violations by government and anti-government forces. The episode was also followed by a rapid militarization⁴⁴ of the conflict and a consequent increase in the size, number and strength of Tamil paramilitaries; further decline in the rule of law and democratic institutions; and an increased censorship and propaganda

There are two complementary and mutually reinforcing explanations for the outbreak of the riots: one economic, and one political. The economic explanation identifies the ruling regime’s economic liberalization program as an irritant in inter-group relations and a precipitant to the riots. The expansion of economic liberalization caused both an increase in the volume of trade *and* a narrowing in the profit margins as Sinhalese and Tamil merchants became locked in more heated competition.

This was certainly not the first time that business competitors might have employed violence to improve the position of one enterprise over another. ... in the past “racial violence was often sparked by business competition.

In many sectors the proliferation of small businesses led to bitter competition. With the reduction in the flow of foreign capital, upon which this, in many respects artificial, expansion directly depended, many financially insecure businesses were threatened by bankruptcy. In such a serious situation, it became tempting to eliminate dangerous, often more efficient, rivals. In addition, a call to loot one’s competitor, whom one could characterize as an exploiter or race enemy was a cheap way of making a reputation amongst the lower classes, and there was always the possibility of making an easy financial killing in buying in at low prices the booty which had become burdensome to the looters. The activities of the merchant class do not in themselves explain the organized manner in which the riots began, but they were in large measure responsible for their extension (Meyer 1984: 151).

This was certainly not the first time that business competitors might have employed violence to improve the position of one enterprise over another. Furthermore, as Obeyesekere notes, in the past “racial violence was often sparked by business competition. Merchants employ the dispossessed proletarians of these towns to eliminate business rivals, especially during periods of post-election violence” (1984: 159).

The conditions created by the international donor-pushed programme of economic liberalization from 1977 onward created new commercial and business opportunities. Shops throughout the island displayed an array of imported and local goods. New business premises and houses had been constructed in Colombo and higher rents became possible. “At the same time, this context had aggravated competition, so that the riots could be the occasion for Sinhalese businessmen to wipe out their competitors, for landlords to get rid of unwanted tenants and so on” (Tambiah 1992: 73). Thus, during the riots there are numerous accounts of landlords attempting to intimidate unwanted tenants out of their homes and businesses (Tambiah 1992: 73; “Case 1” in Kanapathipillai 1990: 324–329; Hyndman 1988: 51). The locations of violent attacks in Colombo appear to support this argument: the central market and business zones; areas of new industrial development stimulated by the new “liberalization policy”; and middle class residential areas (Tambiah 1992: 75). It does not explain, however, why Muslim businessmen, often richer and more notorious competitors, were not similarly victimized. This directs attention towards political rather than exclusively economic factors.

The direct involvement of government actors in orchestrating the riots begs the question why elements within the ruling party would embarrass and destabilize the very government of which they were a part. The answer

⁴⁴ Militarization” is used here to refer to the tendency for intergroup relations and conflict to be defined in narrow military terms. This typically coincides with an increase in military-related expenditures and military crack-down on civilian and combatant groups. After 1983, the Sri Lankan government began to view the “Tamil problem” exclusively as a “military” one. The statement by then President J. R. Jayewardene illustrates the phenomenon: “I shall have a military solution to what I believe is a military problem. After doing so, I shall tackle the political side”(quoted in *The Times*, (London), 26 January 1986). The friction within the Jayewardene administration between “hawks” (advocating militarization) and “doves” (advocating political solutions) was a factor in the outbreak of the 1983 riots. In September 1993, President Wijetunga expressed similar sentiments when he stated his conviction that “there is not ethnic conflict... one only has to overcome a terrorist problem.” The statement was endorsed by most politicians at some point or another (*Sri Lanka Information Monitor*, September 1993).

to this question directs attention towards the factions and power dynamics within the ruling UNP. A political explanation of the riots is developed by Meyer: “if... one admits the existence of a serious internal crisis in the ruling party, the mechanisms [which caused the riots] become more intelligible” (Meyer 1984: 142). Meyer argues that President Jayewardene lost control of both his Party and his armed forces. The loss of control of the Party was a result of internal feuding: “it is certain that at the heart of the UNP there was a latent crisis between those favoring opposing strategies to deal with Tamil terrorism, the Prime Minister being, amongst the president’s entourage, more favourable to negotiations, and the Minister for Industries [Cyril Mathew] taking a hard line” (Meyer 1984: 143). Manor and Segal are more explicit about the logic driving the factions:

In 1983, his Sinhalese extremist faction [which orchestrated the riots] found itself to be a minority within the government and at a considerable disadvantage in relation to more moderate groups (led by then-Prime Minister R. Premadasa who, in Sri Lanka’s Gaullist system, seemed the likeliest successor to 76-year-old President Jayewardene). If they could provoke serious anti-Tamil Violence that would polarize communal relations further and discredit moderation in the eyes of many Sinhalese, they would undermine their factional rivals within the government. They therefore organized the systematic destruction of many Tamil homes and businesses, including firms belonging to Tamil supporters of the Prime Minister. In the process, they succeeded in strengthening their own position within the ruling party and forcing the prime minister, other cabinet ministers, and President Jayewardene himself to adopt more uncompromising pro-Sinhalese positions. Since the riots, the Sinhalese chauvinists have also used their now-found leverage to thwart attempts to negotiate accommodation with the Tamils, so that the situation has remained perilously polarized (Manor and Segal 1985: 1175, emphasis added).

The second point of dissension within the ruling party was a result of jostling for position to replace the ageing president; two major antagonists identified by Meyer are Prime Minister Premadasa and the “young bloods of the UNP” (Meyer 1984: 143). According to this argument, the riots were orchestrated by actors *within the government* – rather than by “the” government per se – as a means of pushing a hard line military response to the “Tamil Problem in the North.”

In essence then, the 1983 riots represents the deadly convergence of political tensions within the ruling regime and the political economic tensions generated by the liberalization programme of the government and its international backers.

The reason for this extended discussion is to highlight the importance of monitoring the ways in which Sida-supported economic development interacts with the broader economic, social and political structures and processes which characterizes the unique environment in Sri Lanka. Much has changed in Sri Lanka since 1983, some for better and some for worse. And much has stayed the same. There is a body of Sri Lanka-specific literature which focuses on the economic underpinnings of the current political crisis. When mixed with peace and conflict impact sensitive development approaches, they may help to avoid some of the avoidable mistakes that might inadvertently subsidize violence.

There is a body of Sri Lanka-specific literature which focuses on the economic underpinnings of the current political crisis. When mixed with peace and conflict impact sensitive development approaches, they may help to avoid some of the avoidable mistakes that might inadvertently subsidize violence.

V Conclusions and recommendations

- *Is Sida working around conflict?*
- *Peace and Conflict Impact of Sida in Sri Lanka.*

It is ironic that by changing its Country Strategy in a way that places peace and democracy as one of the two central pillars of Swedish development programming, there is a danger that the ability to have a lasting and positive peacebuilding impact might be diminished rather than augmented. The reasons for this were suggested above.

The explicit focus on peace and conflict issues in the new Country Strategy does not necessarily mean that Sweden is working on the conflict. Equally however, a traditional development approach does not necessarily mean that Sweden is working around the conflict

- The political profile and risk levels of a project increase when it is seen to be a “peacebuilding project”
- There is an increased likelihood that government partners will balk at what will be seen as increasingly politicized programming
- Funds are diverted away from development initiatives which can be argued to have a conflict dampening effect to the extent that their developmental benefits are seen to be justly and equitably distributed
- It neglects the considerable expertise and networks cultivated through past development activities which may have been in the past, and could be in the future, harnessed implicitly or explicitly to peacebuilding .

The explicit focus on peace and conflict issues in the new Country Strategy does not necessarily mean that Sweden is working on the conflict. Equally however, a traditional development approach does not necessarily mean that Sweden is working around the conflict

This is not to say that the current trend in programming might not have a positive peacebuilding impact. While there will be increased risks associated with being seen to be explicitly engaging in “political” programming, it is still possible that they will have a positive impact. However, it should not be assumed that projects with peacebuilding objectives are automatically peacebuilding in impact. They can have positive, neutral and negative impacts. Obviously, the critical questions are: (1) are they having a positive impact? (2) are they having a greater impact than pcia-sensitive/pcia-informed development programming in traditional sectors like Integrated Rural Development and education?

The answers to these questions are necessarily and unavoidably conjectural. A full answer requires the systematic and on-going monitoring of Sida-supported work through the lens of peace and conflict impact. The fact that Sweden has placed peace and conflict issues at the centre of its programming sends an important political message to the Sri Lankan government. And it is a message that cannot be avoided since government is the primary partner in Swedish development programming. For the same reason, it is essential that the potential positive peacebuilding impacts not be diluted or displaced by dissenting factions within the Sri Lankan Government. This is no different from other (non-conflict management-oriented) programming. And, it needs to be said, it is not different from any other government in the world.

The recommendation of this study is *not* that the two “pillars” of the country strategy be changed or scrapped, but that they be understood in their broadest sense....

The critical issue to be highlighted is that it appears that the operationalization of the “conflict management perspective” of the new Country Strategy: (1) explicitly rejects past Sida-supported successes (especially in the areas of education and integrated rural development); and (2) narrows programming to rather two-dimensional conflict resolution/prevention “type” projects. In the judgment of the current study, both programming directions are unnecessary and possibly counter productive. The recommendation of this study is *not* that the two “pillars” of the country strategy be changed or scrapped, but that they be understood in their broadest sense – not in the narrow sense that appears to currently be the case. The justification for this approach may be found in one of the foundational documents of the country strategy: “the interventions under the new strategy should therefore not be determined administratively on a sector basis, but in relation to addressing conflict management in the most effective manner” (Sida 1997: 4).

Bibliography

- Amnesty International (1999). Sri Lanka. Torture in Custody. Amnesty International Report – ASA 37/10/99. June 1999. <http://www.amnesty.org/ailib/aipub/1999/ASA/33701099.htm>
- Anderson, Mary (1999). *Do No Harm: How Aid Can Support Peace – or War*, Lynne Rienner Publishers, Boulder and London.
- Arunatilake, Nisha, Sisira Jayasuriya, and Saman Kelegama (2000). *The Economic Cost of the War in Sri Lanka*, Research Studies: Macroeconomic Policy and Planning Series No. 13 (Colombo: Institute of Policy Studies, January)
- Bandara, Jayatilleke S. (1999) “The Impact of the Civil War on Tourism and the Regional Economy,” in Siri Gamage and I.B. Watson (eds), *Conflict and Community in Contemporary Sri Lanka: Pearl of the East or the Island of Tears* (Vijitha Yapa Bookshop: Colombo), pp. 241–252
- Bechert, Heinz (1978). “S.W.R.D. Bandaranaike and the Legitimation of Power through Buddhist Ideals,” in Bardwell Smith (ed.), *Religion and the Legitimation of Power in Sri Lanka* (Chambersberg, PA.: ANIMA Books), 199–211
- Bellamy, Carole (1999). “A Peace and Security Agenda for Children,” Statement of the UNICEF Director to the Security Council’s Open Briefing on the Protection of Civilians in Armed Conflicts,” New York, 12 February 1999.
- Boyden, Jo and Sara Gibbs (1996). *Children of War: Responses to Psycho-Social Distress in Cambodia* (Geneva, Switzerland: UNRISD).
- Bracken, Patrick J. and Celia Petty (1998). (eds), *Rethinking the Trauma of War* (London and New York: Free Association books/ Save the Children)
- Brett, Rachel and Margaret McCallin (1996). *Children, The Invisible Soldiers* (Sweden: Radda Barnen)
- Bryans, Michael, Bruce D. Jones, and Janice Gross Stein (1999). *Mean Times: Humanitarian Action in Complex Political Emergencies – Stark Choices, Cruel Dilemmas*, (Program on Conflict Management and Negotiation Centre for International Studies, University of Toronto, January).
- Bush, Kenneth (2001). “The Commodification, Compartmentalization, and Militarization of Peacebuilding,” in Andy Knight and Tom Keeting, eds., *Peacebuilding in Post-Conflict Societies*, University of Alberta Press, Edmonton, Forthcoming.
- (2000). “Polio, War and Peace” Bulletin of the World Health Organization: The International Journal of Public Health. 78 (3). . <http://www.who.int/bulletin/>
- (2000a). “Stolen Childhood: The Impact of Militarized Violence on Children in Sri Lanka,” Paper presented at the International Conference on War-Affected Children, Winnipeg Canada. 10–17 September.
- (1999). *The Limits and Scope for the Use of Development Assistance Incentives and Disincentives for Influencing Conflict Situations: Case Study – Sri Lanka*, OECD, Paris: DAC Informal Task Force on Conflict, Peace and Development Cooperation (August).
- (1998). A Measure of Peace: Peace and Conflict Impact Assessment (PCIA) of Development Projects in Conflict Zones, International Development Research Centre, Ottawa. http://www.idrc.ca/peace/p1/working_paper1.html
- (1996). ‘Beyond Bungee Cord Humanitarianism: Towards a Developmental Approach to Peacebuilding’, *Canadian Journal of Development Studies*, Special Issue, December.
- (1996). ‘Rocks and Hard Places, Human Rights Abuse, Bad Governance, and Population Displacement’, *Canadian Foreign Policy*, 4 (1). pp. 49–83.

- (1994). *Reading Between the Lines: The Intra-Group Dimensions of Ethnic Conflict in Sri Lanka and Northern Ireland*. PhD Dissertation, Cornell University, Ithaca, New York.
- Bush, Kenneth and Diana Saltarelli (2000). Eds., *The Two Faces of Education in Ethnic Conflicts: Towards a Peacebuilding Education for Children*. (Florence, Italy: UNICEF Innocenti Research Centre).
www.unicef-icdc.org/pdf/twofaces.pdf
- Butterfly Garden (1999). *Blood of the Mango and Other Tales from the Butterfly Garden of Batticaloa*, 3rd reprint (Sri Lanka: The Butterfly Garden). By the Children and Animators of the Butterfly Garden with illustrations by Thuraisamy Naguleshwari, as collected and re-told in English by Paul Hogan.
- Butterfly Garden (1998). *Butterfly Peace Garden – Batticaloa Strategic Plan*. (photocopy)
- Cantwell, Nigel (1997). *Starting from Zero: The Promotion and Protection of Children's Rights in Post-Genocide Rwanda, July 1994-December 1996*. Florence, Italy: UNICEF ICDC.
- CHA (1998a). 'Important Commitments on the Protection of Children Made by Government and LTTE in Sri Lanka Arising from the Visit of Mr. Olara Otunnu,@ *CHA Newsletter*, II: 8, May-June 1998.
- CHA / Consortium of Humanitarian Agencies (2000). *CHA Newsletter*, Vol. IV, Issue II, (March/April).
- (2000b). *CHA Newsletter*, Vol. IV, Issue I, (January/February).
- (1999). *Consortium of Humanitarian Agencies Yearbook 1998* (Colombo:CHA)
- (1998). *Yearbook 1997: Sri Lanka*, Consortium of Humanitarian Agencies, Colombo.
- Chase, Robbie (2000). *The Butterfly Garden. Batticaloa, Sri Lanka*. (Colombo: Vishva Lekha press)
- , A. Doney, S. Sivayogan, V. Ariyaratne, p. Satkunanayagam and A. Swaminathan, "Mental Health Initiatives as Peace Initiatives in Sri Lankan Schoolchildren Affected by Armed Conflict," *Medicine, Conflict and Survival*, Vol. 15, pp. 379-390 (1999)
- Children as Zones of Peace (1998). "A Call for Action: Promoting and Protecting the Rights of Children Affected by Armed Conflict in Sri Lanka," A Summary. (n.p.) May 1998.
- Chr. Michelsen Institute and Nordic Consulting Group (1997). *Evaluation of Norwegian Assistance to Peace, Reconciliation and Rehabilitation in Mozambique* (Royal Ministry of Foreign Affairs, Oslo)
- CIDA/PBU (1998). *Conflict Prevention and Post-Conflict Reconstruction: A Matrix of Analytical Tools Available Internationally for Peacebuilding and Donor Coordination*. Work in Progress. Canadian International Development Agency/ Peacebuilding Unit.
- Cranma, Michael (ed.) (1994). *The True Cost of Conflict* (London: Earthscan).
- CRD (Committee for Rational Development) (1984). *Sri Lanka, The Ethnic Conflict: Myths, Realities and Perspectives* (New Delhi: NAVRANG).
- Cuny, Fred and Christopher Cuny, (1992). 'The Return of Tamil Refugees from Sri Lanka, 1983-1989', in Fredrick Cuny, Barry N. Stein and Pat Reid (eds.), *Repatriation During Conflict in Africa and Asia*, Centre for the Study of Societies in Crisis, Texas.
- Cuny, Fred and Christopher Cuny, "The Return of Tamil Refugees from Sri Lanka, 1983-1989," in Fredrick Cuny, Barry N. Stein and Pat Reid (eds.), *Repatriation During Conflict in Africa and Asia* (Texas: Centre for the Study of Societies in Crisis, 1992).
- De Silva, C.R. (1979). "The impact of Nationalism on Education," in M. Roberts (Ed.), *Collective Identities, Nationalisms and Protest in Modern Sri Lanka* (Colombo: Marga Institute).
- (1977). "Education," in K.M. De Silva (ed.), *Sri Lanka – A Survey* (Honolulu: University of Hawaii Press).

- De Silva, Chandra R. (1999). "The Role of Education in Ameliorating Political Violence in Sri Lanka, in R.I. Rotberg (ed.), *Creating Peace in Sri Lanka* (Washington, DC.: Brookings Institution Press) 109–130
- DFID (1999). *Strategic Conflict Analysis and Conflict Impact Assessment*. Conflict and Humanitarian Affairs Department. Prepared by Michael Warner, Robert Walker, and Robert Scharf.
- Dharmadasa, K. N. O. (1992). *Language, Religion, and Ethnic Assertiveness: The Growth of Sinhalese Nationalism in Sri Lanka* (Ann Arbor, Michigan: University of Michigan Press).
- Dhume, Sadanand (2000). "The Cost of War," *Far Eastern Economic Review*, 1 June 00
- Dunham, David and Sisira Jayasuriya (1998). AIs All so Well With the Economy and With the Rural Poor?@ *Pravada*, Vol. 5, No. 10&11.
- Edirisuriya, P. (1999). "Determinants of Military Expenditure in Sri Lanka," in Siri Gamage and I.B. Watson (eds), *Conflict and Community in Contemporary Sri Lanka: Pearl of the East or the Island of Tears* (Vijitha Yapa Bookshop: Colombo), pp. 229–239.
- Guba, Egon G., and Yvonna S. Lincoln (1989). *Fourth Generation Evaluation* (Newbury Park, California: Sage Publications).
- Esman, Milton (1994). *Ethnic Politics*, Cornell University Press, Ithaca and London.
- FEER/Far Eastern Economic Review*, (1985). 21 February 1985
- Frerks, Georg and Mathijs van Leeuwen (2000). *The Netherlands and Sri Lanka. Dutch Policies and Interventions with Regard to Conflict in Sri Lanka*. Conflict Policy Research Project, Conflict Research Unit, Netherlands Institute of International Relations 'Clinendael,' the Hague, Netherlands.
- Gillies, David, (1992). 'Principled Intervention: Canadian Aid, Human Rights and the Sri Lankan Conflict' in Robert Miller (ed.). *Aid as Peacemaker: Canadian Development Assistance and Third World Conflict*, Carleton University Press, Ottawa:, pp. 33-50
- Graham-Brown, S. (1994). "The Role of Curriculum," in *Educational Rights and Minorities*, Minority Rights Group, London.
- Greenwald, Alice (1978). "The Relic on the Spear: Historiography and the Saga of Duttagamani," in Bardwell Smith (ed.), *Religion and the Legitimation of Power in Sri Lanka* (Chambersberg, PA.: ANIMA Books), pp. 13-35.
- GTZ 1998. Draft ToRs of an "Evaluation of the Impact of Development Cooperation in Crisis Situations," photocopy.
- GTZ and RRAN (1999). *Rebuilding Lives: The Jaffna Rehabilitation Project, Sri Lanka* (Colombo: Resettlement and Rehabilitation Authority and GTZ).
- Iain Guest (2000). "Misplaced Charity Undermines Kosovo's Self-Reliance," The Overseas Development Council, February. <http://www.odc.org/commentary/vpfeb00.html>
- Gunaratna, Rohan (1998). "Childhood – A continuous Casualty of the Conflict in Sri Lanka," *Jane's Intelligence Review*, July.
- (1998a). "LTTE Child Combatants," *Jane's Intelligence Review*, July.
- Gunasekara, P.W. (2000). *Education Vision Widened and Mission Accomplished – Twelve Year Sida Support to Promote Sustainable Development of Education in Sri Lanka*, Desk Study on External and Internal Reports on Sida Funded Education Programmes, Sida and Ministry of Education and Higher Education, Colombo.
- Gutman, Roy, and David Rieff (1999). (eds) *Crimes of War: What the Public Should Know* (New York and London: W.W. Norton & Co).

