

Does Basic Income have a role in Peacebuilding?

Considering an innovative tool to support countries coming out of conflict

In this article the authors show how Basic Income (BI) could be used in peacebuilding processes to build a more inclusive society, overcome the fractures of conflict and advance towards lasting peace.

Von **Diana Bashur** und **Sissela Matzner**

By Diana Bashur, MA¹, Dr. Sissela Matzner²
based on an article by Diana Bashur forthcoming in 2022

Introduction

Basic Income (BI), also known as Universal Basic Income, is receiving significant attention globally for its potential to mitigate inequalities and economic insecurities in today's societies particularly in the aftermath of COVID-19. This trend is also linked to the body of evidence from BI pilots, which suggests a reduction in poverty, inequality, and insecurity. This policy tool's main purpose is to award all members of a community a basic level of economic security and thereby move towards a more just society based on the principle of common justice.³

This paper relays this discussion to the needs of countries emerging from conflict. Such countries suffer from poverty, deprivation, underdevelopment, depletion of natural and human resources and violence leading to fractured societies. While the transfer of cash in its various modalities has been widely explored as a development tool, no research has until now explored awarding a BI as part of post-conflict rebuilding and recovery.

Traditional peacebuilding: the predicament of a top-down approach

Peacebuilding efforts by international organizations have since the early 1990s aimed at ending conflicts, implementing peace agreements, and addressing the root causes of conflicts. Concretely, traditional peacebuilding materializes in a bundle of programs aimed at building civil society, strengthening the rule of law, human rights, and good governance through accountability, economic liberalization, and security sector reform.⁴



„Roboter“-Demonstration für ein bedingungsloses Grundeinkommen, Zürich 2016

These programs are devised with the aim of easing tensions that otherwise can lead to a return of violence. It is a broad undertaking and faces numerous constraints in trying to reconcile a fractured society. It is a considerable challenge in that it entails rebuilding physical destruction but also social relations and inter-group trust.⁵

Many scholars and practitioners agree, at minimum, that traditional peacebuilding has a mixed track record, while others have termed it an endeavor in „international social engineering“ with a realization that it may be doomed to fail.⁶ Traditional peacebuilding has failed to build an integrated approach for the design and implementation of its programs. The result is competition among

¹ University of Vienna – bashurd20@univie.ac.at

² Independent researcher – sissela.matzner@gmail.com

³ Standing, G. (2020). *Battling Eight Giants – Basic Income Now*. London: I. B. Tauris.

⁴ Tschirgi, N. (2004). *Post-Conflict Peacebuilding Revisited: Achievements, Limitations, Challenges*. The Peacebuilding Forum 2004. New York: War-Torn Societies Project International/International

Peace Academy

⁵ Langer, A., & Brown, G. K. (2016). *Building Sustainable Peace – Timing and Sequencing of Post-Conflict Reconstruction and Peacebuilding*. Oxford: Oxford University Press

⁶ Mascheitto, R. H. (2019). *What is the Problem with Peacebuilding?* *International Peacekeeping*, 26(5), 667-675

organizations fueled by limited donor funds.⁷ Such a set up leads to programs under-delivering in terms of their impact on the ground at a considerable cost to taxpayers.

Traditional peacebuilding intervention being primarily a top-down-donor-driven undertaking seems to be shaped by the political will and interests of the international community and donor countries, with little input from the country in need of peacebuilding. Interventions most often remain extracted from the local context. Taken together, these observations call for considering a different approach to peacebuilding which focuses on strengthening the contribution of those most affected by conflict and, thereby, empowering them.

Rethinking peacebuilding through the social justice lens

Most often, traditional peacebuilding programs at best alleviate in the short-term people's needs arising from the unequal access to resources and the related inability to impact one's wellbeing.⁸ As the conflict wanes, when socio-economic vulnerabilities remain unaddressed, the least secure will see their fate worsen in comparison to the better off. It may be more practicable to target middle-income groups through traditional neo-liberal economic reconstruction policies, which often channel their efforts through the private sector as was the case in Iraq and Lebanon.⁹ However, this does not lift society as a whole nor does it improve resilience. Significantly, the most vulnerable have the least prospects for a better future and while conflict-related violence may have subsided, they see no way out of their deprivation which transcends the conflict. This is bound to entrench inequalities, deepen social fragmentation, and can lead to a resumption of the conflict, which may materialize in different forms.