- Harris, Simon 1999. "Evaluating the Potential Role of Peacebuilding in Development Programming," Presentation to the NGO Donor Forum, UNDP, Colombo, 28 January 1999.
- Harry F. Hull, "Fighting Stops for Polio Immunization," Updated, 14 December 1999.
<http://www.who.int/inf/polio.html>.
- Herring Ronald J. (1998). *A Carrots, Sticks and Ethnic Conflict: Explaining Civil War in Sri Lanka*, @ Draft, Cornell University, November.
- Hogan, Paul (2000). *Play, Art, Ritual and Healing at the Butterfly Garden of Batticaloa: Presence in Poesia as the Practice of Peace*. Unpublished manuscript.
- Hogan, Paul, S.K. Grant, Butterfly Garden (1999). "Escape to Butterfly Garden. Sanctuary in Sri Lanka," *Geist: Canadian Magazine of Ideas and Culture*. Vol. 8, No.33.
- Honwana, Alcinda (1999). "The Collective Body: Challenging Western Concepts of Healing," *Track Two* (July), 30–35.
- Hoole, Rajan D. Somasundaram, K. Sriharan, Rajani Thiranagama (1992). *The Broken Palmyra, The Crisis in Sri Lanka: An Inside Account*, 2nd reprint. Claremont, CA: The Sri Lanka Studies Institute.
- Horowitz, Donald L. (1991). "Ethnic and Nationalist Conflict," in Michael T. Klare and Daniel C. Thomas (Eds.), *World Security: Trends and Challenges at Century's End*. New York: St. Martin's Press, 225–236.
- (1990). "Making Moderation Pay: The Comparative Politics of Ethnic Conflict Management" in Joseph V. Montville (Ed.), *Conflict and Peacemaking in Multiethnic Societies*. Lexington and Toronto: Lexington Press, 451–476.
- (1990). "Ethnic Conflict Management for Policy Makers," in Joseph V. Montville (Ed.), *Conflict and Peacemaking in Multiethnic Societies*. Lexington and Toronto: Lexington Press, 115–130.
- (1985). *Ethnic Groups in Conflict*. Berkeley, Los Angeles, London: University of California Press.
- House, Ernest R. (1977). *The Logic of Evaluative Argument*, CSE Monograph Series in Evaluation No. 7 (Centre for the Study of Evaluation, University of California, Los Angeles).
- Human Rights Watch World Report (2000). "Human Rights Developments in Sri Lanka,"
- Hyndman, Patricia (1988). *Sri Lanka: Serendipity Under Siege* (Nottingham: Spokesman).
- INFORM various years. *Sri Lanka Information Monitor B Situation Report*, INFORM Colombo.
- International Alert, *Political Killings in Southern Sri Lanka: On the Brink of a Civil War*, prepared by Eduardo Marino (London: International Alert, 1989)
- International Alert/Saferworld (2000). *Conflict Impact Assessment of EU Development Cooperation with ACP [sic] Countries: A Review of Literature and Practice*, International Alert/Saferworld, London.
- JAA 1998, *Sri Lanka Competitive Study*, Final Report by J.E. Austin Associates and SRI International for USAID, September 1998.
- JICA (1998). *JICA in Sri Lanka 1998*, Japan International Cooperation Agency Sri Lanka Office, Colombo.
- JICA 1998, *JICA in Sri Lanka 1998*, Colombo: Japan International Cooperation Agency Sri Lanka Office.
- Jiggins, Janice (1979). *Caste and Family in the Politics of the Sinhalese, 1947–76*, Cambridge: Cambridge University Press.)
- Joint Evaluation of Emergency Assistance to Rwanda (1996). *The International Response to Conflict and Genocide: Lessons from the Rwanda Experience* (Steering Committee of the The Joint Evaluation of Emergency Assistance to Rwanda, Copenhagen, March).

- Joshi, Chani Lata (2000). "Sri Lanka: Suicide Bombers – Ultimate Sacrifice," *Far Eastern Economic Review*, 1 June. http://www.feer.com/_0006_01/p64currents.html
- Kanapathipillai, Valli (1990). "July 1983: The Survivor's Experience," in Veena Das (Ed.), *Mirrors of Violence: Communities, Riots and Survivors in South Asia*. (Delhi: Oxford University Press)
- Kapferer, Judith (1984). "The Demand for Education in Sri Lanka: Antecedents and Consequences," in Kenneth Orr (Ed.), *Appetite for Education in Contemporary Asia* (Canberra: Australian National University).
- Kearney, Robert (1978). "Language and the Rise of Tamil Separatism in Sri Lanka," *Asia Survey*, 18, 521–534.
- (1975). "Educational Expansion and Political Volatility in Sri Lanka: The 1971 Insurrection," *Asian Survey*, 15:9.
- Kelegama, S. (1999). "Economic Cost of Conflict in Sri Lanka," in R.I. Rotberg (ed.), *Creating Peace in Sri Lanka* (Washington, DC.: Brookings Institution Press)
- Kemper, Steven (1991). *The Presence of the Past: Chronicles, Politics and Culture in Sinhala Life*. (Ithaca and London: Cornell University Press).
- Lawrence, Patricia (1999). "The Changing Amman: Notes on the Injury of War in Eastern Sri Lanka," in Siri Gamage and I.B. Watson (eds), *Conflict and Community in Contemporary Sri Lanka: Pearl of the East or the Island of Tears* (Colombo: Vijitha Yapa Bookshop), pp. 197-216.
- Lindahl, C., L.T. Softestad, D. Wanasinghe, and R. Ernfors (1991). *Evaluation of Sida Financed Rural Development Projects in Sri Lanka* (December 1991).
- Little, Angela (1999). *Labouring to Learn: Towards a Political Economy of Plantations, People and Education in Sri Lanka* (London: Macmillan)
- Lowry, Christopher (1999). *Survey of Canadian Programming for Children Affected by Armed Conflict*, Canadian International Development Agency, Hull, Canada, February.
- Machel, Graca (1996). Machel Report, "Impact of Armed Conflict on Children" (A/51/306 and Add.1), submitted to the General Assembly at its fifty-first session, 1996.
- Manogaran, Chelvadurai. (1994). "Colonization as Politics: Political Use of Space in Sri Lanka's Ethnic Conflict," in Manogaran and Bryan Pfaffenberger (eds.), *The Sri Lankan Tamils: Ethnicity and Identity* (Westview Press: Boulder, CO.) pp. 84–125
- (1987). *Ethnic Conflict and Reconciliation in Sri Lanka*, University of Hawaii Press, Honolulu.
- Manor, James (1989). *The Expedient Etopian: Bandaranaike and Ceylon*, Cambridge University Press, Cambridge.
- Manor, James and Gerald Segal (1985). "Causes of Conflict, Sri Lanka and Indian Ocean Strategy," *Asian Survey*, XXV:12, 1165–1185.
- Matthews, Bruce (1993). "Devolution of Power in Sri Lanka," paper prepared for the International Centre for Ethnic Studies, Colombo.
- (1989). "The Janatha Vimukthi Peramuna and the Politics of the Underground in Sri Lanka," *Round Table*, 312, 425–439.
- (1992). "Trouble in Sri Kōtha: Strains and Perils of Democracy in Sri Lanka," *The Round Table*, 322, 215–227.
- (1993a). "Sri Lanka's Crushing Civil War at a Turning Point," unpublished paper.
- (1988–89). "Sinhala Cultural and Buddhist Patriotic Organizations in Contemporary Sri Lanka," *Pacific Affairs*, 61:4, 620–632.

- (1987). “Devolution of Power in Sri Lanka: The Problems of Implementation,” *Round Table*, 301, 74–92.
- (1985). “The Sri Lankan Buddhist Philosophy of History and its Relationship to the National Question,” *Ethnic Studies Report*, III:2, 81–87.
- (n.d. (a)). “Caste and Politics in Sri Lanka,” unpublished paper.
- (n.d. (b)). “The Crisis of Authority in the Sri Lankan Buddhist *Sangha*,” unpublished paper.
- Maynard, Kimberly A. (1999). *Healing Communities in Conflict: International Assistance in Complex Emergencies* (New York: Columbia University Press).
- McCallin, Margaret (1998). “Community Involvement in the Social Reintegration of Child Soldiers,” in Bracken and Petty, *Rethinking the Trauma of War*. pp. 60–75.
- Meade, Peter C. and James M. Mirocha (1999). “Civilian Landmine Injuries in Sri Lanka,” *Medecins Sans Frontieres Medical News*, Vol. 9, No. 1 (November). pp. 37–48
- Meyer, Eric (1984). “Seeking the Roots of the Tragedy,” in James Manor (Ed.), *Sri Lanka in Change and Crisis* (London and Sydney: Croom Helm). pp. 137–152.
- Minority Rights Group International (1997). *War: The Impact on Minority and Indigenous Children*. London: Redwood Books.
- Moore, Mick (1990). ‘Economic Liberalization versus Political Pluralism in Sri Lanka,’ *Modern Asian Studies*, 24 (2). pp. 341–383.
- (1985). *The State and Peasant Politics in Sri Lanka*, Cambridge University Press, Cambridge.
- MSF (1999). *Activity Report*. July 1998–June 1999.
- NPC/Marga (2001). *The Cost of the War: Economic, Social and Human Cost of the War... Sri Lanka*. Colombo: National Peace Council of Sri Lanka.
- NGO Forum on Sri Lanka, A50th Anniversary of Sri Lankan Independence, @ 4 February 1998 (mimeo).
- NGO Forum on Sri Lanka, A50th Anniversary of Sri Lankan Independence, @ 4 February 1998 (mimeo).
- Nissan, Elizabeth, (1984). ‘Some Thoughts on Sinhalese Justification for the Violence’, in James Manor (ed.). *Sri Lanka in Change and Crisis*, Croom Helm, London and Sydney, pp. 175–186.
- and R.L. Stirrat (1990). ‘The Generation of Communal Identities’, in Jonathan Spencer (ed.). *Sri Lanka: History and Roots of Conflict*, Routledge, London and New York, pp.19–44.
- Nordstrom, Carolyn (1992). “The Backyard Front,” in Carolyn Nordstrom and JoAnn Martin (eds.), *The Paths to Domination, Resistance and Terror* (Berkeley, Los Angeles, London: University of California Press) 260–276.
- Norway, Royal Ministry of Foreign Affairs 1998. “Guidelines for Development Cooperation with Sri Lanka,” Photocopy, Oslo, Norway, April 1998.
- Norway, Royal Ministry of Foreign Affairs, (1998). ‘Guidelines for Development Cooperation with Sri Lanka’, Photocopy, Oslo, Norway, April.
- Otunnu, Olara (1998) “Report of the Special Representative of the Secretary General for Children and Armed Conflict,” in Accordance with the UN General Assembly Resolution 51/77 (October 1998).
- OXFAM-UK and Save the Children-UK 1998. *Listening to the Displaced and Listening to the Returned: A Community Study*, Summary Report, photocopy.

- Perera, Jehan (1999), "The Cost of War, in *Consortium of Humanitarian Agencies (CHA) Annual Report 1998* (CHA: Colombo), pp. 122–132
- Perera, Melloshini (1999). "Children's Rights," *Sri Lanka: State of Human Rights 1999* (Colombo: Law and Society Trust), pp. 91–110.
- Petty, Celia and Elizabeth Jareg (1998). "Conflict, Poverty and Family Separation: The Problem of Institutional Care," in Bracken and Petty, *Rethinking the Trauma of War*, pp. 146–169
- Postman, Neil (1996). *The End of Education: Redefining the Value of School* (New York: Vintage Books).
- Premachandra (1991). *Sri Lanka: The Years of Terror. The JVP Insurrection, 1987–1989* (Colombo: Lake House Bookshop)
- Refuge* (1993). Special issue on Sri Lanka, 13 (3). June.
- Rotberg, R.I. (1999). ed., *Creating Peace in Sri Lanka* (Washington, DC: Brookings Institution Press)
- Reychler, Luc (1999). *The Conflict Impact Assessment System (CIAS): A Method for Designing and Evaluating Development Policies and Projects*. Ebenhausen: CPN.
- RRAN (1998a). Resettlement and Rehabilitation Authority of the North. *The Dawn of a New Era... Programme Framework for Resettlement, Rehabilitation, Reconstruction and Development: Jaffna Peninsula* (n.p., July).
- RRAN (1998b). Resettlement and Rehabilitation Authority of the North. *The Dawn of a New Era... Programme Framework for Resettlement, Rehabilitation, Reconstruction and Development: Mannar Plan*, (n.p., November).
- RRAN (1998c). Resettlement and Rehabilitation Authority of the North. *The Dawn of a New Era... Programme Framework for Resettlement, Rehabilitation, Reconstruction and Development: Vavuniya Plan*, (n.p., November)
- SC UK (1999). Save the Children UK, *Annual Report 1999*. Colombo.
- Sentinel South Asia, November 1999 – April 2000. www.janes.com
- Shastri, Amita, (1990). 'The Material Basis for Separatism: the Tamil Eelam Movement in Sri Lanka', *The Journal of Asian Studies*, 49 (1). pp. 56–77.
- Sida (2000). "Guidelines for Applying Institutions," Dept for Research Cooperation, SAREC, June.
- Sida (1999). *Report from Seminar on Swedish Development Cooperation with Sri Lanka (Kandy II)*, Kandy, 7–8 May 1999. Embassy of Sweden, Colombo.
- Sida (1998). "Translation of Country Strategy for the Development Cooperation Between Sweden and Sri Lanka 1998–2000," Passed by the Swedish Government on 5 February 1998. Document date: 25 February 1998.
- Sida (1998a). *The New Sri Lankan – Swedish Development Cooperation Process – Report from the Kandy Workshop in February 1998*, Prepared by Management Perspectives International, Sida Asia Department, Stockholm (April).
- Sida, (1997). 'Expectations and Reality: Challenges on Sri Lanka's Path of Development', Swedish International Development Cooperation Agency, Asia Department, Sweden, June.
- Sida (1994). *Reaching the Poor... A Study of the Matara Integrated Rural Development Project in Sri Lanka*, by Anna Wieslander.
- Siriwardene, Reggie (1984). "National Identity and Communication in Sri Lanka: Problems in Communication and Education," in the Committee for Rational Development, *Sri Lanka, The Ethnic Conflict: Myths, Realities and Perspectives* (New Delhi: NAVRANG), pp. 215–229.

- Smith, Bardwell L. (1978). (ed.), *Religion and the Legitimation of Power in Sri Lanka* (Chambersberg PA: ANIMA Books).
- Somasundaram, Daya, (1998). *Scarred Minds: The Psychological Impact of War Sri Lankan Tamils*, Vijitha Yapa Bookshop, Colombo.
- Spencer, Jonathan (1990). ed., *Sri Lanka: History and Roots of Conflict* (London and New York :Routledge).
- (1990a). 'Writing Within: Anthropology, Nationalism, and Culture in Sri Lanka', *Current Anthropology*, 31 (3). pp. 283-300.
- Tambiah, Stanley J. (1992). *Buddhism Betrayed: Religion, Politics and Violence in Sri Lanka*. (Chicago and London: University of Chicago Press).
- (1986). *Sri Lanka: Ethnic Fratricide and the Dismantling of Democracy* (Chicago and London: University of Chicago Press).
- Tangermann, R. et al (2000). "Eradication of Poliomyelitis in Countries Affected by Conflict," Bulletin of the World Health Organization: The International Journal of Public Health. 78 (3), pp. 330–338.
- Trawick, Margaret (1999). "Reasons for the Violence: A Preliminary Ethnographic Account of the LTTE." In Siri Gamage and I.B. Watson (eds), *Conflict and Community in Contemporary Sri Lanka: Pearl of the East or the Island of Tears* (Colombo:Vijitha Yapa Bookshop), pp. 139–164.
- UN Secretary General (1999). "Protection of children affected by armed conflict," Note by the Secretary-General, United Nations A/53/482. Fifty-third Session Agenda Item 106 Promotion and protection of the rights of children, 12 October 1998.
- UNICEF – Colombo (1999). *A programme for Special Assistance for Children and Women Affected by Armed Conflict in Sri Lanka, 2000–2001* (Colombo: Unicef, September).
- UNICEF (1996). *State of the World's Children 1996*. New York: Oxford University Press.
- UNICEF (1999). *Children in Armed Conflict*. UNICEF Staff Working Papers, Evaluation, Policy, and Planning Series, Number EPP-99-00, New York: UNICEF.
- UNICEF/SCF (2000). "Report on the Workshop, *The Challenge of Child Soldiers*," Colombo, Sri Lanka. 24 March 2000.
- Uphoff, "Monitoring and Evaluating Popular Participation in World Bank-Assisted Projects" in Bhuvan Bhatnagar and Aubrey C. Williams, eds., *Participatory Development and the World Bank: Potential Directions for Change*, World Bank Discussion Paper 183 (Washington: World Bank, 1992a) 135-153.
- Uphoff, Norman (1992). *Learning from Gal Oya: Possibilities for Participatory Development and Post-Newtonian Social Science*, Cornell University Press, Ithaca and London.
- US State Department (2001). *Sri Lanka Country Report on Human Rights Practices for 2000*. Released by the Bureau of Democracy, Human Rights, and Labor. February 2001
- UTHR(J) (2000). *The Scent of Danger*. Sri Lanka Information Bulletin No. 23 (30 January). http://www.spur.asn.au/UTHR_bulletin_no_23_dated_30_january_2000.htm
- (1998). *Living Through Jaffna's Sultry Sunset – Special Report #10* (University Teachers for Human Rights, Jaffna).
- Uvin, Peter (1998). *Aiding Violence. The Development Enterprise in Rwanda*. Kumarian Press
- W.A. Wiswa Warnapala and D.E. Woodsworth (1987). *Welfare as Politics in Sri Lanka*, Monograph Series No. 22, Centre for Developing Area Studies, McGill University, Montreal Canada
- Weaver, Mary Anne 1988. "The Gods and the Stars," *The New Yorker*, 21 March.

WHO Partnerships in Health and Emergency Assistance, (1998). *WHO/DFID Peace Through Health Programme: A Case Study prepared by the WHO Field Team in Bosnia and Herzegovina*, WHO Europe, EUR/ICP/CORD 03 05 01. September.

Women's Commission for Refugee Women and Children (2000). *Untapped Potential Adolescents Affected by Armed Conflict: A Review of Programs and Policies* (New York: Women's Commission for Refugee Women and Children). www.intrescom.org/wcrwc.html

World Bank (1998). *Country Brief: Sri Lanka*. September 1998

World Bank (1998). *The World Bank's Experience with Post-Conflict Reconstruction, Volume V*, Operations Evaluation Department, Report No. 17769, May 4.

World Bank 1998. *Country Brief: Sri Lanka*. September 1998

World Bank 1998. *The World Bank's Experience with Post-Conflict Reconstruction, Volume V*, Operations Evaluation Department, Report No. 17769, May 4, 1998.

Appendices

Contents

I	Terms of Reference for Assessment of the Peace and Conflict Impact of Swedish Development Cooperation with Sri Lanka	58
II	Translation of Country Strategy for the Development Cooperation Between Sweden and Sri Lanka, 1998–2000	61
III	Kenneth Bush, A Measure of Peace: Peace and Conflict Impact Assessment (PCIA) of Development Projects in Conflict Zones, <i>Working Paper #1</i> , (Ottawa: International Development Research Centre, 1998).	73
IV	A Case Study of Two Water Projects in Sri Lanka with Opposite Impacts on the Incentive Structure for Peace and Conflict: The Mahaweli/ Madura Oya Project and the Gal Oya Project	96
V	Does ODA Subsidize Militarized Violence?	99
VI	Short Articles on CEB, Corruption, and Mismanagement	102
VII	CONCLUSION to: Bush and Saltarelli, <i>The Two Faces of Education in Ethnic Conflicts: Towards a Peacebuilding Education for Children</i> , Innocenti Insights, UNICEF International Child Development Centre, Florence, Italy, 2000. www.unicef-icdc.org/pdf/twofaces.pdf	103

Appendix I

Terms of reference for assessment of the peace and conflict impact of Swedish development cooperation with Sri Lanka

BACKGROUND

In the middle of the nineties Sweden started a process to evaluate government development cooperation with Sri Lanka. A process of analysis, studies and consultations was used to arrive at a new Country Strategy (CS) for the cooperation and have an agreement signed between the Government of Sweden and the Government of Sri Lanka (February 1998). After the signing of the agreement two workshops were held in Kandy to arrive at a concrete program.

(Enclosed; Expectations and Reality, Country Strategy, Reports from Kandy I and Kandy II.)

Briefly, the aim of Swedish development cooperation with Sri Lanka is to support a reduction of the conflict-level in society through projects for peace, democracy and human rights and economic development that benefits the poor. All support shall be viewed from a conflict perspective.

Implementation

The process took place during a period of relative calm and with the underlying assumption of a government commitment to peace that would result in a not too distant cessation of hostilities. However, the war has intensified since, and the geo-political map of the country has changed.

Several efforts of the government, i.e. Equal Opportunity Act and the project of a new constitution, have been aborted because of widespread protest in the southern part of the country and political rivalry between the two major parties. Presidential and General Elections have taken place during the last year (Dec -99–Oct -00).

During 1999, a large part of the expatriate staff of the embassy changed.

These factors have all contributed to make the implementation slow.

Grant-making procedures

Country-frame funding

The amount of funds available is documented in an agreement between the two governments. The funds are normally entering the budgetary procedures of the government and should be an integrated part of the operation of a Ministry or an Authority.

There is a growing flexibility in terms of how funds can be disbursed, but all projects need an approval of a governmental implementing body that is therefore going to be politically responsible for the project.

Projects are normally prepared by Sida Hqs in cooperation with the Embassy and the local partner.

Humanitarian Aid

The special support to the war-torn areas in terms of humanitarian assistance is handled by Sida Hqs, at the Division for humanitarian aid, with some support from the Embassy. Funds come traditionally from a budget outside the country-frame, but increasingly the country-frame is used for this type of assistance.

Private Sector development

Some funds for private sector development are also available outside the country-frame. All projects are prepared by Sida Hqs with support from the Embassy.

Regional funds

The Embassy can apply for funds from its regional department at Sida Hqs to be used for smaller contributions outside of the country-frame, mainly to support local NGOs. Activities are supposed to be in line with the country-strategy.

Research-cooperation

Sweden is funding research with Sida/SAREC funds in cooperation with the Ministry of Higher Education. The main objective is to raise the research-capacity of the country. It is all post-graduate research and mainly in the field of science.

AIM

To make a peace and conflict impact assessment of the Swedish development cooperation with Sri Lanka with a view to

- learn how to refine the Swedish support in order to enhance its positive influence on the level of conflict in Sri Lanka
- enhance the methodological capacity of Sida

TASK

To use the PCIA method to

- **Analyse existing policy-documents pertaining to Swedish-Sri Lankan cooperation**
(see above under background)

* Not to go too deep into the documents, but to assess their relevance and point out weaknesses in terms of being guiding documents for the implementation.

- **Analyse the actual content of Swedish development assistance to Sri Lanka in total**

* Is Sida working “around the conflict”?

* What PCI does the presence of Sida in Sri Lanka have?

* Are there other ways of influencing the conflict-situation more efficiently through development assistance?

- **Pick out one or two examples within each sector (above) and make a more in depth analysis of those examples.**

(Apart from humanitarian assistance and the NGO-support, there is hardly any “field-work” that can be done, except for visiting the offices in Colombo that are involved. Several projects relate to norms and procedures and most of the work will have the character of a desk-study.)

Suggestions for projects to be looked at:

- Economic Development – Bankinspection, Fisheries Development and Start and Improve Your Business.
- Human Rights, Peace and Democracy including Humanitarian Aid - one or two NGO-projects, FAO if Sida is involved, otherwise UNICEF (Women and Children under armed conflict), Journalism and Democracy.
- Research Cooperation – totality in relation to the country strategy, maybe specifically the project on regional imbalances at Sri Jayawardhanapura.
- Credits – Rural Electrification

It is understood that all of these projects can not be analysed in detail. The narrowing down to some crucial ones will be made through dialogue between the consultant and the Embassy.

- Have a two days training workshop with the personal of the Embassy using at least three examples.
- Give advice as how to the PCIA method can be used in day to day work in a conflict situation.
- Write a report with focus on the analysis of different projects.

TIMEFRAME

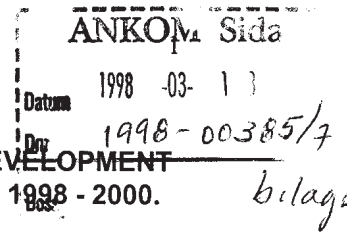
Four weeks for main consultant, two weeks for the assistant. The workshop should fall between January 31 and February 8, 2001.

FINAL REPORT

The dead-line, size and format to be negotiated.

Translation of Country Strategy for the Development Cooperation between Sweden and Sri Lanka, 1998–2000

**TRANSLATION OF COUNTRY STRATEGY FOR THE DEVELOPMENT
COOPERATION BETWEEN SWEDEN AND SRI LANKA 1998 - 2000.**
(Passed by the Swedish Government on 5 February 1998)
February 25, 1998

**O. Summary**

The recurrent conflicts constitute the most serious obstacle to development in Sri Lanka. The acute conflict in the north and east has very negative social and economic effects. At the same time Sri Lanka has experienced positive economic growth during the last few years and the country has a relatively well developed social sector.

Swedish development cooperation has focused for the main part on neglected groups in rural areas. Cooperation in the fields of rural development and education has had positive effects for poor people and contributed to the introduction of new methods and guidelines to combat poverty. It can now be phased out.

Great emphasis has also been placed on research and business and enterprise development in Swedish support to Sri Lanka. The experience gained in these fields has been positive and the possibility of extending cooperation in these fields is being studied.

More dialogue and rapid economic growth can diminish the risk of several of the potential conflicts becoming acute. This applies to tensions between the former semi-feudal system and modern growth, the tensions amongst disadvantaged plantation Tamils and other disadvantaged groups and conflicts between rich and poor.

In accordance with Sri Lanka's priorities future development cooperation should promote peace and democracy and sustainable economic growth which benefits the poor. The project planning shall be based on the prospects of reducing tendencies to conflict in Sri Lankan society.

Contributions for the prevention of conflicts can support dialogue, human rights and policy research. They can also take the form of direct humanitarian contributions in the acute conflict. Preparedness should exist to allocate considerable funds for possible future reconstruction in the north and east.

Support to economic growth can take place by drawing on experience gained from rural development projects in the planning of regional business and enterprise development. Moreover support can be given to research, to the institutions of trade and industry, for example the finance sector, and in the form of concrete investments. A greater amount of participation on the part of Swedish institutions and companies is foreseen

in these types of projects.

1. Conclusions of the country analysis

The table below shows certain key data in respect of development in the country during the 1990s:

GNI/inhabitant	470 USD (-89)	700 USD (-95)
GNI/inhabitant (PPP)	2253 USD (-89)	3277 USD (-94)
Literacy > 15 years	88% (-90)	90.1% (-94)
Child mortality during the first years of life	26/1000 (-90)	16/1000 (-94)
Poverty (< 1 USD/day)	4% (-90)	
Debt service ratio	12% (-80)	
Dev cooperation/inhabitant	43 USD (-90)	33 USD (-94)
Public social expenditure/GNP	40.5% (-80)	46.2% (-96)

Sri Lanka has a long democratic tradition in which transfers of power have followed free general elections. Social development has been given a high position on the agenda, regardless of the party in power. An ambitious welfare policy has resulted in social welfare indicators which are unique in the region and which are better than those of many countries at a higher level of economic development.

Sri Lanka's long term economic growth is above average for South Asia but far below the average of countries in South-East Asia. Sri Lanka has a number of comparative advantages which would indicate further positive growth, among other things the good educational level of the population, a favourable investment climate, a low rate of population growth and considerable international tourism.

There is also another Sri Lanka, a land which, for decades, has been afflicted by, and is characterised increasingly by, profound social, ethnic and political tensions which have often assumed violent expression in the form of armed uprisings and political assassinations, a country in which political life has been characterised for a long time by a strong polarisation and where labour market conflicts have emerged as a serious social problem in recent years.

The armed conflict in the north between the government and the LTTE guerrilla movement is today the most serious obstacle to development in Sri Lanka. Since 1983 this conflict has claimed tens of thousands of lives, created over half a million internal refugees and had the result that a large number of people have left the country.

The present conflicts are not the first in Sri Lanka's history. Earlier armed uprisings, in the 1970s and 1980s, in the southern parts of the country and the more recent labour market conflicts are other examples. In an analysis

of the conflicts in the country the existence of political populism emerges strikingly often. In an environment of frustrated and often unrealistic been expectations, this has proved to have greatly explosive. The lack of confidence and willingness to reach mutual agreement which has been a characteristic of Sri Lanka for a long time, has limited the scope for negotiations and compromises.

The high level of unemployment of young people is an important underlying factor of the social unrest which is to be found in Sri Lanka. Unemployment and underemployment is widespread in rural areas. The high level of unemployment among educated young men in the southern parts of the country is regarded by the government as a particularly serious problem since frustration and unfulfilled expectations in this group are thought to lie behind the two violent JVP uprisings which have affected Sri Lanka since independence. A lack of higher education places, slow growth outside Colombo and unfulfilled/unrealistic expectations of attractive government work are part explanations for the present unemployment and frustration.

It cannot be excluded that serious new conflicts will break out. These can be caused by the situation on labour market, by frustration experienced by the unemployed, by groups and regions which consider themselves unfairly treated, or by plantation Tamils. However there are factors which speak against this, namely the growing willingness on the part of the present government to seek solutions to the acute conflict, and its understanding that the future of Sri Lanka lies in a pluralistic society with a considerable degree of decentralisation. The growing understanding among the parties in society of the value of gradually separating economic power in the country from political power can also contribute to greater stabilisation during forthcoming years.

Low per capita income but good welfare indicators have the effect that the country's development problems are different from those of most other developing countries. Poverty reduction in Sri Lanka is not in the first place a problem of methods of reaching the poor. A considerable increase in the country's prosperity requires in the first place an increase in growth which stimulates employment and other opportunities to earn an income. An increase in growth is also necessary if Sri Lanka is to succeed in maintaining its levels of social development and in providing medical and social services for its rapidly ageing population. Current reports on alarming shortcomings in nutrition status and educational quality are signs that the social achievements are partly being undermined.

Lasting peace is the most important prerequisite for the establishment of growth in the economy. The ongoing conflict leads to losses in income from tourism, material destruction, higher military expenditure and higher costs for humanitarian assistance. An increase in growth is also inhibited by a number of structural factors. These include deficiencies in the

adaptation of the educational system to the labour market, deficiencies in the availability of infrastructure (energy, communications, transport), an often old-fashioned legal framework as well as an old-fashioned financial sector with high rates of interest on loans.

On coming to power the government took a number of measures to deal with disappearances, torture and other excesses. Among other things a special commission for human rights was established. After a period of pronounced improvements, the situation today once again gives reason for concern. According to Amnesty International the number of disappearances in connection with the increasingly intensive conflict has increased sharply and is once again at the same level as it was in 1960. The guerrilla movement LTTE has been accused by Amnesty of deliberately murdering civilians and of using children as soldiers.

The development cooperation provided by international donors amounts to some 800 MUSD and corresponds to six per cent of GNP. The main part of this assistance is allocated to infrastructure investments financed by the World Bank, the Asian Development Bank and Japan. Many non-governmental organisations are active in the field of development cooperation. The capacity of Sri Lanka to coordinate and exert an influence in respect of development cooperation is limited.

2. **Conclusions of the results analysis**

Swedish development cooperation has been channelled to the following areas during the period 1993/94-1995/96.

<u>Area</u>	<u>Disbursements (MSEK)</u>
Education	76
Rural development	42
Research	24
Business and enterprise development	21
Humanitarian assistance	17
Swedish non-governmental organisations	34
International courses	10
Human rights, democracy and equality	4
Direct support to local NGOs	1
Concessionary credits	8
Environment	1
Infrastructure	2
Consultancy fund	2
<u>Total</u>	242

During the last three-year period 242 MSEK has been disbursed to 12 projects financed through the direct allocation to Sri Lanka and to 45

projects and programmes financed by other appropriations. Disbursements in 1996 amounted to 71 MSEK. Swedish development cooperation amounts to 1% of the total development cooperation which amounts to 6% of GNP.

Support to education has been successful. The main aim, of improving the prospects of children from neglected groups and/or areas to have access to education has been fulfilled. This objective is now included in Sri Lanka's new education policy. The emphasis on methods development has continued. Among other things the cost effective distance education method, which was developed for teacher training under previous agreements, has been refined and is now being used successfully in other areas. These achievements have, to a large extent, been achieved through a focus on institutional capacity building, often through institutional cooperation. The activities of other parties in the educational field increased during the last agreement period.

Support to rural development has been channelled via the national district authority to four geographically defined projects. Methods for popular participation have been successfully developed. This has had an influence on the rural development programme at national level as well as on other donors working in this field. Above all the programme has been effective in mobilising the participation of women in decision-making processes as well as in economic activities and has thus changed the balance of power at the local level. Likewise life quality in rural areas has been supported with the aid of investment programmes.

The rural development programmes have, on the other hand, not helped to stimulate dynamic changes where employment and the possibilities of earning a living are concerned. Nor has there been any success in reaching young people to any great extent, since these have relatively high levels of education and are not attracted by the more traditional life style offered by the programme.

Research cooperation is directed towards industrial development and modernisation in Sri Lanka and focuses on science and technology. In an external evaluation made in 1996 it was established that the programme of cooperation had achieved or exceeded its predetermined goals in six of eight projects, measured in the form of the number of publications, the number of finalised theses, the creation of research environments and the production of research results relevant to the country's priorities. Programmes based at universities have been more successful than those at research institutes. Shortcomings in implementation are above all connected to gaining support for the project in a time of a downward trend in the economy.

Business and enterprise cooperation has consisted of two components. One, which has had the purpose of improving the business climate, of

attracting foreign investors and of promoting the export of Sri Lankan products by the development of business institutions and regulations, has succeeded well in its first phase. Among other things an arbitration institute has been established whose activities are financed today by local business, and a draft law in respect of the formation of an accreditation organisation has been produced. The other component in the programme of cooperation, i.e. to develop individual companies with the aid of Swedish consultants, has had good results in most of the companies concerned, among other things exports have increased. The fact that the transfer of know-how has been directed towards the participating companies and not to cooperation organisations and local consultants has however meant that the dissemination effects have been limited.

Swedish non-governmental organisations have received support. The organisations work in cooperation with local organisations with agricultural projects, with young people and with education and issues relating to the handicapped. The fact that ethnic groups have been combined in the projects has probably had the effect that conflict prevention effects have been achieved. Direct support to local non-governmental organisations has experienced relatively good goal fulfilment.

Humanitarian assistance has been channelled through the government, the UN and NGOs. This has met humanitarian needs in areas controlled by the government and the LTTE. The presence of international organisations has had a stabilising effect and has contributed to greater protection for the population. The local community has been reinforced both socially and economically. The long-term effects are uncertain since it has not been possible to evaluate the activity. One problem has been to find channels which are acceptable to both parties and which can reach those who need humanitarian assistance during the ongoing conflict.

Support to human rights, democracy and equality has led to a greater awareness of important issues in the fields and has resulted in a more open debate, for example in the press. Support is being channelled through local voluntary organisations and has been provided to promote local initiatives. Civil society has been strengthened which is particularly important in a period when democratic principles are at times no longer in effect. Furthermore cooperation has led to government initiatives in respect of, for example, more stringent penal legislation for sexual offences and the introduction of new methods including the establishment of a "women's desk" at police stations.

Through Sida's international courses 181 Sri Lankans, of whom 35 have been women, have been given training in the environment, human rights and health, among other subjects.

A considerable reduction in the use of artificial fertilisers, with unchanged or increased levels of production, has been achieved through support to

minor projects for sustainable agriculture.

With the aim of improving the standard of living in the Kotmale valley a number of infrastructure measures have been taken. Among other things access to markets and services has been improved.

A concessionary credit was provided during the period in the energy sector. The deliveries have recently been finalised.

3. The priorities of the government of Sri Lanka

The government of Sri Lanka gives priority to the solution of the ethnic conflict. The conflict cannot be solved by military means. The government has proposed a constitutional reform which contains an opening for negotiated solutions and which includes a decentralisation of power to the regions. This can form the basis of negotiations. The participation of foreign third parties can come into question in such negotiations.

The government has stated that it wishes to continue the restructuring of the economy, and higher economic growth led by increases in exports has been given priority. The privatisation of government operations has continued but is meeting strong opposition among the trade unions. It is planned that direct foreign investments will account for an increasing proportion of the total investments. If peace prevailed Sri Lanka is assessed to have good prospects of rapid economic growth. It is the ambition of the government that Sri Lanka shall become a regional centre for financial services, trade and communications in South Asia.

Poverty reduction and higher levels of employment outside the large cities are also being given high priority. Just over a fifth of the population are defined as poor in the sense that they have an income of less than 1 USD/day and person. Income gaps are tending to widen and with this the risk of new conflicts in the country is increasing through the concentration of growth around the capital city, Colombo.

The development of infrastructure (energy, transport, roads, ports, telecommunications, water and waste-water) is regarded by the government as a precondition for economic growth. The World Bank, Asian Bank and Japanese OECF are important financiers. The strained budget situation has the consequence that government investments are decreasing. Private investments are encouraged in various forms including so-called BOO (Build Own Operate) and BOT (Build Operate Transfer) projects. It can be difficult to achieve profitability in the business sense of the term in investments in, for example, the neglected transport sector and the road network. This makes these areas less interesting for private investments.

The government is also giving priority to a reform of the educational

system in order to adjust it to the needs of a modern society and to make it more cost-efficient. A proposal for a reform has been produced and shall now be implemented but has met a certain amount of resistance, for example from the universities. The World Bank, Great Britain and Germany are financing extensive education programmes. Japan is considering providing extensive support to primary education.

The rehabilitation and reconstruction of war-torn areas is being given high priority. During the course of the conflict the main part of the resources are being used for humanitarian projects, above all with internal refugees as the target group. The rehabilitation of Jaffna, which is at present under government control, is symbolically of great importance to the government. Political programmes such as "One country - one people" and the "White Lotus Movement" have the aim of overcoming the ethnic conflicts. Even during the present conflict a certain amount of rehabilitation work can be done. Projects for reconstruction are not on the agenda as long as the armed conflict continues.

4. Proposals for future Swedish support

4.1 General considerations

The recurrent conflicts constitute the most serious obstacle to development in Sri Lanka. The conflicts also contribute to increasing poverty. Efforts are being made both nationally and internationally to find a solution to the armed conflict in the north. Foreign support can be of importance even if the government has hitherto rejected all such support. If support were to be requested it could include, for example, measures which have the aim of preparing serious peace negotiations as well as humanitarian projects among the civil population to alleviate the effects of the war.

New conflicts can break out in the future, for example labour market conflicts and conflicts involving poor plantation Tamils. A strengthening of democracy and civil society, in which neglected groups are given the possibility to participate in the political decision-making process, will create better conditions to solve or deal with conflicts of interest before they degenerate into armed conflicts. Humanitarian assistance and the presence of international organisations, in addition to being motivated on humanitarian grounds, also appears to be having a stabilising effect. Further Swedish support to promote the peace process is anticipated. Contributions for conflict management can consist of projects to build peace, of humanitarian support and reconstruction.

The conflict in the north and the effects, for example, of investments not made and losses of income from tourism have a negative effect on growth and lead to greater unemployment and poverty. Without the conflicts more funds would be available for a greater emphasis on the social sectors.