Rethinking peacebuilding interventions through the concept of social justice can assist a country to build a more inclusive society to overcome the fractures of conflict and advance towards lasting peace. Peacebuilding can be conceptualized as a movement towards social justice whereby „political structures become more inclusive of those who have been marginalized in decisions that affect their wellbeing and economic structures become transformed so that those who have been exploited gain greater access to material resources that satisfy their basic needs.“¹⁰ What is essentially at stake is supporting the marginalized and most vulnerable members of society. The question then becomes how to do so without stigmatizing these communities and unintentionally deepening preexisting or conflict-generated social fractures.

Post-conflict societies fractured along sectarian, ethnic or other social divides make them particularly ill-suited for traditional peacebuilding policies targeting some groups. Targeting the most vulnerable communities has been found to be costly and inefficient. Capabilities of countries coming out of conflict are notoriously weak in this respect, where infrastructure for assessing vulnerability is often lacking and vulnerable to corruption. Often a context of deep deprivation means a majority of people can be considered vulnerable. Importantly, targeting may produce counterproductive effects: a policy targeting a minority population who happens to be the most vulnerable can instigate other problems of exclusion, resentment and negatively affect social cohesion.¹¹ Such a risk has

grave consequences in post-conflict countries whose communities are deeply fractured. Furthermore, vulnerability assessments, where practicable, are also intrusive and undignifying to the individual compounding similar effects caused by the war. Policies aimed at dampening the deprivations caused by conflict ought to facilitate and encourage individuals to look beyond these effects of war.

In such contexts, the need is to follow an inclusive approach, one that bridges across social divides created and/or compounded by conflict. This is a challenging task with restrained peacebuilding budgets. Based on a narrow understanding of program efficiency, donors often require their funding to reach exclusively the most in need. It might be for these very reasons that adopting a universal, i.e. an inclusive approach might turn out to be most efficient.

In such contexts, considering BI as a recovery tool from conflict can be particularly relevant. As per two of its defining elements, BI, a regular cash payment to individuals is unconditional and universal. Unconditionality refers to cash awarded to recipients without means testing or any behavioral expectation. Universality means that it is paid to all residents of a particular locality.

Operationalizing BI in post-conflict settings: addressing peacebuilding's weaknesses?

BI pilots implemented in India¹² and Namibia¹³ have shown how this policy tool can be transformative in contexts of the Global South for both the individual and their communities. In these trials, BI improved individual basic security, which is linked to uncertainty or the inability to predict economic and other unknowns that affect people in unforeseeable ways. Indeed, BI strengthened personal resilience, i.e., individual's resistance to shocks, be they economic or other. It thereby protected mental and physical health and improved „relational effects“ such as interpersonal relationships once general financial stress is reduced.¹⁴ Furthermore, BI had positive community effects through improved social cohesion and solidaristic practices. These could turn out to be significant features in a post-conflict setting. Indeed, a focus on social cohesion in policymaking is among the factors now advanced for successful post-conflict recovery.¹⁵ In the next sections, BI's characteristics are outlined and assessed in terms of social justice and set against the weaknesses of traditional peacebuilding programs.

Inclusivity

BI's defining elements of universality and unconditionality ensure that no one is excluded. Thus, it can cover the least secure members of society without being stigmatizing or paternalistic. Deployed as part of a country's reconstruction, BI would be free from donor conditionality. Ultimately, it is recipients who decide on its impact depending on how they choose to spend this unconditional grant.¹⁶ In this sense, the challenges related to 'donor myopia' or lack of local knowledge can be lifted by including a BI in peacebuilding interventions. In terms of the impact on the beneficiaries, BI's lack of conditionality enables the latter to meet their basic needs based on the priorities they set for themselves and their families. This tool can thus contribute to empowering the individual with the restoration of a sense of dignity despite the deprivation caused by war.

7 McCandless, E., & Abu-Nimer, M. (2002). *The Launching of a New Journal: Mapping Strategic Linkages Between Peacebuilding and Development*. *Journal of Peacebuilding & Development*, 1(1), 1-4.

8 Christie, D. J., Wagner, R. V., & Du Nann Winter, D. (2001). *Peace, Conflict, Violence – Peace Psychology for the 21st Century*. New Jersey: Prentice Hall.

9 Abboud, S. (2014, December 30). *Comparative perspectives on the challenges of Syrian reconstruction*. Carnegie Middle East Center.

10 Christie, D. J., Wagner, R. V., & Du Nann Winter, D. (2001), p. 277.

11 Holmes, R. (2009, 11). *Cash transfers in post-conflict contexts*. Overseas Development Institute, 32, Project Briefing, No. 32, November.

12 Davala, S., Jhabvala, R., Kapoor Mehta, S., & Standing, G. (2015). *Basic Income: A Transformative Policy for India*. London, New Delhi, New York, Sydney: Bloomsbury Academic.

13 Haarmann, C., Haarmann, D., Lauch, H., Shindondola-Mote, H., Natrass, N., van Niekerk, L., & Samson, M. (2009). *Making the difference! The BIG in Namibia. Assessment Report, Basic Income Grant Pilot Project*.

14 Standing, G. (2020); see also Davala, S., Jhabvala, R., Kapoor Mehta, S., & Standing, G. (2015).

15 Cox, F. D., & Sisk, T. D. (2017). *Peacebuilding in Deeply Divided Societies Toward Social Cohesion?* Manchester: Palgrave Macmillan.

16 Bashur, D. (2019). *The Applicability of Universal Basic Income in Post-Conflict Scenarios: The Syria Case*. *Basic Income Studies*, 14(1), 1-17

Dignity

In terms of human dignity, what ought to be achieved is an equally good opportunity for everybody to pursue one's potential. Such an equality of opportunity entails that a society provides everyone the means to equally develop their competencies. A BI part of peacebuilding can contribute to equalize the playing field, depending on its monetary value. BI would also speak to the principle of dignified work: it decreases the opportunity cost of refusing undesired work. This principle is not met if a person is constrained to take on a job without which he/she cannot meet his/her basic needs. BI instills the power to say 'No' to undignified work.¹⁷ These considerations for personal empowerment are particularly relevant for post-conflict settings where deprivation often eviscerates human dignity.

Re-imagined futures

Examining the psychological impact of inequality linked to how people can imagine their futures and that of their families shows that, in a post-conflict setting, individuals' drive for engaging in fighting depends on their perception of reality. The incentive to go to war is a function of whether (i) people feel that their current life conditions of hardship and severe dissatisfaction are worse than the possibility of death in war, and (ii) there is an absence of non-violent means of change of the political system.¹⁸ It is therefore essential for peacebuilding programs to positively alter such realities and do so promptly after the cessation of fighting. While greater access to political participation may be a long-term process, material changes towards higher resilience and quality of life can be attainable in a shorter timeframe through development projects.

Rights-based

People's social and economic entitlements should be rights, not matters for the discretionary decisions of bureaucrats or aid-donors. Rather than being a means to attempt to pay-off people to look past the destitution caused by conflict, a BI can be rights-based regardless of one's material, wealth, or occupational status. A rights-based approach can reinforce inclusiveness and the sense of belonging, which is crucial in a society trying to recover from violence, trauma, sectarianism and repression.

Renewed social contract

In time and beyond the reconstruction process, if conceived as a welfare tool provided by national governments, a BI could lay the grounds for conceptualizing a renewed social contract between citizens and the state. Individuals awarded a BI are „trusted“ by the granting institution in that they are free to spend the grant as they see fit. In return, trust is inculcated in the awarding institutions, which BI recipients perceive as fair and acting with the individual's best interest. In this sense, BI can take part in building healthy relations between citizens and the state, thereby contribute to institution building. By extension, and conceived as a right, BI could help foster an inclusive sense of national identity and potentially be part of a blueprint for nation-building.

In summary, BI considered as a peacebuilding tool would by design focus on the overlooked needs of the most destitute in a non-stigmatizing way that imbeds a sense of inclusiveness. Post-conflict aid could thus be restructured to include a BI that channels funds in an impactful manner. It could be that the cycle whereby perceived social injustices, economic inequality, religious and political repression, poverty, and social exclusion leading to recurrent

social violence¹⁹ can be broken at the individual level if everyone benefits from basic economic security. BI can thus affect the symptoms but more importantly, the causes of conflict, which peacebuilding practitioners still do not know how to effectively tackle.²⁰

Practical implications of BI in post-conflict settings

There are a number of issues to address if and when BI is considered as a post-conflict recovery tool.

Economic readiness

From the political economy perspective, there may be a need to appraise the minimal necessary conditions such as market functionality, access to natural resources, availability of skills and labor, goods and services, and institutional set up to channel BI's mechanism. Complementary programs to strengthen local supply may for example be needed to accompany a BI scheme so that the increase in local demand – driven by the introduction of a BI – can be met by local supply. Such complementary programs can take the form of technical and skills training and equipment supply as provided for instance by agencies of the United Nations.