The conflicts affect growth and at the same time economic growth can reduce the risk of future conflicts. By creating job opportunities in neglected regions and for unemployed educated young people the risk of conflict diminishes. With rapid economic growth in the regions the government's decentralisation programme can be given real content. An expansion of programmes for economic growth which benefit plantation Tamils can reduce the risk of greater tension. A generally positive growth climate with an improved infrastructure and more efficient business institutions provides a good basis for more peaceful development.

Rural development has played a prominent role in Swedish development cooperation with Sri Lanka for many years and is regarded as an important programme to reduce poverty in rural areas. The government is currently running programmes with elements of social mobilisation on a large scale. Experience gained from the rural development projects financed by Norway and Sweden have formed the basis of the national policy. The Swedish support will be phased out in 1998.

In the preparation of possible support to regionally based business and enterprise development, the positive experience of the rural development programme should be put to use, not least the possibilities of the participation of women. The ongoing support to rural development has included a limited amount of support to local business development.

Primary school education is of decisive importance for the country's long-term economic and social development. Sweden has been the largest donor in the development of primary school education and teacher training, with good results. A reform of the entire primary education system in the country with the aim of better meeting the needs of society and the labour market has been given high priority. Swedish support to the sector has mainly focused on supporting neglected groups and areas. These goals have been reached to a high degree and the aspiration to emphasise neglected groups and areas is now included as an integral part of the new education policy. Several major donors have started long-term programmes of cooperation with Sri Lanka in the sector, in which the implementation of the new policy is included. Swedish support shall be phased out with the expiry of the current agreement in December 1998.

The situation in respect of human rights and democracy gives continued reason for concern. In the existing conflict situation there are violations of human rights. The promotion of human rights and democracy is intimately linked with issues relating to peace, security and development. Sweden should be able to support organisations and initiatives which promote a culture of non-violence and the peaceful solution of conflicts. Initiatives of Swedish and local non-governmental organisations can play an important role in this work.

Equality is important, for example in activities which focus on promoting civil society and the development of small businesses. In the field of equality Sweden should support such initiatives and other strategic work which coincides with and can strengthen the projects which are the subject of Swedish support for other reasons. The same applies to the environment. For example projects for the rehabilitation of refugees can also strengthen the environment. It is also important that the planning of support for economic growth emphasises the importance of environmentally sustainable development.

Thousands of local non-governmental organisations are supplementing the government's efforts, above all in the social sectors. Relations between the organisations and the government are good but not always friction-free. Sida's experience of this support is positive. Local NGOs are expected to play an important role as a channel for development cooperation. Swedish NGOs are expected to continue to run extensive operations in Sri Lanka.

Other issues. Relations between Sri Lanka and Sweden are based partly on almost 40 years of development cooperation but are now also reflected in the growing number of Swedish companies which have successfully established operations in the country. Moreover trade between the countries has increased. Sweden and Sri Lanka have often collaborated in the UN and in other international contexts.

There is a hitherto unexploited potential for a greater exchange of experience and know-how between Sweden and Sri Lanka, of mutual interest to both parties. This potential is expected to grow during the forthcoming strategy period. From the Sri Lankan side it has been stated that cooperation is desired with Sweden in areas in which Sweden has special expertise or comparative advantages.

Sweden is a small donor in Sri Lanka. In most areas there are several large donors. It is therefore of great importance that Sweden conducts a dialogue with the government and other donors. Since Swedish cooperation is small it should focus as far as possible on introducing new thinking and new institutional solutions.

Since the risk of continued and future conflicts is crucial to the possibility of further rapid development, the peace and conflict perspective should be given attention in the preparation of all individual projects. This can, for example, can be a question of ensuring that humanitarian assistance is given to both Tamils and Sinhalese, that business and enterprise development in areas affected by conflicts is given special attention and that research projects are organised in such a way that they take into consideration the possibilities of reducing the tendencies to conflicts.

4.2 Focus of cooperation

Objectives

The goal of development cooperation with Sri Lanka shall be to promote development which is characterised by peace and democracy and which includes sustainable economic development which benefits the poor.

Consideration shall be given to the conflict perspective in the preparation of all contributions.

Projects for rural development and education are being phased out. During this phasing-out period projects for peace and democracy shall gradually increase in volume and shall greatly exceed present levels at the end of the strategy period.

An increase in research cooperation and support for economic growth, with a greater participation of Swedish institutions and companies; is also anticipated. Furthermore preparedness should exist to mobilise considerable amounts for reconstruction and rehabilitation if there is a clear trend towards long-term peace.

Development cooperation with Sri Lanka shall be planned on the basis of an unchanged country frame of SEK 40 million.

Examples of projects which support peace and democracy

* Peace promotion projects can consist among other things of support for local peace promotion initiatives, projects to support vulnerable groups; projects which promote dialogue with the aim of promoting communication between the parties involved in the conflicts, and support for a legal and institutional framework which supports peace.

* Projects with the aim of promoting a culture of non-violence. These contributions can be channelled to or through civil society through local, international and Swedish organisations, and shall be based on human rights and the culture of democracy. Projects can be implemented through education and the media.

* Projects which support democratic development and promote respect for human rights. Both government agencies and institutions, for example in the legal area, as well as non-governmental organisations can be included in this support.

* Research projects to promote, for example, policy analysis and the establishment of public insight into political life.

* Humanitarian projects to alleviate basic needs during the present conflict

and the effects of the conflict on the civil population in the entire area. The projects should be given a conflict-solving and peace-promotion perspective and shall not risk contributing to deepening the conflict. Long-term effects which promote development shall, if possible, be given consideration both in the acute need situation and during rehabilitation and reconstruction phases.

Examples of support for economic development

- * Improving the prospects of business and enterprise development centrally and regionally through the development/reform of institutions and regulations.

- * Regional development including the development of small businesses in rural areas, for example support for policy and methods development which focuses on improving the conditions for sustainable business and enterprise development in rural areas. The preparation of such projects shall be based, among other things, on the positive experience gained from earlier rural development programmes.

- * Projects to strengthen the financial infrastructure, for example inspection and regulatory functions for the bank and insurance sectors, projects to spread and increase savings in the capital market and projects to make the government's administration of pension savings more efficient.

- * Development of companies in cooperation with Swedish trade and industry.

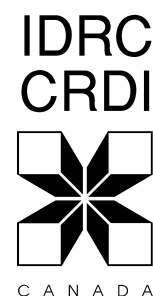
- * Research cooperation, for example with the aim of strengthening research capacity in strategic areas for technical and economic development.

- * Financing of investments in projects, for example in the area of infrastructure, with the aid of concessionary credits and soft loans. Guarantees can be used to mobilise the private financing of investments.

- * Projects of mutual benefit to both countries. An increase in support for research and economic growth is expected to take place with a greater participation of Swedish companies and institutions. Support can also be considered for initial cooperation between Swedish institutions, companies and universities and their counterparts in Sri Lanka which can lead to future lasting cooperation.

Appendix III

International Development Research Centre
Centre de recherches pour le développement international



**A Measure of Peace:
Peace And Conflict Impact Assessment (PCIA)
Of Development Projects In Conflict Zones**

Kenneth Bush, Ph.D*

Working Paper No. 1

*The Peacebuilding and Reconstruction Program Initiative
&
The Evaluation Unit*

March 1998

Table of contents

Foreword	74
Acknowledgments	75
Preface	76
Introduction	76
Part I: The logic of PCIA	77
Part II: Pre-project considerations (assessment of environmental factors: To go in or not to go in?)	81
Part III: Post-project considerations	87
Part IV: Five areas of potential peace and conflict impact	88
Conclusion	92
Appendix: The basics	92

*Contact: 5, Ave. de la Foretaille, Geneva 1292, Switzerland

Tel/fax: +(41-22) 758-0632 kbush@iprolink.ch

Head Office / Siège social: 250 Albert Street / rue Albert, PO Box / BP 8500, Ottawa, Canada K1G 3H9

Tel / Tél: (613)236-6163 Cable / Câble: RECENTRE Telex / Téléx : 053-3753

Fax / Télécopieur: (613) 567-7748 Internet: kbush@idrc.ca

Foreword

Formally established as a separate entity in late 1996, IDRC's Peacebuilding and Reconstruction Program Initiative (PBR PI) supports research, policy development and capacity building as tools to assist countries emerging from violent conflicts to make the difficult transition to peace, reconciliation, social equity and sustainable development. Among IDRC's programs, the PBR PI is distinctive in two key respects: first, because it focuses specifically on the developmental challenges of post-conflict societies, and second, because its programming approach is designed to contribute actively to the process of peacebuilding and reconstruction. The program initiative supports a wide range of research projects at the national, regional and global levels.

The unique and fluid nature of the research and development problematique in post-conflict societies requires a programming approach which is highly responsive and reflexive to changing contexts. With the end of the Cold War, local wars and intra-state armed conflicts have come to centre-stage in international affairs, and the international community can no longer approach the twin issues of peace and development in a fragmented fashion. New conceptual and methodological tools are urgently required to understand and respond to the precarious and fragile political, economic, and social environments found in conflict-torn countries. Policy and practice must be informed by lessons drawn from the field as well as new analytical approaches.

The PBR PI's Working Paper series is intended to stimulate creative and critical thinking about practice and research undertaken in the field of peacebuilding and reconstruction by diverse actors involved in post-conflict settings. The papers that appear in the series should be viewed as dynamic works in progress, designed to provoke discussion and dialogue.

A Measure of Peace: Peace and Conflict Impact Assessment of Development Projects in Conflict Zones is an excellent piece to launch the Working Paper series in that it examines the critical linkages between peace/conflict and development. Peacebuilding, the paper argues, should not be regarded as a specific *activity* but as an *impact*. There is, therefore, a tremendous need to avoid ghettoizing peacebuilding as a type of project separate from conventional development. Rather, all development activities (especially those in environments of potential conflict) should be assessed in terms of their peace and conflict impact. While Kenneth Bush identifies a number of important questions which may lead to a formal tool for peace and conflict impact assessment (PCIA), he exemplifies the spirit of this Working Paper series by acknowledging that developing such a tool will have to be the product of the interaction and synergies of the full spectrum of the peacebuilding community.

*The Peacebuilding and Reconstruction
Program Initiative Team
March, 1998*

Acknowledgments

This Working Paper is part of a study commissioned by the Evaluation Unit of the International Development Research Centre. I owe a deep debt of gratitude to the Unit for providing me with the opportunity to wrestle with some of the central conceptual issues involved in the development of a peace and conflict impact assessment tool, and to test out these ideas through a field trip to IDRC-supported projects in Uganda, South Africa, and Mozambique. The study benefited greatly from the intellectual support of the newly created “Peacebuilding and Reconstruction Program Initiative” of IDRC both in Ottawa and in Johannesburg. In attempting to further our understanding of the interconnections between development, peace, and conflict, and to fashion a workable assessment tool, this study builds on earlier research commissioned for the OECD DAC Task Force on Conflict, Peace, and Development Cooperation by the Policy Branch of the Canadian International Development Agency.¹

There are many individuals who contributed to the development of the ideas presented in this report. In North America, this includes: Todd Baseden, Fred Carden, Céline Corsius, Chris Cushing, Denise Deby, Milton Esman, Tracey Goodman, Bob Fraser, Kerry Buck, Hunter McGill, the Canadian Peacebuilding Coordinating Committee, Rob Opp, Calvin Piggott, Cerstin Sander, Terry Smutylo, Necla Tschirgi, and Norm Uphoff. In South Africa, this includes: Marc Van Ameringen, Gavin Cawthra, Jacklyn Cock, Jabu Dada, Brandon Hamber, Doug Hindson, Adele Kirsten, Hartmut Krugmann, Penny Mckenzie, Mike Morris, Nancy Smyth, and Sue Wixley. In Mozambique: Miguel de Brito, Lisa Campeau, Noel Chicucua, Carlos Henriques, Kate Horn, Douglas Mason, Ambassador Helena Odmark, Elisa dos Santos, Carlos Serra, Marc De Tollenaere, Jennifer Topping, and Bernhard Weimer. In Uganda: Sam Aisu, J.J. Barya, Francois Farah, Sam Kayabwe, Frank Muhereza, Ms. Stella Neema, Bazaara Nyangabyaki, Tom Geoffrey Omach, Rosalba Oywa, and John Ssenkumba. Gizaw Shibru of the Canadian Physicians for Aid and Relief (CPAR) was especially helpful during my trip to Uganda. In Geneva: Matthias Stiefel, Agneta Johannsen, Martin Doornbos, and Otto Denes.

The various contributions of these individuals have contributed significantly to the ideas developed in this paper. However, I alone am responsible for the contents. The views expressed here are mine and do not necessarily reflect those of the International Development Research Centre.

¹. Kenneth D. Bush, “Good Practices for the Peace and Conflict Impact Assessment (PCIA) of Development Projects,” A Discussion Paper Prepared for CIDA for the OECD DAC Task Force on Conflict, Peace and Development Cooperation, Paris, 16–17 September 1996. The Final Report of the Task Force has been released as: OECD, Development Assistance Committee, *DAC Guidelines on Conflict, Peace and Development Cooperation* (Paris: OECD, 1997).

Preface

Ten years ago, James Rule observed that “We know a lot of things to be true about civil violence, but we do not know when they will be true.”² We are faced with a similar condition of uncertainty when we turn our attention to the positive and negative impacts of development work in violence prone settings. Even an extensive list of positive peacebuilding impacts is not especially useful – unless accompanied by an equally extensive list of negative peacebuilding impacts *and most importantly* the conditions under which these truths held true.³ Once we have such information we are in a better position to determine whether our efforts and interventions in a particular case are generalizable or applicable to other cases. Maybe they are. Maybe they are not. For example, what lessons should we cull from experiences in South Africa? Or Mozambique? Or Guatemala? Or Sri Lanka? To what extent is the present the result of unique conditions or idiosyncratic events, rather than structures and processes that are evident or replicable elsewhere? Until we have the analytical and programming tools to answer these kinds of questions systematically, we are left to list, assert, or guess at the positive or negative impact of our actions.

This Working Paper is intended to be a contribution to the development of a more systematic and self-conscious means of assessing approaches to development work in violence prone regions. It is a work in progress – with all the consequent advantages and disadvantages of this format. Having been written by a recovering academic, its strength and its weakness is an emphasis on the *analytical* dimensions of the assessment process. While it draws on interviews and experiences in the field, it is hoped that its circulation more broadly among the community of practitioners and policy makers will elicit (or provoke) inputs and insights from the immediate realities and requirements of their work environments. The next iteration of this study will integrate these various contributions, and be cast in a more user-friendly handbook for use by development workers.

To fashion a Peace and Conflict Impact Assessment (PCIA) framework, it is essential that we have a sense of what might be called the basic grammar of peace and conflict impact. In an effort to streamline this paper, the discussion of the Basics of peacebuilding has been consigned to the Appendix. Readers with an interest in reviewing some of the central reference points in the evolving debate on peacebuilding may find it useful to begin their reading of the paper at the appendix.

This study *does not* seek to develop *the* definitive evaluation tool for assessing or anticipating the impact of development projects on the peace and conflict environment within which they are set. The uniqueness of each project and the fluidity of their environments conspire to frustrate attempts to impose a rigidly uniform framework. Rather, this study develops an approach to guide our *interpretation* and assessment of the impact of the widest range of development projects in a more systematic manner than is currently the case. At this early stage in our efforts to develop a clearer understanding of the nexus between development, underdevelopment, violent conflict, and peace, this study is a call for more self-consciousness in the formulation, implementation and evaluation of our development initiatives in regions characterized by potential, latent, or manifest violence. PCIA is meant to empower individuals and institutions both to understand better their work, and, more importantly, to induce the changes necessary to amplify the positive impacts and to minimize negative impacts on the peace and conflict environment.

Introduction

Researchers and development workers are well aware of the limitations imposed on their work by the ebb and flow of violence in conflict-prone regions. However, we are only slowly turning our attention towards the systematic consideration and measurement of the impact of our development work on the dynamics of peace and conflict. Not only has it become clear that development does not necessarily “equal peace,” but often “development” may generate or exacerbate violent conflict (*e.g.*, by challenging traditional values or authority structures, by raising the stakes of economic competition, by creating “winners” and “losers,” and so on). Conversely, development projects may have positive peacebuilding impacts which are unintended, and thus undocumented and unable to inform future development work.⁴

² *Theories of Civil Violence* (Berkeley and London: University of California Press, 1988)

³ A recent example of this kind of descriptive and taxonomic approach is the final report of the Carnegie Commission on Preventing Deadly Conflict entitled *Preventing Deadly Conflict* (New York: The Carnegie Corporation, December 1997).

⁴ Please refer to the glossary for a discussion of technical terms such as “peacebuilding,” and “peace and conflict impact.”

To the extent that assessments of peace and conflict impact are undertaken, they tend to generate what are euphemistically called “lessons learned.”⁵ However, sometimes the “wrong” lessons are culled from these experiences, and often it is more accurate to speak of “lessons spurned” rather than lessons learned.⁶ One thing is clear: to the extent that learning occurs and is reflected in our thinking and programming, the costs are borne disproportionately by those in the South rather than the North. Furthermore, it is increasingly evident that there is a pressing need to move beyond *ad hoc* approaches to the assessment of the peace and conflict impact of development work in violence-prone regions. There is a need to develop more systematic mechanisms to both anticipate and assess such impact.

This study seeks to develop an argument and framework for the systematic consideration of the positive and negative impacts of development projects in conflict-prone regions. Its approach is premised on the belief that the incorporation of peace and conflict issues into the formulation, implementation and evaluation of development projects is best undertaken through a process analogous to that used to introduce gender and the environment into mainstream development thinking and practice. Until we developed the analytical and evaluation tools to assess the impact of our development work on gender relations and the environment, our understandings of linkages and impact were only impressionistic - and thus non-cumulative. Hence, our understandings of these particular dimensions of development work did not cohere in a body of policy-relevant knowledge because of the difficulties of comparing and refining understandings across cases in different sectors and geographical regions.

The integration of peace and conflict concerns into our development thinking calls for the construction of the conceptual and evaluation tools that may be applied to the full range of development activities in conflict-prone regions, from traditional development projects in agriculture, communications, and health, to more overtly political projects in “good governance,” democratic development, and human rights. Because the means required to *anticipate* the impact of a project or programme, are different from those suitable for *assessing* impact, we must consider both pre-project and post-project dimensions of potential and past impact.

It is quite possible that a project may fail according to limited developmental criteria but succeed according to broader peacebuilding criteria ... It is [also] possible that a project may succeed according to pre-determined developmental criteria but fail in terms of a beneficial impact on peace.

PART I: The logic of PCIA

What is a PCIA?

Peace and Conflict Impact Assessment is a means of anticipating (*ex ante*, as far as possible), monitoring, and evaluating (*ex post facto*) the impacts of proposed and completed development projects on: 1) those structures and processes which strengthen the prospects for peaceful coexistence and decrease the likelihood of the outbreak, reoccurrence, or continuation, of violent conflict, and; 2) those structures and processes that increase the likelihood that conflict will be dealt with through violent means. Where necessary, *ex ante* assessments of projects should consider alternative project designs (including the “no-action” alternative), as well as mitigation measures or “peace and conflict safeguards” that could be incorporated into a project’s design to offset potentially adverse impacts. The assessment would be most useful when initiated at the earliest stage of project design to ensure from the outset that aid projects are sound and sustainable.⁷

The peace and conflict impact assessment of development projects differs from “evaluation” in the conventional sense because its scope extends far beyond the *stated* outputs, outcomes, goals and objectives of conven-

⁵ Recent examples include: the Joint Evaluation of Emergency Assistance to Rwanda, *The International Response to Conflict and Genocide: Lessons from the Rwanda Experience* (Copenhagen, March 1996); Chr. Michelsen Institute in association with Nordic Consulting Group, *Evaluation of Norwegian Assistance to Peace, Reconciliation and Rehabilitation in Mozambique*, Evaluation Report 4.97 (Oslo: Royal Ministry of Foreign Affairs, 1997); and in the Canadian context, The Report of the Commission of Inquiry into the Deployment of Canadian Forces into Somalia, *Dishonoured Legacy: the Lessons of the Somalia Affair* (Ottawa: Minister of Public Works and Government Services Canada, 1997).

⁶ In Ian Smillie’s “Irreverent Glossary,” *lessons learned* is defined as: “An expression found in evaluations. Often it means only lessons.” Smillie, *The Alms Bazaar: Altruism Under Fire - Non-Profit Organizations and International Development* (Ottawa: International Development Research Centre, 1995), p. xii.

⁷ See the section on AWhen and Where should the PCIA be applied.

tional development projects or programmes. Rather, it attempts to discern a project's impact on the peace and conflict environment – an area it may not have been designed explicitly to affect. Thus, it is quite possible that a project may fail according to limited developmental criteria (e.g., irrigation targets, health care delivery, literacy levels) but succeed according to broader peacebuilding criteria. For example, an education project may fail to produce students able to pass state-wide exams, but may succeed in reducing tensions between particular social groups by creating and institutionalizing a non-threatening and constructive environment that increases neutral contact and decreases misunderstanding by dispelling stereotypes and misconceptions.⁸ Unless there is a sensitivity to the peacebuilding and social reconstruction achievements of this hypothetical project, then it would be cast as a failure. The converse also holds true. It is possible that a project may succeed according to pre-determined developmental criteria but fail in terms of a beneficial impact on peace. To continue with the hypothetical example above: an education project may indeed succeed in increasing the number of students passing the state-wide examinations, however, if the bulk of those students are members of one particular social group, then the project may exacerbate inter-group tensions by underscoring the perception that one group is being privileged at the expense of another. Until we develop and apply the appropriate means to recognize such impact, our ability to understand (let alone reinforce) the positive linkages between development initiatives and peacebuilding will be hampered.

At the most elemental level, both the *ex ante* peace and conflict impact assessment and the *ex post facto* peace and conflict impact evaluation, may be distilled down to a single – but far from simple – question:

Will/did the project foster or support sustainable structures and processes which strengthen the prospects for peaceful coexistence and decrease to likelihood of the outbreak, reoccurrence, or continuation of violent conflict?

Areas of Potential Impact

Institutional Capacity
Military and Human Security
Political Structures and Processes
Economic Structures and Processes
Social Reconstruction and Empowerment

To respond to this question, we must have an idea about where to look for possible impact; we must have a sense of the structures and processes that sustain peacebuilding or peace destroying systems. As noted above, this requires us to look beyond the stated parameter of most projects. This study identifies five broad dimensions or categories of possible impact. While there may be others, these five are judged to be the most immediate and important pieces of the peacebuilding puzzle. Projects may have a variety of impacts within and across categories. The final section of this paper will present a more detailed discussion of these areas of impact.

Why do we need a PCIA?

This study is premised on a central, underpinning assumption: *any* development project set in a conflict-prone region will *inevitably* have an impact on the peace and conflict environment – positive or negative, direct or indirect, intentional or unintentional. The operational implication of this is that *not all development projects require peace and conflict impact assessments, only those in areas “at risk.”* In very practical terms, any development worker⁹ active in these areas already conducts his or her own peace and conflict impact assessment intuitively. However,

there is a need to formalize and systematize this process in order to be able to compare risk and impact across projects. The costs of not doing so are extremely high in financial, institutional, programming, and most importantly, human, terms.¹⁰ The benefit is that it will enable us to “do” our development work more effectively and sustainably. It should help us to avoid undertaking development projects which undercut the peacebuilding process. For example, the consideration of the peace and conflict dimensions of a proposed project or pro-

⁸ In Northern Ireland, this is an objective of Education for Mutual Understanding (EMU) programs. The larger task is the incorporation of EMU objectives into all educational programs.

⁹ I will use the term “development worker” generically through out this study to refer to the broadest range of development actors – from those working with development and humanitarian NGOs, to multilateral donors, to programme officers in research institutes. Specificity is added as required. Because each of these types of actors possess very different capacities and resources, each is particularly suited to play distinctive roles in peacebuilding and reconstruction. However, they all share the same need to assess and evaluate the peace and conflict context and impact of their work.

¹⁰ This is the starting point for a current project headed by Mary Anderson, see her ADo No Harm: Supporting Local Capacities for Peace Through Aid, Collaborative for Development Action, Cambridge, MA, 1996.

gramme helps us to consider whether it might contribute directly or indirectly to the violation of internationally accepted conventions governing human and civil rights.¹¹

The need to fashion and employ some form of PCIA is sharpened by the fact that: 1) we are seeing increased opportunities to contribute to the developmental dimensions of peacebuilding as a number of long-standing militarized conflicts appear to be winding down (e.g., Mozambique, Eritrea, South Africa, Guatemala, and Palestine) and; 2) development actors are choosing to stay and work under conditions of militarized conflict that previously would have forced them to close down operations. The continued presence of development actors under such conditions is important in its own right. However, their continued presence also helps to build operational and institutional linkages between humanitarian work driven by the imperative of responsiveness, and development work which places a priority on national and local capacity-building.

Not all development projects require peace and conflict impact assessment, only those in areas of risk. The central criterion for determining whether to undertake a PCIA is the location of a project, rather than the type of project.

For whom is the PCIA intended?

Ideally, a PCIA would be used by all development actors involved in decision making in conflict-prone regions – although different types of actors might rely on it in different ways. International donors might rely on it to guide project selection, funding decisions, and monitoring, whereas implementing or operational agencies might well use it to design projects and to guide operational decisions. The PCIA may also be used by communities themselves within violence prone regions as a means of assessing the utility, relevance and efficacy of outside-sponsored development initiatives. Thus, it may serve to enable them to engage more effectively with formal development actors in the peacebuilding process by providing a common framework for dialogue and cooperation.

There is a clear danger that communities may be excluded from international development initiatives in post-conflict settings (particularly large scale initiatives). This is certainly the assessment of a group of community-based organizations in the San Marcos region of Guatemala on the border with Chiapas which published a statement in the national press expressing concern that current initiatives are exacerbating existing Asocio-economic contradictions – some of which originate in the era of militarized violence of Guatemala, and some of which predate it.¹² The PCIA might be employed by such groups as one means to articulate interests and to express dissent when confronted with efforts to impose inappropriate development projects.

When and where should it be applied?

We need to be clear about when and where it would be appropriate to undertake a PCIA. It would be burdensome, unnecessary, and perhaps counter-productive, to expect PCIA for all projects. If we understand peacebuilding to be an impact rather than a type of project,¹³ then the central criterion for determining whether to consider undertaking a PCIA is the *location* of a project, rather than the *type* of project. If a project will be located in environments characterized by the following conditions, then we ought to consider whether or not a full Peace and Conflict Impact Assessment may be necessary. Ultimately, the decision boils down to the judgement of the development workers involved, based on their understanding of past and evolving conditions within which a project is situated.

Settings characterized by latent or manifest violent conflict (particularly in the so-called “post-conflict” or “transition” settings)

The phrase “settings characterized by latent or manifest violent conflict” covers a staggeringly large range of cases. At first glance, it appears easier to identify those environments “characterized by manifest violent conflict” than those characterized by “latent violence.” A list of cases of manifest violence would include both

¹¹ Such as the Universal Declaration of Human Rights, the International Covenant on Economic, Social, and Cultural Rights, and the International Covenant on Civil and political Rights. Other applicable conventions include: the International Convention on the Elimination of All Forms of Racial Discrimination, the Convention of the Elimination of All Forms of Discrimination Against Women, the Convention Against Torture, and the International Convention of the Rights of the Child.

¹² “Communique to the People of Guatemala and the International Community, *Diario Prensa Libre* (Guatemala City), 30 August 1997

¹³ Please refer to the Appendix for further discussion.

It is the variations of violence within cases (across time, and across space) that opens up the possibilities for development projects to have constructive peacebuilding impacts.

those that appear regularly in the pages of our newspapers (Algeria, Bosnia, the Great Lakes Region), as well as those that are less evident in the media (Sudan, Northern Sri Lanka, Northern Uganda, Eastern Turkey). A list of examples of latent violence might include Northern Ireland, South Africa, Mozambique, and Kenya. Typically, these are areas which are at risk of sliding back into the protracted militarized violence of the recent past. While violence may not be as pervasive or systematic as it once was in these cases, the structures which nurtured such violence in the past remain present and liable to explode suddenly.

Even this short list of countries above suggests a number of essential points about the nature of violent conflict: 1) the considerable variation *between cases*, (for example, differences in the levels, patterns, dispersion, intensity, and dynamics of violence, as well as variations in group impact); and 2) the ebb and flow of violent conflict over time *within cases*, so that conflicts in the “latent” category today, may well shift to the “manifest” category tomorrow (*e.g.*, Cambodia). Equally important, though perhaps less apparent if we rely too heavily on media reports, is the variation in peace and conflict conditions that exists *within* each of these cases at any given point in time. In Uganda and Sri Lanka for example, we see a rigidly compartmentalized form of militarized conflict, where large military operations and intensive fighting are spatially concentrated in the northern regions of each country. In such cases, the line or interface between the war zone and non-war zone is sharp (the Nile River in Uganda, and until recently, Vavunya in Sri Lanka).¹⁴ In other cases, conditions within conflict zones may vary depending on time of day, day of week, or the season.¹⁵ It is the variations of violence within cases (across time, and across space) that opens up the possibilities for development projects to have constructive peacebuilding impacts. In other words, even in the most extreme cases, violence is neither undifferentiated nor impenetrable.

Territory which is contested or politically and legally ambiguous

Like the condition above, the phrase “territory which is contested or politically and legally ambiguous” requires elaboration. In violent conflicts, geography is unavoidably politicized. The fact that the individual and community experience of violence is rooted in place – *where* one is from, *where* one is living, *where* one was taken to, *where* an event took place. Collective experiences of violence serve to inscribe or burn political significance and meaning onto and into the physical landscape. In some cases the political sensitivities (or political “valence”) of a particular location may not be immediately obvious to the outside observer, for example the site of a particular atrocity or a neighbourhood known for its resistance to, or allegiance to, particular political-military forces. Such political demarcations create areas which become sites for social, political, and economic contestation. *Social contestation* would include ethnic cleansing in the former Yugoslavia, eastern Sri Lanka, and elsewhere. *Political contestation* would include the deadly confrontations for control over neighbourhoods between African National Congress (ANC) supporters and those of Inkatha Freedom Party (IFP) which dominated many of the townships surrounding Durban, South Africa, in the late 1980s. *Economic contestation* would include the competition between military and paramilitary groups to benefit economically from their control of a particular regions, *e.g.*, the battles for control over natural resources and drug trafficking in the border areas of Thailand and Cambodia, and the “taxing” of inhabitants by paramilitaries around the world from Belfast to Jaffna.

Additionally, territory may be contested legally, for example over the question of the ownership of, or access to, land and the resources associated with that land. This includes the whole question of land tenure and the possible tensions between the interests of government, business, and small scale farmers. In some instances, land may be contested both politically and legally, as in parts of Palestine, and large tracts of land in North America claimed by aboriginal peoples and the governments of Canada and the United States.

¹⁴ In the case of Northern Ireland, Allen Feldman, describes the “interface” as follows: the topographic-ideological boundary that physically and symbolically demarcates ethnic communities ... from each other... a spatial construct preeminently related to the performance of violence,” *Formations of Violence: The Narrative of the Body and Political Terror in Northern Ireland* (Chicago and London: University of Chicago Press, 1991), p. 28.

¹⁵ In mid 1992, in the Batticaloa district in Sri Lanka for example, the road out of Batticaloa was controlled by government forces on Mondays, Wednesdays, Fridays, and Saturdays, when they sent out their patrols. On the days they didn’t send out patrols, the road was controlled by the Liberation Tigers of Tamil Eelam.

PART II: Pre-project considerations (Assessment of Environmental Factors: To Go In or Not to Go In?)

Considerations for Initiating a Project in a Conflict-Prone Region

Before a project proposal is assessed with an eye to its potential positive or negative peacebuilding impacts, it is necessary to undertake a preliminary review of the conditions within which the prospective project will be set. This is a basic process of risk assessment intended to develop a sense of the possible impact of the conflict environment on the project. The results of this assessment may lead to changes in the timing, structure, or objectives of a project; or it may suggest the postponement of a project until conditions improve. Alternatively, in the event that the conditions are considered to be at least minimally acceptable in terms of risk, then the results of pre-project environmental risk assessment should become a useful baseline reference for *ex post facto* project evaluations.

The decision whether or not to screen a project proposal for potential peace and conflict impact is related to, but very different from, the decision of whether or not to initiate a project in a violence-prone zone in the first place. This latter decision requires the consideration of an additional set of risk factors: particularly political and logistical factors. It should be emphasized that while this kind of screening may point to factors that decrease or increase the risks of externally-caused failure, it is certainly not an inoculation against failure. Furthermore (at the risk of stating the obvious), the conditions within which a project is set are characteristically fluid, which means that the impact and ultimate success of a project is heavily dependent on its ability to capitalize on the opportunities as they arise, and to avoid or minimize potentially damaging developments.

While this kind of screening may point to factors that decrease or increase the risks of externally-caused failure, it is certainly not an inoculation against failure.

When considering whether to undertake or support a project in a violence prone region, it is necessary to have a clear sense of the dynamics of conflict and their potential impact on the proposed project. Bearing in mind the discussion in Part I regarding when and where a PCIA may be appropriate, a preliminary review of the potential peace and conflict environment impact on a project might include the following, or similar, questions.

Location: What will be the geographical extent of project? Will it be located in politically or legally ambiguous or contested territory? What are the positive or negative site-specific impacts of evolving political and security conditions nationally/locally/regionally? What are relations like between the community in the proposed project site and the principal decision makers regionally and nationally? What are the legacies of the conflict(s) in the immediate area of the proposed project? – for example, its impact on: the local economy; food security; the physical and psychological health of the community; personal in/security; availability of leadership; physical infrastructure; intergroup relations; women, children and vulnerable populations; and so on.

Timing: At what point in the conflict will the project be undertaken – “pre”-conflict, “in”-conflict, (early, mid, late), or “post”-conflict phase? What has been the intensity of conflict in the project site? Will the project coincide with other projects in the region/country that might help or hinder its progress? Is it possible to identify or anticipate “external” political/economic/security developments that might affect the project positively or negatively?

Political Context: What is the level of political support for the project locally, regionally and nationally? What is the nature of formal political structures conditioning relations between the state and civil society (authoritarian, “transitional,” partially democratic; democratic, decentralized, participatory, corrupt, predatory), and what are their possible impacts? Will the project involve politically sensitive or volatile issues (directly or indirectly)?

Other Salient Factors Affecting The Impact Of The Conflict on The Project: e.g.; institutional context; leadership; colonial legacy; cultural factors; national and international political economic factors such as economic infrastructure, Structural Adjustment Programmes, and fluctuations in commodity prices; impact of conflict on type and availability of resources (especially natural and human resources).

Once these broad kinds of questions have been addressed, then a more specific set of questions may be developed. The section below is intended to provide a sense of the types of questions that may be useful in the pre-

project phase. They are divided into three broad categories: 1) those that focus on environmental and contextual factors; 2) those that focus on project capacity; and 3) those that consider the degree of fit between the project and existing conditions.

Environmental and Contextual Considerations

Are there minimally predictable political, legal, and security structures in place? Political, legal, and security structures are the most important factors affecting both the spiral into violent conflict, and the ability to break the cycle through development, peacebuilding and reconstruction. Almost by definition, these structures have been weakened as a result of past, festering, or potential violent conflict. While there will certainly be variation between and within countries in the functioning and competence of these structures (as indicated by levels of: corruption, disappearances, human rights abuses, militarized activity, professionalism, efficiency; responsiveness; constitutionality; transparency; etc.) there is a need for at least a minimum level of predictability for a project to be initiated. The level of predictability is related to the level of risk associated with a project. Different actors may have different comfort levels when it comes to risk.

What are the infrastructural conditions? Before initiating a development project in a conflict-prone zone, a survey should be undertaken to assess infrastructural conditions on the ground. In post-conflict settings, the physical infrastructure may be heavily damaged depending on the type and duration of violent conflict. It is interesting, for example, to compare the impact of violence on the infrastructure of Rwanda and Mozambique. While there has been physical damage in both cases, in Mozambique there are additional costs and challenges due to the years of decay that set in during the war. In Rwanda, while the immediate physical damage is evident, the additional decay that accumulates with the years is less. The decision of any actor to get involved in either case is premised on an assessment of costs, risks, and infrastructural requirements. In terms of post-conflict reconstruction, it may be more cost-effective to get in early, however there is also a higher level of uncertainty and risk that violent conflict may reignite. On the other hand, delayed entrance into the “reconstruction game” may decrease the political-security risk, but increase financial costs.¹⁶ Regarding logistical infrastructure, a trade-off may be required between 1) building one anew in order to avoid operational delays, and 2) working through and nurturing existing networks. The former may contribute to short term efficiency, while the latter contributes to longer term sustainability. The broader question here is: How will the project work within existing infrastructural conditions, or relatedly, how will it contribute to the development of such infrastructure?

In terms of post-conflict reconstruction, it may be more cost-effective to get in early; however there is also a higher level of uncertainty and risk that violent conflict may reignite. On the other hand, delayed entrance into the “reconstruction game” may decrease the political-security risk, but increase financial costs.

Is the opportunity structure open or closed/opening or closing? Opportunity structure is used here to refer to the variable conditions that affect the strategic and tactical decisions by organizations whether or not to initiate a project, as well as the form that project will take. It refers to the ebb and flow of the political, economic and social conditions that facilitate or hinder a project. Obviously, projects are not undertaken in a vacuum. There is a host of external factors that may have positive or negative impacts on a project’s development, implementation and impact. Some of these factors may be anticipated, while others may not be. In some instances, it may well be that there are positive external factors that provide the initial motivation for a project.

South Africa is the prime example of an instance where the “opening of political space” created a political opportunity structure conducive to a positive peacebuilding impact. “Post-apartheid” South Africa¹⁷ is in the midst of a complete overhaul of the institutional and policy framework that conditions the relationship between the state and civil society. Very rarely are the broad “rules of the game” – indeed the very understanding of the relationship between state and civil society - open for serious, far-reaching, debate *and*

¹⁶ Put another way: *Early entry*: higher instability + higher uncertainty + higher risk + lower financial cost (+ higher potential gain due to market access?). *Later Entry*: lower instability + lower uncertainty + lower risk + higher financial cost (+ lower potential gain due to lower market access/higher density of competition/lower marginal gains? OR perhaps increased potential for impact due to presence of a critical mass of development initiatives?)

¹⁷ It is necessary to place inverted commas around “post-apartheid” South Africa, because, as discussed below in the discussion on “institutional impact,” the bureaucratic, political and economic organizations of the present are infused with the apartheid past. And, these organizations, agencies, etcetera are still populated with the functionaries of the apartheid past - most conspicuously at middle management levels.

change. However, two points should be noted here. First, a conducive opportunity structure does not ensure the successful impact of a project. Second, while the conditions in South Africa may be rare, it is possible in every case to ask whether the policy environment is open, half-open, or closed to the policy objectives of a project.

In those projects where the environment is not conducive, the project confronts an additional hurdle which requires a change *of* that policy environment as a prerequisite to effecting change *in* that environment. But perhaps this may be a simultaneous rather than sequential process. There are significant development research opportunities in those situations where the political space exists to amplify impact. The challenge is to be able to recognize those instances where these conditions exist – in advance rather than *ex post facto*. And if a commitment to support research is made at this early stage, then it is almost inevitable that the direction and questions guiding the research will shift as the project and conditions evolve. It is important to note here that often this is a narrow window of opportunity, and that it may slam shut much more quickly than it edged open.

Project-Specific Considerations

Does the proposed project have the right mix of the right resources? This factor overlaps with the others listed in this section (see also the discussion of resources above). There is no check list of resources that can be fashioned *a priori* or applied universally. Each case will need its own particular set of resources. The point to be emphasized here is the need to engage in these issues early in the discussions concerning whether or not to get involved, knowing that the required mix will certainly change over time in ways that are unpredictable, and that will present your project with both opportunities and constraints.

Does the lead organization have experience or a comparative advantage in the region? Does your organization give the project a particular advantage in the field, *e.g.*, due to its network of partners, or its experience in conflict-prone regions, or its unique skill set? The absence of experience or a comparative advantage should not automatically deter an organization from working in a region, however this will require a costly learning process, and significant delays in getting a project going in an environment which may be particularly vulnerable to destabilization in the absence of tangible development initiatives that may create incentives for divided communities to work together towards a shared set of objectives and interests.