Funding and sustainable financing

A BI could be funded externally in the first few years of the reconstruction period and thereafter be taken up nationally as a welfare scheme. Financing through reconstruction funding is easier and cheaper during the reconstruction period before donor interest wanes. This presumes a level of „trust“ that aid beneficiaries are likely to use the funds responsively. This remains weak among funding agencies and donors alike despite widespread evidence that cash recipients in fact do.²¹

In terms of long-term feasibility, assuming a BI is funded through reconstruction for the first post-war years, and assuming it has a positive impact, how can national funding be mobilized? It has been suggested that a BI can be funded by proceeds of natural resources distributed to residents and thereby strengthen the social contract between citizen and the state.²² This can be the case of post-conflict Iraq and Libya whereby citizens perceive little (in Iraq), or nothing from their countries' wealth in the case of Libya. In the absence of natural resources, funding a BI by way of money creation has also been suggested. While many warn of the harmful effect of the inflationary consequence of such a strategy, others argue that there may be an acceptable threshold.²³ In time, a reformed tax system would ensure a further complementary funding source by way of taxing higher earners.

Social tensions

With a broken social fabric, entrenched sectarianism and hatred targeted at other ethnic or religious groups may render unacceptable the provision of an unconditional and universal BI from a majority's perspective. Fragmented societies may thus be hostile from the onset to the idea of treating all individuals equally, thereby defeat BI's mechanism evidenced elsewhere. Such considerations could define circumstances under which its impact is limited

19 Cox, F. D., & Sisk, T. D. (2017).

20 Advisory Group of Experts. (2015). *The Challenge of Sustaining Peace – Report of the Advisory Group of Experts for the 2015 Review of the United Nations Peacebuilding Architecture*. New York.

21 Bastagli, F., Hagen-Zanker, J., Harman, L., Barca, V., Sturge, G., Schmidt, T., & Pellerano, L. (2016). *Cash transfers: what does the evidence say? A rigorous review of programme impact and the role of design and implementation features*. London: Overseas Development Institute (ODI). See also Standing, G. (2007). *How Cash Transfers Boost Work and Economic Security*. United Nations Department of Economic and Social Affairs, DESA. New York: UN DESA.

22 Moss, T., Lambert, C., & Majerow, S. (2015). *Oil to Cash: Fighting the Resource Curse through Cash Transfers*. Washington, DC: Center for Global Development.

23 Dondi, M. (2021). *Outgrowing Capitalism: Rethinking Money to Reshape Society and Pursue Purpose*. Fast Company Press.

17 Widerquist, K. (2013). *Independence, Propertylessness, and Basic Income*. Palgrave Macmillan US.

18 Walter, B. F. (2004). *Does Conflict Beget Conflict? Explaining Recurring Civil War*. *Journal of Peace Research*, 41(3), 371–388

or even harmful. There has been one mini-pilot in post-conflict Sri Lanka, where a local NGO raised funds to give a BI to twelve Tamil war widows and Sinhala artists who the war placed on opposing camps. This project has had significant positive effects on recipients' livelihood and importantly on social ties between both groups (author's discussion with the NGO head). Scaling up such a pilot would examine and strengthen the evidence and help inform policy decisions in comparable contexts.

Security

From a security perspective, subjugating powers (either through undemocratic institutions or as part of criminal movements unchecked due to a debilitated legal system) may divert or extort cash from the intended beneficiaries and in turn, deepen inequality.

In sum, there are several serious factors to consider for including a BI as part of peacebuilding intervention. However, most of these challenges equally apply to other peacebuilding programs aimed at helping societies recover from conflict. Only the challenges specific to BI's universality, i.e. the risk of social tensions, transpire as unique to such a scheme in a post-conflict setting given deep social divides and thus will need careful attention. The global evidence from cash transfers can be informative in this respect. Recent empirical studies assessing cash transfer's impact on social cohesion in fractured communities find positive correlations. Two programs analyzing such impact among refugees in Lebanon²⁴ and Ecuador²⁵ are indicative of increased mutual support among beneficiaries and non-beneficiaries. In the case of Lebanon, the impact was perceived in merely six-month from the launch of the program. Researchers behind cash transfers to vulnerable Syrian refugees in Turkey found that those eligible called for a universal distribution to include all refugees at the price of decreasing their own allocated amount.²⁶ This indicates a potential of cash in reviving communal effects of mutual support and solidarity, even in a context of deep deprivation and fragile social cohesion.