What are the proposed project's "tolerance levels"? What is the tolerance level (and institutional capacity) of your organization and project to respond to: uncertainty; project indeterminacy; risk; losses (in human and material terms); set backs, incremental progress, and change? What contingency plans might be fashioned to avoid the avoidable, and respond to the unavoidable?

Are suitable personnel available? The need for qualified personnel applies at all levels of a project, from the head quarters to the field – with particular emphasis on the latter. Within the context of development projects in conflict-prone zones, this goes well beyond the technical competence of administration, management, and implementation. It also includes an ability to: work under conditions of risk and uncertainty; monitor, interpret, and respond to changes in political and security landscape; negotiate and mediate between competing interests and factions in order to move a project towards its stated goals,¹⁸ and so on. These are very delicate and diplomatic skills which require an acute sensitivity to local level politics, the volatility of conditions, and the potential for a project to be destabilizing or coopted to serve the particularistic interests of one of the parties involved in a conflict. It requires development actors to find or create the political space within which to

¹⁸ Such negotiation and mediation skills are required to "do development work" within the changing political and security environment on the ground, *e.g.*, to ensure the safety of a convoy moving through contested or hot territory. The larger political process of mediation and negotiation between competing interests and factions in an effort to manage, settle, or resolve the conflict, should be led by the political and diplomatic actors with the required skill, clout, and resources. While development workers may have an important role to play in this larger effort, their's is a supporting, not a leading role - in keeping with the argument for the need for a clear division of labour founded on respective skills sets and competencies.

manoeuvre. At times this requires adroit negotiation with antagonists from all sides of the conflict. This is no mean task, but by no means is it an impossible task.¹⁹

Correspondence Between Proposed Project and the Environment

What is the level of political support for the proposed project? The need for political support applies to every level of a project. While it certainly includes the political actors in the field from the local, regional to national levels, it also includes political support from: 1) within one's organization; 2) (ideally) governmental and non-governmental actors within an organization's support constituency; and 3) (preferably) international organizations involved in the country.

Does the proposed project have the trust of all authorities able to stymie your efforts? This factor is related to "political support" above. Trust, however, is less committal than political support. At a minimum, it is a reasonable expectation that authorities will not actively resist or subvert a project and that trust may be built incrementally as the project evolves.

Does the proposed project have the trust, support, and participation of the community? Some of the factors that contribute to the development impact of a development project also contribute to its success in peacebuilding. The participatory character of a project is an important factor in explaining success in both its peacebuilding and development impact. An emphasis on promoting participation (as both a means and an end) in development projects generates a number of operating principles which have clear peacebuilding implications:

- ensuring continuity of personnel to make a learning process more feasible;
- having a network of supportive, committed persons in a variety of positions;
- avoiding partisan political involvement
- attracting and retaining the right kind of community leadership; and
- going beyond narrow conceptions of self-interest.²⁰

Particularly relevant to the argument that peacebuilding requires a strong participatory dimension is Uphoff's observation that: "more important than knowing *how much* participation is occurring is knowing *who* is or is not involved in different kinds of participation. Which groups are less involved in different kinds of decision making, or in different kinds of implementation, or in different kinds of benefits, or in different kinds of evaluation? Women? Youth? Ethnic minorities? Persons living in remote villages? Insecure tenants? Is it being done at the initiatives of officials, an NGO or the villagers themselves? With a monetary incentive, or voluntary, or through coercion? In an organized manner or on an individual basis? Directly or indirectly? On a regular or ad hoc basis? Is the process continuous, intermittent, or sporadic? With a degree of empowerment - how much?"²¹

Will the project be sustainable? Does it possess the ability to generate the resources necessary for continuation or transformation of project. Ability to weather negative political events?

The next section of this paper turns its attention to more specific issues of PCIA. The objective here is provide some suggestions for how we might operationalize a tool which is effective and efficient.

¹⁹ For a thoughtful, practical, and realistic discussion of challenges facing development workers in war zones, see Gayle Smith, "Relief Operations and Military Strategies," in Thomas G. Weiss and Larry Minear, eds., *Humanitarianism Across Borders: Sustaining Civilians in Times of War* (Boulder, CO: Lynne Rienner, 1993), 97-116. Specific examples of such negotiation may be found in the local-level cease-fires brokered by UN actors in Yugoslavia, and by the International NGOs in Sri Lanka, which allow for the transport of essential goods and medical supplies, and for the evacuation of injured civilians. Such negotiations are also the basis for humanitarian cease-fires, brokered to immunize children in war zones. Robin Hay and Clyde Sanger, "Immunization and Cease-fires," in Robert Miller, ed., *Aid as Peacemaker: Canadian Development Assistance and Third World Conflict* (Ottawa: Carleton University Press, 1992).

²⁰ This discussion relies on: Norman Uphoff, *Learning from Gal Oya: Possibilities for Participatory Development and Post-Newtonian Social Science* (Ithaca and London: Cornell University Press, 1992), p.p. 135 & 142; and John M. Cohen and Uphoff, "Participation's Place in Rural Development: Seeking Clarity Through Specificity", *World Development*, Vol. 8, (1980), pp. 213-235.

²¹ Uphoff, *Learning From Gal Oya*, p. 141.

Issues of Application

Scale of Impact

A project may have positive or negative peacebuilding impacts at a range of levels: from the micro level of individuals, to the meso level of communities, to the macro level of countries or regions. Similarly, as discussed above, the geographic scope, intensity, and dynamics of violent conflict may vary widely. It bears repeating that *peace impact* is understood to include those outcomes (intentional or unintentional) that foster and support those sustainable structures and processes which strengthen the prospects for peaceful co-existence and decrease the likelihood of the outbreak, reoccurrence, or continuation, of violent conflict. *Conflict impact* is understood to include all outcomes that increase the likelihood that conflict will be dealt with through violent means.

Peacebuilding means nothing if it is not reflected in positive changes in the lived experience of those in, or returning to, post-conflict zones.

Sources of Information on Impact

A project may have different impacts on different groups of individuals. Thus, depending on their particular vantage point and experience of violence, different individuals provide different types of information for impact assessment. Some of the questions listed below will be more appropriate for some groups than others. Some may be less appropriate. The task of the PCIA is both to collect and, most importantly, *to interpret* the various pieces of the conflict puzzle as they are available in written form, as well as the in the experiences of those people and organizations working and living in conflict zones.

Written forms of information would include: situation reports published by governmental and non-governmental organisations; chronologies of conflict; local and international human rights reports; media reports; academic studies; and so on. Ultimately however, the primary point of reference in determining impact is the lived experience of those in conflict zones. Peacebuilding means nothing if it is not reflected in positive changes in the lived experience of those in, or returning to, conflict zones. For example, the demobilization of military and paramilitary organization without the demilitarization of society, economy, and government is difficult to cast as an unqualified peacebuilding success when the tensions and insecurities within and between communities remain unaffected. This example suggests that different groups may have different criteria – indeed, different understandings and expectations – concerning the means and ends of development initiatives in these settings.

Indicators and Ownership

If the PCIA is to be user-driven and relevant, then Users should choose their own indicators – whether they are evaluators for multilateral organizations, or local partners, or the communities within which projects are undertaken.²² This goes against the grain of most conventional approaches to evaluation, which typically specify indicators in advance. However, conventional evaluations focus more clearly on a project or programme in a certain sector. Ostensibly, this approach has the advantage of allowing for greater comparability between projects by identifying and standardizing suitable indicators within projects. There is a danger however, that the *a priori* identification of indicators may obscure as much as it reveals by highlighting (and thus legitimating) some features of a project, while simultaneously burying (and thus delegitimizing) others.

The demobilization of military and paramilitary organizations without the demilitarization of society, economy, and government is difficult to cast as an unqualified peacebuilding success.

The *a priori* identification of indicators may say more about the evaluation or assessment system than it does about the project itself. The use of a variety of indicators allows for the development of a kaleidoscopic approach which is able not only to accommodate different assessments of a project's impact, but to accept that different assessments may be a function of the very different realities of different groups. And if the audience changes, so can the facts and the truths.²³

²² This approach was adopted in IUCN International Assessment Team, *Assessing Progress Towards Sustainability: Approaches, Methods, Tools, Progress, Strategies for Sustainability Programme*, March 1996.

²³ Ernest House, *The Logic of Evaluative Argument*, CSE Monograph Series in Evaluation No. 7 (Centre for the Study of Evaluation, University of California, Los Angeles, 1977), p. 11.

This approach helps to avoid the imposition of a reality by an outsider which may not correspond to the realities of those groups and individuals within the ambit of the project. For example, Ernest House notes correctly that in an evaluation, the director of a project may present one view of the project, while the teacher working in it may present quite a different view. These two view points are not logically contradictory since both may be true as viewed from different circumstances.²⁴ Furthermore, by loosening the shackles of pre-specified indicators, the space is created within the impact assessment process to allow different stakeholders to shape the framework to suit their specific needs; to assert ownership over the evaluation/assessment process; and to make more transparent the values and judgments inherent in all evaluations, and to thereby open the way for discussion and exploration of different (and sometimes competing) interpretations of impact.

Bearing these caveats in mind, it is possible to identify a host of indicators employed to assess governance and human rights projects. They may, or may not, be available or useful in different cases, however they may serve as a helpful point of reference.

Security Indicators: conflict-related deaths or injuries; disappearances; incidence of human rights abuses, including rape, sexual torture and violations of children's rights; number of riots or similar instances of uncontrolled expressions of dissent; demonstrations; number of internally displaced people; outflow of refugees; rate and patterns of repatriation; ratio of GNP spent on social welfare to military matters; arrests or detention without probable cause or warrant; incommunicado detention; cruel, unusual, or degrading treatment; inhumane prison conditions.

Psychological Indicators: perceptions of individual and collective security; perceptions of other groups; level of tolerance to cultural or political differences.

Social Indicators: freedom of thought, belief and religion; level and type of social interaction between and within groups; change in the level of intermarriage; desegregated education; political representation; family reunification; number of multicomunal or cross-cutting social organizations; level of economic or employment discrimination; freedom of speech; freedom of the media.

Political Indicators: level and type of public participation; presence or absence of multi-communal political parties; fair and free elections; levels of emergency rule in parts or all of the country; freedom of movement; public participation or influence on the policy making process.

Judicial Indicators: constitutional protection of individual rights; guarantees of due process; human rights legislation; judicial freedom from political interference; equality under the law; prosecution of criminals.

Because such indicators are drawn from the human rights and governance fields, they tend to emphasize the legal dimensions of peacebuilding. There is much more work to be done with communities to identify more innovative indicators that may be culturally and site specific. For example, there have been a number of calls to formulate conflict prevention indicators analogous to those employed in the public health and epidemiology.²⁵ There have also been suggestions that just as infant mortality rates are sensitive indicators of the general health of a population, perhaps the conditions of women, children and the most vulnerable in society might serve as the functional equivalent of sentinel health indicators.

²⁴ Ibid., p. 22.

²⁵ The final report of the Carnegie Commission of Preventing Deadly Conflict noted above, advocates a public health style model. The most methodologically rigorous attempt that I have seen to take this call beyond loose analogies was in a paper presented by James Orbinski on a panel on Public Health and War at the 1997 Annual Meeting of the International Studies Association in Toronto, Canada.

PART III: Post-project considerations

Impacts

What types of impacts might we see as a result of undertaking development interventions in environments of potential or open conflict? Where would we look to find them? A number of illustrative suggestions are listed below.

A substantial or politically significant change in access to individual or collective resources (broadly defined), especially non-renewable resources

This would include access to basic resources such as water, land, and food. However, it would also include political resources. Norman Uphoff provides a useful basis for conceptualizing and operationalizing political resources which includes the following resource categories: economic resources, social status, information, force, legitimacy, and authority. The utility of his approach is that it incorporates both material and non-material resources within a single analytical framework of resource-exchange in a way which may be usefully applied to peace and conflict impact assessment.²⁶ Given the centrality of identity and “ethnic” issues in many of the recent conflicts, it is important to also include cultural resources on this list, *i.e.*, those resources enable a group to articulate its cultural identity.²⁷

Creation or exacerbation of socio-economic tensions

This would include a wide range of possibilities, from education projects which are perceived to privilege one group over another, to small loans and income generation projects which challenge the existing socio-economic status quo, to agricultural projects which reduce farmer dependency on land owners or input providers. Since most successful development initiatives create or exacerbate socio-economic tensions by challenging the status quo, the point here is simply to stress that when this impact is likely to be present and significant, *and when other any of the factors listed here are also anticipated*, then serious consideration must be given to undertaking a PCIA.

A substantial change in the material basis of economic sustenance or food security

This might include, for example, the introduction of a new plant type, agricultural technique or technology which alters the political economy of farming in a region in a way which marginalizes those whose economic livelihood is dependent upon the old way of doing things. It would also include development programmes which are tied implicitly or explicitly to the liberalization of the economy in ways which are driven by the macro-economic logic of restructuring to the neglect of their detrimental impact on economic sustenance and food security at meso- and micro-levels. Natsios provides an interesting peacebuilding example in Somalia based on a report by Fred Cuny which recognized that the merchant class was actually encouraging the violence and looting because their regular supplies of agricultural goods for their markets had been destroyed by the drought and clan conflict. Thus, he persuaded a number of development agencies to implement monetization programmes which involved selling food aid to these merchants on a regular basis at stable prices in order to reduce their dependence on looted supplies, and to return merchants to their traditional role as self-interested defenders of law and order seeking the stability necessary for regularized commercial activity. The projects were intended to encourage merchants to apply pressure on the militias to limit their disruption, and to cut off a source of funding to the militias who used the merchants’ payments to purchase more weapons.²⁸

²⁶ Norman T. Uphoff, “Distinguishing Power, Authority and Legitimacy: Taking Max Weber at his Word by Using Resource-Exchange Analysis,” *Polity*, 22:2 (1990), 295–322; and Uphoff and Warren Ilchman, *The Political Economy of Development* (Berkeley, Los Angeles, London: University of California Press, 1972).

²⁷ Provided that such expressions of cultural identities were not threats to other groups.

²⁸ Andrew Natsios, “An NGO Perspective,” in I. William Zartman and J. Lewis Rasmussen, eds., *Peacemaking in International Conflict: Methods and Techniques* (Washington, D.C.: US Institute for Peace, 1997), p. 357.

Exacerbation of conflict by challenging the content of, or control over, existing political, economic, or social systems

To the extent that a development project empowers individuals and groups to assert control over the political, economic, and social aspects of their lives, then it may challenge existing systems of control and give rise to the use of violence either in defence of the status quo, or in opposition to it. However, it is equally important to highlight the inverse case: projects which fail to challenge unjust, structures and practices of political, economic, and social control may, in effect, subsidize 1) their implicit and explicit violence, and 2) the political regimes that benefit from them. In other words, we may exacerbate violent conflict by *failing to* challenge the content of, or control over, such structures and practices. While this argument would certainly apply to any of the kleptocracies currently existing within the international state system, interesting arguments have been made to consider South Africa in this context; in particular the extensive legacy of apartheid within the present political, bureaucratic, administrative, and economic reality of the so-called “new political dispensation.”

One fascinating IDRC-supported project demonstrated that much of the violence, particularly within the black communities (during and “after” apartheid), was the result of competition over basic material resources – housing, employment and so on.²⁹ The project argued (and subsequently demonstrated) that the inequity and conflict engendered in the structures and processes of apartheid are increasingly perpetuated through the sharpening differentiation and alienation based on class rather than race. Thus, there is a danger that the inequities and injustices engendered by the social, political and economic institutions of apartheid, may be perpetuated by post-apartheid institutions. The only difference would be that the axis of confrontation/violence and inequity would be class, rather than race. The failure to recognize this may well mean the failure of the post-apartheid regime to overcome its past.

PART IV: Five areas of potential peace and conflict impact

Asking the Right Questions and Looking in the Right Places

The final section of this paper turns its attention to more specific issues of PCIA. The primary objective is to provide an example of a framework that might help us to look in the right places and to ask the right questions about the peace and conflict impact of development initiatives. It seeks to develop a concrete point of reference to help stimulate and focus the discussion of development actors who might use a PCIA. To do this, it presents a series of questions that might be asked of projects or project proposals to establish a sense of past or potential impact on peace and conflict conditions. The questions are structured around the five areas of potential impact introduced above and shown in Figure 1.

It should be emphasized that the questions in the next section are intended to convey a sense of the types of questions that might be asked. They are certainly not comprehensive, but intended to provide a spur to discussion. Indeed, given the variety of projects with a potential peacebuilding impact, each project should elicit its own set of situation-specific questions. This is not to say that it would not be possible to compare assessments across cases. However, while the broad parameters will be comparable, the specifics of impact will vary according to context and nature of project.

²⁹ “Black Urbanization, Class Differentiation, and Political Conflict in South Africa,” Project # 90-0087. This argument is developed further in the research and publications of the two principal researchers in this project, Doug Hindson and Mike Morris.

Figure 1: Five Areas of Potential Peace and Conflict Impact

POTENTIAL PEACE & CONFLICT IMPACT AREAS	EXAMPLES
Institutional Capacity to Manage/Resolve Violent Conflict & to Promote Tolerance and Build Peace	Impact on capacity to identify and respond to peace and conflict challenges and opportunities; organizational responsiveness; bureaucratic flexibility; efficiency and effectiveness; ability to modify institutional roles and expectations to suit changing environment and needs; financial management.
Military and Human Security	Direct and indirect impact on: the level, intensity, dynamics of violence; violent behaviour; in/security (broadly defined); defence/security policy; repatriation, demobilization and reintegration; reform and retraining of police and security forces/structures; disarmament; banditry; organized crime.
Political Structures and Processes	Impact on formal and informal political structures and processes, such as: government capabilities from the level of the state government down to the municipality; policy content and efficacy; decentralization/concentration of power; political ethnicization; representation; transparency; accountability; democratic culture; dialogue; conflict mediation and reconciliation; strengthening/weakening civil society actors; political mobilization. Impact on rule of law; independence/politicization of legal system; human rights conditions; labour standards.
Economic Structures and Processes	Impact on strengthening or weakening equitable socio-economic structures/processes; distortion/conversion of war economies; impact on economic infrastructure; supply of basic goods; availability of investment capital; banking system; employment impact; productivity; training; income generation; production of commercial product or service; food in/security; Impacts on the exploitation, generation, or distribution of resources, esp. non-renewable resources and the material basis of economic sustenance or food security.
Social Reconstruction and Empowerment	Impact on: quality of life; constructive social communication (e.g., those promoting tolerance, inclusiveness and participatory principles); displaced people; in/adequacy of health care and social services; in/compatibility of interests; dis/trust; inter-group hostility/dialogue; communications; transport); resettlement/displacement; housing; education; nurturing a culture of peace.

Institutional Capacity to Manage/Resolve Violent Conflict & to Promote Tolerance and Build Peace

Impact on capacity to identify and respond to peace and conflict challenges and opportunities; organizational responsiveness; bureaucratic flexibility; efficiency and effectiveness; ability to modify institutional roles and expectations to suit changing environment and needs; financial management.

Sample Questions

- Did/will the project affect organizational capacity of individuals, or collectivities (institutions, social groups, private sector) - positively or negatively- to identify and respond to peace and conflict challenges and opportunities? If so, Which groups? To what degree? How and why? Did/will the project increase or decrease the capacity to imagine, articulate and operationalize realities that nurture rather than inhibit peace?

Organization capacity might include: 1) the ability to *conceptualize and identify* peacebuilding challenges and opportunities; 2) in the case of organizations, to *restructure itself* to respond; and 3) to *alter standard operational proce-*

dures to respond more effectively and efficiently in ways that have a tangible positive impact on the ground – for example, in ways that enhance fairness, equity, evenhandedness,³⁰ and accountability, and transparency.

- What were/might be the obstacles to a positive peacebuilding impact?
- How might the beneficial effects be amplified/made more sustainable both during and following the project.?

Military and Human Security

Direct and indirect impact on: the level, intensity, dynamics of violence; violent behaviour; in/security (broadly defined) – in particular as experienced in the daily lives of the general population; defence/security policy; repatriation, demobilization and reintegration; reform and retraining of police and security forces/structures; disarmament; banditry; organized crime.