Conclusions

The solid and growing evidence from BI pilots around the world indicate a transformational effect of this policy tool, which through its simplicity can be considered quite innovative. Its main criteria of universality, i.e. treating everyone equally, its individual provision and unconditionality speak directly to principles of social justice. Adopting social justice as a blueprint for peacebuilding intervention seems valuable in a field that has shown its many and sustained challenges given years of meager post-conflict recovery.

Furthermore, questioning what type of societal model we are offering to societies emerging from violent conflict is in order. The industrial labor model has shown its weaknesses.²⁷ There is an urgent need for „an alternative to traditional socialism [...], neo-liberalism and to conventional welfare state associated with social democracy“²⁸, which ought not to be simply reproduced in countries-in-the-making. Peacebuilding practitioners thus need to think outside the box. While Tschirg warns that „too much is at stake for countries emerging from conflict to continue serving as laboratories for ongoing experimentation [...] through trial and

error“²⁹, experimenting with BI, which has been transformative in stable but weak societies may be a more natural replication away from trial and error. It may be precisely because 'too much is at stake' in countries that often relapse into violence, that something drastically different needs to be considered.

Based on the arguments laid out in this discussion, BI's promise rests on alleviating people's deprivation by contributing to rebuild their resilience, helping them visualize and move towards a more just society. It is worthwhile considering whether this promise holds up empirically in post-conflict societies. We therefore suggest that the only way to test this theory is to carefully design and implement BI experiments in countries emerging from conflict where BI's potential may be particularly beneficial.

Several post-conflict countries can be contemplated for such pilots, including Iraq, Libya, Afghanistan as well as Ukraine. While Iraq is officially in a reconstruction phase, Libya is in a quagmire of parallel governments, its population suffering from the country's brisk fragmentation. In both cases, a basic income distributed at the national level could be funded by the vast national oil exports. Such a system could bring about a positive engagement between citizens and the state whereby citizens have an incentive to hold the government accountable in managing this national resource.³⁰ Funding a BI through oil proceeds could also contribute to establishing a fiscal policy necessary for accountability and transparency. In Afghanistan, the United Nations Country Team is now considering a basic income-like scheme as part of the international stabilization efforts to channel aid directly to the citizens, thereby bypassing direct support to the Taliban. For Ukraine, the humanitarian need that will emerge as a result of the current conflict is a further case in point, where enabling large vulnerable communities to meet their basic needs unconditionally will be essential to the country's recovery.

About the authors

After working for the UN and other international agencies in development and political analysis in New York, Vienna and Damascus, Diana returned to university to research a different approach to peacebuilding. Currently at the University of Vienna, she is researching basic income as a tool for peacebuilding with a focus on the Middle East and a particular interest in its potential for social cohesion. She is also Secretary of the Basic Income Earth Network, an international charity aimed at promoting an informed discussion about Basic Income.

After completing a PhD in International Relations and Politics and the University of Edinburgh focused on political parties' narratives of military intervention, Sissela started working as a civil service analyst. She continues to conduct independent research and is currently co-writing an article on regionalist parties and foreign policy looking at voting patterns with respect to deployment of armed forces.

Diana Bashur

bashurd20@univie.ac.at

Sissela Matzner

sissela.matzner@gmail.com

24 Lehmann, C., & Masterson, D. (2014). *Emergency Economies: The Impact of Cash Assistance in Lebanon. An Impact Evaluation of the 2013-2014 Winter Cash Assistance Program for Syrian Refugees in Lebanon.* International Rescue Committee. Beirut: International Rescue Committee.

25 Valli, E., Peterman, A., & Hidrobo, M. (2018). *Economic Transfers and Social Cohesion in a Refugee-hosting Setting.* Rome: UNICEF: Office of Research - Innocenti

26 WFP. (2018). *Evaluation of the DG ECHO funded Emergency Social Safety Net (ESSN) in Turkey.* World Food Programme

27 Graeber, D. (2018). *Bullshit Jobs – A theory.* Simon & Schuster.

28 Van Parijs, P., & Vanderborght, Y. (2017). *Basic Income: A Radical Proposal for a Fair.* p.524

29 Cutillo, A. (2006). *International Assistance to Countries Emerging from Conflict: A Review of Fifteen Years of Interventions and the Future of Peacebuilding.* The Security-Development Nexus Program. International Peace Academy, p.4.

30 Moss, T., Lambert, C., & Majerow, S. (2015). *Oil to Cash: Fighting the Resource Curse through Cash Transfers.* Washington, DC: Center for Global Development.