Sample Questions

- Did/will the project affect the individual's sense of security?
- Did/will the project affect the military/paramilitary/criminal environment – directly or indirectly, positively or negatively? If so how?
- Was there/will there be tangible improvements in the political, economic, physical, food, security? If so, what are they, and to whom do they apply? If so, Which groups? To what degree? How and why?
- Did/will the project deepen our understanding, or increase the capacity to address the non-military irritants to violent conflict – *e.g.*, environmental degradation, resources scarcity, political manipulation, disinformation, mobilization and politicization of identity, etc.?
- To what extent did/will the project contribute to the Demilitarization of minds? For example, through the dismantling of the cultural and socio-psychological predisposition of individuals and groups to use militarized violence as a first, rather than last, resort. More generally, how was/might be the impact of the project on: 1) the decreased prominence of military weapons in social, political, and economic life; 2) the gradual delegitimation of a gun culture; and 3) the evolution of non-violent modalities of conflict management.

Political Structures and Processes

Impact on formal and informal political structures and processes, such as: government capabilities from the level of the state government down to the municipality; policy content and efficacy; decentralization/concentration of power; political ethnicization; representation; transparency; accountability; democratic culture; dialogue; conflict mediation and reconciliation; strengthening/weakening civil society actors; political mobilization. Impact on rule of law; independence/politicization of legal system; human rights conditions; labour standards.

Sample Questions

- Did/will the project help or hinder the consolidation of constructive political relationships within and between state and civil society? For example, how did/will the project affect the understanding, composition and distribution of political resources within and between state and civil society?

³⁰ In militarized environments, this has been described in minimalist terms as *Athe* provision of assistance in such a manner that none of the parties to a conflict is able to accrue undue military advantage. Peter Davies of *Interaction* quoted in Gayle Smith, *Relief Operations and Military Strategy*, in Thomas Weiss and Larry Minear, eds., *Humanitarianism Across Borders: Sustaining Civilians in Times of War* (Boulder and London: Lynne Rienner, 1993), p. 100. In post-conflict settings, it might refer more broadly to an operating procedure that inclusive rather than exclusive in both its means and ends.

- Did/will the project have an positive or negative impact on formal or informal political structures and processes – either within the formal arena of institutionalized state politics (*e.g.*, constitutional or party politics) or within the informal arena of civil society (*e.g.*, traditional authority structures)? If so, how? Did/will the project contribute to the development of the capacity of individuals/collectivities to participate constructively in democratic political processes? Did/will it contribute to increasing the transparency, accountability, representativeness, and appropriateness of political structures?
- Did/will the project influence policy processes or products? If so, in what ways?
- Did/will the project help defuse inter-group tensions? If so, how?
- What was/what will be the impact of the project on human rights conditions within a country or region? (*e.g.*, awareness, legislation, levels of abuse/respect?)

Economic Structures and Processes

Impact on strengthening or weakening equitable socio-economic structures/processes; distortion/conversion of war economies; impact on economic infrastructure; supply of basic goods; availability of investment capital; banking system; employment impact; productivity; training; income generation; production of commercial product or service; food in/security; Impacts on the exploitation, generation, or distribution of resources, esp. non-renewable resources and the material basis of economic sustenance or food security

Inevitably, protracted militarized conflict distorts the economy of afflicted regions. It subsidizes inequitable and inefficient socio-economic structures, creates “war economies,” stifles and distorts production, and wastes scarce resources in non-productive war-related expenditures. At the level of the individual, the economic impact of such conflicts is profound and near incalculable. In the wake of a conflict, a war-devastated economy hinders PBR, and risks pushing parties into the spiral of violence particularly where conflict over the production and distribution of resources was an underpinning factor in initiating and perpetuating violence. The lack of economic opportunity is a particular threat in cases where the immediate post-conflict phase is populated by “former” – yet still armed – combatants. An assault rifle may symbolize protection, power, and status in a conflict zone, but in the post-conflict period, it also represents economic sustenance in those areas where there are no economic alternatives.

Sample Questions

- To what extent did/will a project contribute to or detract from efforts to Are-construct damaged economic and social infrastructure? Specifically, in the following areas:
 - high level of debt
 - unsustainable high military budgets
 - skewed distribution of wealth, income, and assets
 - resettlement of displaced populations
 - environmental degradation – particularly that which inhibits economic productivity
- To what extent did/will the project:³¹
 - assess damage to social and economic infrastructure
 - provide technical assistance for rehabilitation and reconstruction
 - rehabilitate and reconstruct economic infrastructure
 - reactivate smallholder agriculture
 - rehabilitate the export sector
 - rehabilitate key industries
 - up-grade employment skills;
 - stabilize the national currency
 - rehabilitate financial institutions

³¹ This list draws on Nicole Ball with Tammy Halevy, *Making Peace Work: the Role of the International Development Community*, Policy Essay No. 18, Washington, the Overseas Development Council, 1996.

Social Reconstruction and Empowerment

Impact on: quality of life; constructive social communication (*e.g.*, those promoting tolerance, inclusiveness and participatory principles); displaced people; in/adequacy of health care and social services; in/compatibility of interests; dis/trust; inter-group hostility/dialogue; communications; transport); resettlement/displacement; housing; education; nurturing a culture of peace.

Sample Questions

- Did/will the project contribute to the development or consolidation of equity and justice, or the means of providing basic needs?
- Did/will the benefits of the project get shared equitably?
- Did/will the project include members from the various communities affected by the conflict? How? effectiveness? Criteria for effectiveness?
- Did/will the project seek explicitly to benefit or build bridges between the different communities? If so, how? Effectiveness? Criteria of effectiveness? Did/will it help foster an inclusive - rather than exclusive - sense of community? Did/will it facilitate the ability of individuals and groups to work together for the mutual benefit?
- Did/will the project facilitate positive communication/interaction between and within groups? Is this sustainable?
- Did/Will it provide/generate the skills, tools, capacity for individuals and communities to *define* issues/problems to be addressed, *formulate* solutions to those problems, or *resolve* those self-defined problems?
- Did/will the project take into consideration the the history/legacy of conflict in its design? For example, did/will it consider the specific impact on children, women and other vulnerable groups such as displaced populations, and the politically, socially and economically marginalized.
- Did/will the project increase contact, confidence, or trust between the communities? Did it dispel distrust? Did/will it create common interests, or encourage individuals and groups to recognize their common interests, and did/will modify their behaviour in order to attain them?
- To what extent did/will the project incorporate/privilege the views and interests of affected indigenous populations?

Conclusion

In some ways, this paper is winding down at the point it should be picking up. The reasons for this are related to the rationale for circulating this study as a Working Paper. First, if a PCIA tool is to be useful, it will have to be the product of the interaction and synergies of the full spectrum of the peacebuilding community. The space has been left open to allow for and encourage the discussion needed to fashion a genuinely collective tool. The next stage in its development will be the most important. Second, if the argument for the need to integrate peace and conflict issues into mainstream development work is to stand a chance conceptually and programmatically, then it will first need to make a convincing case for its necessity and its utility. This is one of the objectives of this paper. Once this has been done, the challenge is one of practicality. What might work? What is needed? What are the institutional and field opportunities and constraints conditioning the use of such a tool, and so on. Third, and perhaps most problematically, as discussed in Part I, Section B, it may be that the best we can hope for is a helpful interpretive tool, rather than a large scale map. These are open questions.

APPENDIX: The Basics

Peacebuilding: In the broadest sense, peacebuilding refers to those initiatives which foster and support sustainable structures and processes which strengthen the prospects for peaceful coexistence and decrease the likelihood of the outbreak, reoccurrence, or continuation, of violent conflict. This process typically contains both immediate and longer term objectives, for example, humanitarian objectives as well as political, economic, and

social objectives. It should be underscored that peacebuilding is not about the imposition of “solutions,” it is about the creation of opportunities, and the creation of political, economic, and social spaces, within which *indigenous* actors can identify, develop, and employ the resources necessary to build a peaceful, prosperous, and just society.³² Peacebuilding is a two-fold process requiring both the deconstruction of the structures of violence and the construction of the structures of peace.

Peace Impact: The term *peace impact* is understood to include those outcomes that foster and support those sustainable structures and processes which strengthen the prospects for peaceful coexistence and decrease the likelihood of the outbreak, reoccurrence, or continuation, of violent conflict. “Peace” is not the absence of conflict, but the absence of the use of violence to resolve both the positive and negative forms of conflict that arise naturally in any society. (See “Conflict” below).

Conflict Impact: The term *conflict impact* is understood to include all outcomes that increase the likelihood that conflict will be dealt with through violent means.

Peacebuilding-as-Impact: Over the last 24 months or so, there has been considerable discussion in Canada and internationally of how to nurture “peacebuilding” processes in conflict and “post-conflict” environments. These discussions, and the initiatives they spawned, have been assessed elsewhere.³³ What needs to be noted in the current context is the overwhelming tendency to treat peacebuilding as a very narrow set of activities that focuses on the transformation of formal political and legal institutions. It is essential that we recognize that peacebuilding is not a specific activity, but an *impact*, *function*, or *consequence* of an activity. Not all development work is “peacebuilding work.” Indeed, as discussed below, “development” by its very nature is destabilizing - for better or for worse. While some “Peacebuilding and Reconstruction (PBR) Projects” may be characterized by their explicit peacebuilding objectives such as the transformation of political and legal structures, we should be careful not to limit peacebuilding thinking and initiatives to “democratic development,” human rights, and institution strengthening. As international actors jump aboard the peacebuilding bandwagon, there is a danger that we may ghettoize peacebuilding work by restricting our understanding to those more overtly political projects while neglecting the constructive impact of “conventional” development projects in violence-prone regions, including projects in public health, water, sanitation, communications, and so on. Since the bulk of development work will be in the areas of “conventional” development, the greatest peacebuilding impact (positive *and* negative) will come not from narrowly defined “PBR projects” but from these “mainstream” initiatives. Realistically, development activities alone cannot resolve the protracted militarized conflicts which are so prevalent in the world today. However, they possess the potential to contribute significantly to conflict management and peacebuilding. As importantly, their activities have the potential to exacerbate tensions and inhibit conflict management.³⁴ The capacity of development actors to influence such events must be evaluated carefully since it varies considerably from case to case.

Reconstruction: Although the term “reconstruction” is used widely, it is a misnomer. The objective of post-conflict activities is rarely a return to the *status quo ante bellum*, since pre-war conditions typically contain the antecedents to subsequent violent conflict. Rather, “reconstruction” refers to the creation of new, sustainable, institutions which are more democratic, fair and responsive to the needs, concerns, and aspirations of an entire population - *e.g.*, effective political structures and processes which protect and advance the well-being of the citizenry; institutions which ensure human security, and robust economic, judicial and social institutions.

³² This definition is developed in Kenneth D. Bush, “Towards a Balanced Approach to Rebuilding War-Torn Societies,” *Canadian Foreign Policy*, Vol III, No. 3 (Winter 1995), pp. 49-69.

³³ Patricia Weiss Fagen, “After the Conflict: A Review of Selected Sources on Rebuilding War-Torn Societies,” *War-Torn Societies Project - Occasional Paper No. 1*, UNRISD, Geneva, November 1995; Kenneth Bush, “Fitting the Pieces Together: Canadian Contributions to Rebuilding War-Torn Societies,” a paper prepared for the International Development Research Centre, Ottawa, July 1995; and Bush, “NGOs in the International System: Building Peace in a World at War,” in Maureen Molot and Fen O. Hampson, eds., *Canada Among Nations: Big Enough to be Heard* (Ottawa: Carleton University Press, 1996), pp. 251-272.

³⁴ See for example David Gillies’ discussion of the negative impact of the CIDA sponsored Madura Oya project in “Principled Intervention: Canadian Aid, Human Rights and the Sri Lanka Conflict,” in Robert Miller, *Aid as Peacemaker: Canadian Development Assistance and Third World Conflict* (Ottawa: Carleton University Press, 1992), 33-50; for an extended discussion by Gillies see *Between Principle and Practice: Human Rights in North-South Relations* (Montreal and Kingston: McGill-Queen’s Press, 1996). See also the well-focused and articulated discussions in: Mary B. Anderson, *Do No Harm: Supporting Local Capacities Through Aid* (Cambridge, Mass.: Local Capacities for Peace/Collaborative for Development Action, Inc., 1996); and Natsios, “An NGO Perspective.”

Conflict: Conflict is not seen to be a necessarily negative or destructive phenomenon in this study. In essence, development is *inevitably* conflictual, destabilizing, and subversive because it challenges established economic, social, or political power structures which inhibit individuals and groups from pursuing their full potential. However, there is a need to maintain a clear distinction between violent and non-violent conflict. While this study focusses more on violent, rather than non-violent conflict, it has a special interest in those liminal moments at which non-violent conflict “turns” (Are-turns) violent and is militarized. This study views the presence or absence of conflict mediating mechanisms and institutions³⁵ to be central factors influencing whether a conflict passes the threshold into violence – this might include representative political systems, a transparent and fair judicial system, an equitable social system, and so on. Some have argued that violent conflict is the ultimate expression of the breakdown of a society’s systems of governance, and that reconstruction therefore rests primarily upon the renegotiation and refashioning of new systems of governance at the community, sub-national and national level.³⁶ Thus, “reconstruction” requires strategies and interventions to promote institutional arrangements that can facilitate and sustain the transition from violent conflict to sustainable development. An appealing feature of this kind of approach is the way its analysis of the problem is tied directly to an understanding of the nature of solutions.

Despite an emphasis on the institutional dimensions of violence and peacebuilding, this study also appreciates the variations of, and the connections/disconnections between, different manifestations and types of violence. It is, for example, disturbed by the tendency to disconnect the “political,” structural, violence of the apartheid past from the “criminal” violence of the “post”-apartheid South Africa present. The danger of this disconnection (conceptually and pragmatically) is two-fold: 1) it inhibits us from examining the relationships between “political” and “criminal” violence, the legacy of apartheid, and the full nature of contemporary violence in South Africa; and 2) it tends to limit the scope of our responses to the legal-policing realm, rather than the socio-economic-political realm. If the source of the contemporary violence is political, social, or economic, then a rigid legal-policing response will be as problematic in the post-apartheid transition as it was during apartheid. The common argument in South Africa is that the removal of the violence-dampening institutions of apartheid “led” to the current explosion in violent crime. However, this argument uses the term “violence” in a very narrow and conservative way. It makes sense to recognize the structural violence inflicted upon South Africans in the form of poverty, infant mortality, stifled advancement, etcetera. If we accept that the term violence may have a variety of meanings and manifestations, then we can begin to see that the post-apartheid era reveals not so much a rise in violence, as a change in the *type* of violence characterizing social, political, and economic relations. Contemporary manifestations of violence in South Africa are not *sui generis*. They follow the trajectory of societal and political developments in the country. An understanding of the present requires a consideration of its linkages to the recent and distant past. The implication for the development of a PCIA is that it underscores the need to peel away the multiple layers of violence to build a sense of its dynamics, history, and trajectory.

Paradoxically, the experiences of violent conflict may *generate* new development opportunities and ways of working. The experiences of Zimbabwe, Nicaragua, Eritrea, Somaliland, and South Africa suggest that violent conflict may serve as the anvil upon which new and progressive social and economic structures, political solutions, and development opportunities may be formed. This particular point was underscored in the Eritrea case study of the War-Torn Societies Project (WSP) of the UN Research Institute for Social Development (UNRISD), when the Eritrean partners stated emphatically that their society was war-born, not war-torn.

It is appropriate to conclude this section with a note on the legitimacy of using force to affect change. There are many ways to change economic, social, and political structures – implicit or explicit violent modalities are certainly included within the menu of options (*e.g.*, support for armed resistance, the threat or use of militarized force, and so on). Under some conditions such violence *may be* required to affect change. However, this option cannot be legitimate within a *developmental* approach to change. The application of violence might be justified

³⁵ The term “conflict mediating” is used self-consciously to refer to mechanisms which manage, resolve, or settle conflicts and disputes *non-violently* as they arise. These are distinct from “conflict dampening” mechanisms which have as their primary objective the limitation of the level of conflict using whatever means are deemed most effective, whether violent or non-violent. For example, in South Africa the apartheid system was certainly successful in dampening anti-apartheid challenges, but it did so through direct and indirect mechanisms of violence – using everything from security forces, to urban planners, to structural violence of poverty, illness, and illiteracy.

³⁶ Necla Tschirgi, “Linking Development and Security Research,” *IDRC Reports*, 22:3 (October 1994), pp. 12–13.

using consequentialist logic (the ends justify the means), but it cannot be justified or legitimized using developmental logic.³⁷ Furthermore, violence is a particularly blunt instrument that: 1) is prone to generating unanticipated, unintended, and uncontrollable consequences; and 2) risks legitimating the use of violent force as a means of conflict resolution.

³⁷ Somalia offers a prime example of this argument. See Mohamed Sahnoun, *Somalia: Missed Opportunities* (Washington, D.C.: United States Institute of Peace, 1994); and Kenneth Bush, "When Two Anarchies Meet: International Intervention in Somalia," *Journal of Conflict Studies*, XVII:1 (Spring 1997), pp. 55–78.

Appendix IV

A Case Study of Two Water Projects in Sri Lanka with Opposite Impacts on the Incentive Structure for Peace and Conflict: The Mahaweli/Madura Oya Project and the Gal Oya Project

It is very instructive to compare the Mahaweli/ Madura Oya project with the Gal Oya water project in Sri Lanka to develop a better sense in which such projects can have positive or negative impact of the incentive structures for peace and conflict.³⁸

The USAID-supported Gal Oya water management project in Sri Lanka is an example of a project which generated both developmental and peacebuilding benefits. Interestingly, its peacebuilding function was entirely incidental to the project which was designed and implemented according to developmental criteria. By cultivating the mutual interests of members from different ethnic and socio-economic groups, the project managed to thrive even in the midst of severe communal conflict. And perhaps more importantly, it resulted in the construction of ad hoc institutions of inter-communal co-operation beyond the scope of water management (Uphoff 1992; Uphoff 1992a). In other words, it had a significant, positive impact on the incentives for peace within a particular area of Sri Lanka.

One may look to another water project in Sri Lanka – the CIDA-supported Maduru Oya project which was one component of the massive Mahaweli Project – for an illustration of the dangers of not considering the peacebuilding requirements of development projects. While this will be dealt with in greater detail below, it is sufficient to note at this stage that although the Maduru Oya project was designed to meet a number of developmental objectives, the failure to fully consider the highly political issue of population displacement and resettlement in the context of a communal civil war, ultimately led to its downfall (Gillies 1992). The project would have resettled displaced Sinhalese villagers in the Batticaloa District where Tamils constitute two thirds of the population; where ethnic tensions were escalating; and where opposition to what some called the West Bank plan to alter the demographic and thus political balance in the East had reached a critical point.

Sri Lanka: Gal Oya

The Gal Oya Water project was one of the largest and most complex water schemes in Sri Lanka. It faced daunting obstacles – physical, infrastructural, bureaucratic, and political. To top it all off, the project was confronted with an over-arching ethnic dimension: the up-stream areas were inhabited by members of the Sinhalese ethnic group, whereas the downstream allotments were held by Tamil-speaking farmers. In other words, the Tamil-Sinhalese divide which constitutes the main battle line in the ethnic violence at the national level was paralleled at the local level of the project. In the context of ethnic tensions, if water did not reach the Tamil ‘tail-enders’, there would be good chance that this would be attributed to the ‘maliciousness’ of the Sinhalese ‘head-enders’ rather than to geographical or other factors. *In other words, the incentive structure was not especially conducive to co-operation between the communities.*

The project was not consciously designed to perform a peacebuilding function or to achieve peacebuilding objectives. However, it is an example of a development project with noteworthy peacebuilding spin-offs. In order to develop a thorough understanding of the potential peacebuilding role of international, national and local actors, these are the types of projects that should attract greater attention.

Lessons: What does the Gal Oya teach us about successful peacebuilding? It appears that some of the factors that contributed to its success as a development project also contributed to its success in peacebuilding. The fact

³⁸ This comparison draws on a number of sources: For the Mahaweli/Madura Oya project – David Gillies, “Principled Intervention: Canadian Aid, Human Rights and the Sri Lankan Conflict” in Robert Miller, ed., *Aid as Peacemaker: Canadian Development Assistance and Third World Conflict* (Ottawa: Carleton University Press, 1992), 33–50; For the Gal Oya Project – Norman Uphoff, *Learning from Gal Oya: Possibilities for Participatory Development and Post-Newtonian Social Science*, (Ithaca and London: Cornell University Press, 1992); and Uphoff’s “Monitoring and Evaluating Popular Participation in World Bank-Assisted Projects” in Bhuvan Bhatnagar and Aubrey C. Williams, eds., *Participatory Development and the World Bank: Potential Directions for Change*, World Bank Discussion Paper 183 (Washington: World Bank, 1992a) 135–153.

that it is a thoroughly participatory development project may be an important factor in explaining its success in both areas. The emphasis on promoting participation (as both a means and an end) generated a number of operating principles which have clear peacebuilding implications: (1) ensuring continuity of personnel to make a learning process more feasible; (2) having a network of supportive, committed persons in a variety of positions; (3) avoiding partisan political involvement; (4) attracting and retaining the right kind of community leadership; and (5) going beyond narrow conceptions of self-interest.

Particularly relevant to the argument that peacebuilding requires a strong participatory dimension is Uphoff's observation that: "more important than knowing *how much* participation is occurring is knowing *who* is or is not involved in different kinds of participation. Which groups are less involved in different kinds of decision making, or in different kinds of implementation, or in different kinds of benefits, or in different kinds of evaluation? Women? Youth? Ethnic minorities? Persons living in remote villages? Insecure tenants? ... Is it being done: at the initiatives of officials, an NGO or the villagers themselves? With a monetary incentive, or voluntary, or through coercion? In an organized manner or on an individual basis? Directly or indirectly? On a regular or ad hoc basis? Is the process continuous, intermittent, or sporadic? With a degree of empowerment – how much?" (1992a: 141)

It is possible to identify one more list of lessons from Gal Oya which may be generalized and applied to the explicit cultivation of a peacebuilding dimension in development projects: (1) the emphasis on capacity building which built up local capabilities for self-management and self-reliance in both resource use and communal relations; (2) the project was participatory from the start; (3) it incorporated learning from experience throughout the project; (4) it steered away from too much government involvement; and perhaps most importantly (5) it "accept[ed], genuinely and fully, that intended beneficiaries have intelligence and social skills, not just labour and funds, that can be useful for project design and implementation. The poor can even usefully comment on technical design questions, but more important, they can help to plan and carry out the management of project activities" (Uphoff 1992a: 143).

On Impact and Assessment: Although some of the factors which contributed to the development success of the project may also have contributed to its peacebuilding success, there is still a need for a different set of criteria to assess the peacebuilding impact of the project. The criteria used to assess the efficacy of a development project are not necessarily suitable for assessing the efficacy of peacebuilding activities.

Sri Lanka: Maduru Oya

As noted above, the Maduru Oya dam and irrigation project in Sri Lanka is a case illustrating the danger of not considering the impact of a development projects on social conflict. As part of the Mahawelli Scheme, the Madura Oya dam seemed designed to meet a number of development goals. It would provide energy, irrigation and relief from population pressure by enabling the resettlement of up 750,000 landless peasants on small scale farms on once barren land. David Gillies observes that from the vantage point of decision-makers: "[the Mahawelli scheme] was a mega-project with something for everyone: capital intensive infrastructure, rich pickings for Western engineering and construction firms, a poverty alleviation component consistent with a Sri Lankan commitment to equity, increased agricultural productivity, and the harnessing of infertile land" (Gillies 1992: 54). Nonetheless, the project became a lightning rod in an ethnic war which has killed or caused the disappearance of over 50,000 people and which has displaced more than 1.7 million people (one tenth of the total population). The reason: the resettlement scheme was viewed by many Tamils as part of the Sinhalese government's 'West Bank Scheme' to alter the demographic composition of the traditionally Tamil and Muslim areas of the island so as to increase Sinhalese representation and control. According to Gillies, at the planning stage "virtually no attention was given to the project's impact on the fragile ethnic balance of Batticaloa District in which resettlement would occur" (1992:55). And once the potential political volatility of the project became clear, aid officials found themselves in the awkward position of being committed to the project, but of having serious reservations about the fall out. They were further constrained by not wanting to be seen to be meddling in the 'internal affairs' of the country.

Lessons: The extent to which the Mahawelli experience has affected subsequent policy changes for the Bank is not clear. In Canada however, the Maduru Oya fiasco ultimately led to an internal policy review which resulted in three operating principles for the entire aid program, not just the Maduru Oya project: (1) Canada would not undertake any action likely to aggravate the communal conflict; (2) the communal dimension would hence-

forth be taken into consideration in Canadian projects; and (3) where feasible, Canada would encourage projects which fostered inter-ethnic understanding and harmony (Gillies 1992: 60). In practice the last two principles have been difficult to implement. These are precisely the policy principles which need to be considered and further developed in order to facilitate the attainment of both developmental and peacebuilding objectives. "Canada's experience with the Maduru Oya project suggests that donors who fail to consider the human rights implications of individual projects may be unwitting accomplices to human rights abuses" (Gillies 1992: 66).

Appendix V

Does ODA subsidize military expenditures and militarization in Sri Lanka?

It is very interesting to compare the flow of international ODA into Sri Lanka with the military expenditures of the Sri Lankan government. Table 3 provides an indication of pattern and levels of military and security expenditure alongside ODA. One of the common questions that arises in conversations with the NGO and donor communities in Sri Lanka is whether ODA, in effect, subsidizes the war effort on the island by enabling the government to re-allocate resources from socially constructive activities to militarily destructive activities. This question is difficult to answer definitively since it requires us to rely on a counter-factual premise (which by definition is unverifiable empirically): that the government of Sri Lanka would not have allocated the same amount of resources to the war-machine in the absence of such development assistance. What is clear from Table 3, is that in the larger picture of public expenditure ODA is shrinking significantly as a proportion of military spending, so even if ODA was having a subsidizing impact, it would be diminishing over time.³⁹

Sri Lanka's military expenditure has risen during the past nine year period of 1977 to 1986 by 800%. Since 1977, the country's defense spending has increased by 800 percent that is, from Rs 750 million to Rs. 6 billion. Although defense expenditure for 1985 was estimated at Rs. 3.7 billion it rose to Rs. 6 billion. The amount estimated for defense for 1986 was Rs. 5.84 billion."

Nine years later, in 1995, Sri Lanka's military expenditure was estimated at Rs. 24 billion (\$444 million). But the actual amount spent during the year was Rs. 34 billion. This was more than a five fold increase on the figure for 1986 and forty times the figure for 1977.

In the year 1996, the budget allocation for military expenditure was increased to a then unprecedented Rs. 38 billion (\$707.7 million). However, the actual expenditure was Rs. 46 billion – a 35% increase on 1995.

A study on the Cost of the War undertaken by the Sri Lanka Marga Institute released at a National Peace Council convention in Colombo on January 5 1998 found that the total war cost for the year 1996 amounted to Rs. 165 billion or 21.3 percent of gross domestic product (GDP), and was more than three times the direct budgetary expenditure on defense.

Sri Lanka's budgeted military expenditure for 1997 saw an increase to Rs. 44 billion (\$758.6 million) from the budgeted amount of Rs. 34 billion for 1996. This amounted to 6% of GDP and 22% of total government spending.

The highest allocation for military expenditure was in the year 1997. The allocation was Rs. 44 billion. But in the event the actual military expenditure for 1997 was Rs. 46.6 billion.

The budget allocation for military expenditure for the year 1998 was initially Rs. 44 billion. This was later increased by Rs. 8 billion.

In the event, a month later on 24 September 1998, the Sri Lanka government announced an increase not of Rs. 8 billion rupees, but of 12.2 billion rupees amounting to a 28% increase on the original allocation for 1998. The Sri Lanka Budget deficit in 1998 was expected to be 7.8%, sharply higher than the previous forecast of 6.5%.

On November 5 1998, Sri Lanka announced yet another 'unprecedented' allocation for military expenditure in 1999 to 47 billion rupees, up from the originally estimated 44 billion rupees in 1998 (later extended to 56.2 billion rupees).

On October 5 1999, the Budget Estimates tabled by the Sri Lanka Finance Minister estimated a 11.5 percent increase on defense over that for 1999. The government estimated that defense spending will reach 52.43 billion rupees (728 million dollars), compared to the estimated 47 billion rupees in 1999 and 44 billion rupees in 1998.

³⁹ For excellent studies on the costs of war in Sri Lanka, see Arunatilake, Jayasuriya and Kelegama, January 2000. and National Peace Council/Marga 2001. The following data is derived from National Peace Council/Marga 2001.

However, in the past, defense spending has overshoot original budget estimates by 20 to 25 percent. The recurrent defense expenditure for the calendar year 2000 was a total of around 41.5 billion rupees while 10.9 billion rupees has been earmarked for capital expenditure. The Appropriation Bill presented in the Sri Lanka Parliament showed that the Government's total expenditure for this year will be around 291 billion rupees.

In nominal terms, declared defense spending has risen from Rs. 1.3 bn in 1983 to Rs 53 bn (\$709m) in 1999. The government sanctioned an extra Rs. 12 bn military spending. This raised the declared defense budget to around 6 per cent of GDP and, in total, dwarf projected spending on education and health – respectively Rs. 29.3 bn and Rs. 15.7 bn. It will also deepen the distortions in the economy and further blight Sri Lankans' hopes of rapid development. The extra sum, mostly for heavy guns and Israeli jet fighters, is being raised by increased taxes on alcohol and tobacco and a rise in the National Security Levy.

The war tax, introduced as an interim measure in 1991 at a rate of 1 per cent, has now exceeded 6.5 per cent and levied on almost all goods and services. The revenue it raises exceeds all income tax receipts, and, along with other extraordinary levies, such as the Save the Nation Contribution, a surcharge on income tax, has had the effect of postponing urgently needed tax reform.

The war has sabotaged much else besides. A declining fiscal deficit, down from an average 10 per cent of GDP to just under 8 per cent last year, is spiraling again. This has a scatter-gun effect, ranging from the uncertainty it creates about investment conditions to the postponement of financial sector reforms. The war makes politically sensitive changes, such as labour market reform, all but impossible. And, of course, it scares off all but the hardiest foreign investors.

In considering the possible ways that ODA may subsidize militarization more generally, it should be noted that acquiescence itself may serve to reinforce disincentives to peace. Militarization is more than just the number of weapons circulating in the fields and streets of a country. In its most basic form, it is the tendency for non-military problems to be defined, and responded to, with military means. This process requires the institutionalization of violence within social, political and economic arenas. This is illustrated in a comment by a government official who described the incorporation of the Tamil paramilitaries into the government as 'the welcoming of terrorists into the heart of government'.

Table 3: Reported Military Expenditure and ODA (Rs. Million)

Military Expenditures	Total ODA	
1985	2770	3306
1986	5300	3648
1987	8000	4677
1988	6500	6588
1989	5800	6407
1990	9340	6697
1991	14130	7870
1992	17400	8280
1993	18270	8035
1994	22400	8257
1995	33200	9028
1996	39200	7739
1997	NA	7500

CHA 1998 from Accounts of the GSL

**Source: JICA 1998

Militarization is a social process composed of both active and passive elements. Paradoxically, perhaps the most crucial element of this process is passivity. It is a willingness to accept (or at least not reject) the encroaching militarization of one's day-to-day life. In Colombo, this would include the acceptance of constant security checks and road blocks. It would also include the acceptance of a system which requires all Tamils who come to Colombo to register at the local police station in the neighborhood in which they are staying (this a version of the pass system in operation in Vavuniya). After a while, as Salman Rushdie once put it, all of this simply becomes 'part of the furniture'. However, the acceptance of such intrusions – whether unquestioningly or with security arguments – subsidizes and entrenches such practices in our mental, physical, and political landscapes. After a while, the failure to reject may become a willingness to accept. From this point, acquiescence creates the political space within which the state military or the non-state paramilitary can push such intrusions to further and greater extremes. The challenge for the donor community then is to highlight the disincentives for inaction and the incentives for action in an environment which has subsidized and rewarded passivity.

To put a rather abstract argument in very concrete terms, we need only look at the acceptance of the War Defence Levy introduced in 1994 which imposed a goods and services tax of 4.5%. In January 1999 this was increased to 5.5%. And in May 2000, it was increased to 6.5%.⁴⁰ This is a direct contribution to the war in Sri Lanka which is paid one way or another by all residents and organizations on the island. In other words, directly and indirectly, 5.5% of the ODA channelled into Sri Lanka will be allocated to the government's war in the north and east. It may well not be coincidental that expenditures on defence after the Levy was introduced increased from Rs 22.4 billion in 1994 to Rs 33.2 billion in 1995 to Rs 39.2 billion in 1996 (CHA, 1998). It seems more than a bit contradictory that ODA-supported activities with the stated objectives of development, humanitarian response, and peacebuilding would also contribute to the war effort through the War Levy.

⁴⁰ Agence France Press reported on 14 May 2000: 'Sri Lanka is officially on a "war footing".' News is censored. Public meetings are banned, but life in the capital is as lively as ever and the only tension appears to be among visiting foreign journalists. As fighting between security forces and Tamil Tiger guerrillas escalated in the island's north, the government assumed war-time powers and imposed censorship on the media, while city authorities called for the curtailment of public celebrations. The government has raised the price of cigarettes and liquor by five to 10 percent and increased the 'national security levy' imposed on all goods and services by one percentage point to 6.5 percent, triggering across the board price increases. *'Every time I smoke or drink, I feel like a patriot'*, Perera said.'

Appendix VI

Short Articles on CEB, Corruption, and Mismanagement

<http://www.lankapage.com>

Appendix VII

CONCLUSION to:

Bush and Saltarelli, The Two Faces of Education in Ethnic Conflicts: Towards a Peacebuilding Education for Children, Innocenti Insights, UNICEF International Child Development Centre, Florence, Italy, 2000. www.unicef-icdc.org/pdf/twofaces.pdf

This discussion does not lend itself to summary in a tidy, compact, package. This study will have succeeded if it encourages a more critical thinking about the place of formal and informal education in environments racked by ethnic conflict. As indicated at the outset, this study is only the first cut at an examination of a set of issues that have tended to be relegated to the margins of the analysis of ethnic conflict. To the extent that the negative face of education is acknowledged, the tendency has been to call broadly and generally for more and “better” educational practices. It is clear in this study however that the effectiveness of this “more and better” approach will be limited unless it is complemented by an approach that simultaneously dismantles destructive educational practices. To put it bluntly, the “add good education and stir” approach alone will not produce the fundamental changes that are necessary in ethnic conflict-affected societies. This underscores the need to go beyond solutions that are merely additive (add women and stir, add children and stir, add environment and stir) towards solutions which are *transformative* – that is solutions which change the underpinning logic and structures of behaviour.

The principal difficulty that we face in this context is this: it is easier to add new educational initiatives than to change old ones. Why? Because the change of educational practice is a fundamentally *political* threat in the sense that it challenges structures of authority, dominance, and control – in the North no less than the South.

One of the clearest implications of this observation is that the transformation of the conditions of ethnic violence will be extremely slow and painful unless efforts include political resources as well as pedagogical and educational resources. The interdisciplinary approach of this study is just a first step in establishing a set of common understandings, mobilizing the necessary range of resources, and breaking away from compartmentalized approaches towards those that are complementary, systematic, and sustained. This makes sense both conceptually and practically: complex and multi-dimensional problems must be matched with multi-faceted responses.

The task before us is to fashion a concrete plan of action. The contribution of this study is that it examines the dynamics of the positive and negative impacts of education and identifies some broad guidelines and principles for moving ahead constructively. It is this variability of impact that prompts a number of observations that may help to orient our thinking about education and violent conflict.

- Most obviously: in many conflicts around the world, education is part of the problem not the solution, because it serves to divide and antagonize groups both intentionally and unintentionally.
- Initiatives that focus exclusively on either the informal or formal dimensions of education are doomed to failure because of the potential influence or veto one dimension has over the other.
- While content of curriculum matters (*e.g.*, the misrepresentation of history does have negative impacts whether in Quebec or in Sri Lanka) so does process. Curriculum packages that espouse tolerance and egalitarianism, but that are delivered within educational structures that are fundamentally intolerant and inequalitarian cancel out much of the potential positive impact.
- This discussion of identity, education, and conflict applies to both North and South. Many of the educational institutions in the North are segregationalist (especially along the lines of class and colour). The most significant difference between North and South is that in the former case, political, social, and economic institutions exist to accommodate or defuse dissent and inequity.

It is useful to conclude with an outline of the study.

Negative face of education

The study has examined the following peace-destroying/conflict-maintaining impacts of education within specific examples of identity-based conflicts (and non-conflicts!)

- The uneven distribution of education as a means of creating or preserving positions of economic, social and political privilege
- Education as a weapon in cultural repression
- Denial of education a weapon of war
- Education as a means of manipulating history for political purposes
- Diminishing self-worth and encouraging hate
- Segregated education as a means of ensuring inequality, inferiority, and stereotypes.
- The role of text books in impoverishing the imagination of children and thereby inhibiting them from dealing with conflict constructively

The positive face of education

In contrast, some peacebuilding and conflict-limiting impacts of education were identified as follows.

- Conflict-dampening impact of educational opportunity
- Nurturing and Sustaining an ethnically tolerant climate
- Education and the desegregation of the mind
- Linguistic tolerance
- Cultivation of inclusive conceptions of citizenship
- The disarming of History
- Education for peace programmes
- Educational practice as an explicit response to state oppression

Guiding principles for peacebuilding education

Peacebuilding Education:

- is a process rather than a product
- is long-term rather than short-term
- relies on local, rather than external, inputs and resources
- seeks to create opportunities rather than impose solutions

The goals of peacebuilding education

- Demilitarization of the mind
- Problematization
- Articulation of alternatives
- Changing the rules of the game

- Delegitimation of violent force as a means of addressing problems
- Remembering and re-weaving the social and anthropological fabric
- To nurture non-violent, sustainable, modalities of change

The requirements for turning away from inter-ethnic violence are deceptively complex. Basically, this process boils down to the following questions:

- Do shared values exist – in the margins, if not in the mainstream – that would enable communities to live together in peace?
- If they do, are they a sufficient basis for mobilizing inter-group support for the rejection of violence as the principal means of resolving disputes?
- Can they foster behaviour that is participatory and complementary behaviour instead of aggressive and competitive?

If the answers to such questions are affirmative, then conditions are ripe for inter-ethnic reconciliation through the nurturing of bonds of solidarity and cooperation. If the answers to such questions are negative, then the challenge is to create the conditions that would allow for such shared values to develop. It is possible that the existence and proper functioning of supranational bodies of arbitration might be a necessary precondition for this to become a reality.

The Mandate of the United Nations is imbued with the hope of achieving these values and lays down ways and means to achieve their universal application. It might well appear that the ideal of peace is a bit high-flown, if not downright unrealistic. Yet, even in the face of the ethnicized and militarized slaughter that characterized much of the early post-Cold War period, peace has become more than an aspiration or utopian endpoint.

Paradoxically, we have seen the struggle to create and sustain a culture of peace in places where we would least expect it: within those “neighbourhoods” of violence scattered throughout the world. This is particularly evident in efforts undertaken by groups and leaders within civil society, such as the Mothers of the Disappeared in Plaza del Maya and the Nobel Peace Prize laureate “Peace People” in Northern Ireland. These are cultures – perhaps more accurately, subcultures or nascent cultures – according to which humankind can organize itself. However, this is only possible if there are commonly shared values.

By looking at both faces of education, we develop a clearer understanding of the positive and negative impacts of education in areas prone to ethnic violence. There are very different operational and policy implications of this two-faceted optic. On the one hand it suggests that by identifying which initiatives do harm we might be better able to “stop doing the wrong thing.” In contrast, by developing a better understanding of positive impacts of educational initiatives, we can continue to nurture and “do the right thing.”



SWEDISH INTERNATIONAL DEVELOPMENT COOPERATION AGENCY
S-105 25 Stockholm, Sweden
Tel: +46 (0)8-698 50 00. Fax: +46 (0)8-20 88 64
Homepage: <http://www.sida.se>