

Awareness and Process: The Role of the European Union Peace II Fund and the International Fund for Ireland in Building the Peace Dividend in Northern Ireland

by

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ABSTRACT

The role of the European Union (EU) Peace II Fund and the International Fund for Ireland (IFI) in building the peace dividend in Northern Ireland is examined through the perspectives of community groups, funding agencies, local strategic partnerships, civil servants, and development officers. The findings presented in this article explore the role of economic assistance in building peace in Northern Ireland through a public opinion survey of 1,023 citizens and by examining the perceptions of 98 participants from Northern Ireland, the Border Area, and Dublin with direct experience of the protracted ethnopolitical conflict and the role of international funding assistance. The focus of this article is to evaluate the dimensions of 'awareness' and 'process' in the funding application process for both the EU Peace II Fund and IFI Fund.

INTRODUCTION

The signing of the Good Friday Agreement (GFA) in 1998 raised hopes for peace between the Catholics and Protestants of Northern Ireland (NI). Building on the fragile ceasefire that has existed since 1994, the international community has sought to support the peace process with economic assistance through the European Union (EU) Peace II Fund and the International Fund for Ireland (IFI). The IFI and EU Peace and Reconciliation, or Peace II Fund (2000-06), is organized by donor countries to promote socioeconomic development, and peace and reconciliation. A total of €102 million of EU Structural Funds has been allocated to this Operational Program. Peace II carries forward the distinctive aspects of the EU Special Support Program for Peace and Reconciliation (1995-99) (Program for Peace and Reconciliation or Peace I Community Initiative) with a new economic focus.¹

The IFI was devised "by the Irish and British Governments in 1986 with two main aims; to promote social and economic advance and to encourage

contact, dialogue and reconciliation between nationalists and unionists on the island of Ireland.”² The IFI Annual report of 2004 states: “the objectives of IFI are to promote economic and social advance; and to encourage contact, dialogue and reconciliation between nationalists and unionists throughout Ireland.”³ Monies from the IFI “were directed to disadvantaged areas, business enterprise, rural development, wider horizons (cross community contact through development programs), community relations, science and technology, tourism, and urban development.”⁴

The European Union (EU) Special Support Program for Peace and Reconciliation, or Peace I, was established in 1995 to lend support to the peace process by encouraging economic growth, social inclusion, and reconciliation between communities. The EU monies under Peace I were channeled to “priority areas of action . . . identified under the central objective of reconciliation, employment, urban and rural regeneration, cross border development, social inclusion, productive investment and industrial development.”⁵ Peace I provided economic resources to traditionally deprived economic areas to empower the grassroots by funding community project initiatives to address the economic legacy of the conflict.⁶

The working assumption behind both of these international funding initiatives is that economic assistance will help create an environment conducive to peacebuilding and reconciliation through economic and social development. Socio-economic inequality and political exclusion were an integral part of Northern Ireland during the 1920s when populist unionist policies increased Catholic alienation as rising unemployment riled the subordinated nationalist community and prevented a working class alliance across the ethnic divide.⁷ Northern Ireland’s economy is arguably the most subsidized and public sector dependent in Western Europe.⁸ However, from 1970 onward British economic policy sought to stabilize the political situation in Northern Ireland, rather than try to resolve the underlying roots of the conflict.⁹ Poverty, unemployment, and sectarianism left Loyalist and Republican working class males feeling alienated and distrustful of British government policy, providing new recruits for Loyalist and Republican paramilitary groups.¹⁰ As Stephen Ryan warns, however, “economic development, like democratization may result in either a reduction or an intensification of intercommunal conflict, and all too frequently it may feed group egoism not reduce it.”¹¹ The Northern Ireland conflict is essentially an ethnonational rather than a religious conflict.¹²

Thus, this article evaluates the role of the EU Peace II Fund and IFI in building the peace dividend in Northern Ireland. Specifically, it examines the dimensions of ‘awareness’ and ‘process’ in relation to the EU Peace II Fund and IFI, as related by the experiences of the study participants in the context of creating a more flexible platform of economic assistance for building peace in

Northern Ireland. First, we explore the qualitative data and then the quantitative analysis is presented.

METHODOLOGY

The evaluation of the role of ‘economic assistance’ naturally prompts a quantitative approach, as the assistance is already defined in measurable, monetary terms. Consequently, international investments in peace can be evaluated in relation to tangible goals and measurable outcomes. However, there are also subjective elements in this research context that are not readily accommodated through the exclusive use of a quantitative approach. In general terms, the difference between these two approaches is that a quantitative approach collects empirical data, while a qualitative approach relates meaning.¹³

The difficulty in relying exclusively on a quantitative approach is that it cannot provide a meaningful explanation for the continued tensions between the unionists and nationalists in Northern Ireland in situations where the positive measurable ‘outcomes’ fail to ameliorate existing tensions. In a quantitative approach researchers prescribe categories of measurement and then apply these categories to the society being studied. Conversely, qualitative approaches tend to be more dialogic in process — the accessing of knowledge through inter-subjectivity. For this reason, this study incorporates both quantitative and qualitative elements in a mixed approach to evaluating the efficacy of international economic assistance for peacebuilding in Northern Ireland.

The qualitative component of the study employs a method of in-depth interviewing, sometimes referred to as semi-structured or focused research. This qualitative method is one that seeks to elicit the perceptions of the respondents in a probative process. The resulting analysis aims to generate a greater interpretive understanding of the meanings attached to the experiences of individuals engaged in or affected by the international economic assistance through the EU Peace II Fund and IFI Funds.

The main selection criteria for establishing a list of study participants was determined by first, accessibility; second, involvement with the administration of international economic assistance through the EU Peace II and IFI funds in Northern Ireland and the Border Area; third, the extent to which the funded projects were deemed representative of promoting both socio-economic development and reconstruction as well as peacebuilding and reconciliation; and fourth, a random representative sample of the funded community projects in Northern Ireland.

All of the 98 personal interviews were conducted by the first author over a nine-week period with each subject being interviewed for approximately 80-120 minutes. The interviewer and each participant had face-to-face contact at all times with a tape recorder placed to one side. The narratives were transcribed

verbatim and are cited in their original form to empower the participants in this study. The same primary questions were asked of each individual and no attempt was made to regulate the time spent on any particular question. All 98 participants were interviewed during June to August 2006.

The data for the quantitative analysis are from a Northern Ireland public opinion survey conducted in October 2006. The research survey was commissioned by the first author and carried out by Millward Brown Ulster and comprised part of their October Northern Ireland Omnibus, with fieldwork between 20-28 October 2006. Interviewing was conducted face-to-face at 45 randomly selected sampling points at which respondents were quota-selected so that the final sample of 1,023 adults was fully representative of the Northern Ireland adult population over 16 years old. All interviewing was conducted according to the definitive standards of the IQCS (Interviewer Quality Control Scheme) and quality control included supervisory inspection of all questionnaires and a back check with 10 percent of respondents. All aspects of the research conformed with the Code of Conduct of the Market Research Society

AWARENESS OF THE FUNDS

The quantitative data indicates that a lack of general awareness of the IFI and EU Peace II Fund is well established among the residents of Northern Ireland, except for those with direct experience with the funding processes. Moreover, there is a difference in the level of awareness among grassroots organizations when comparing the IFI and the EU Peace II Fund. The levels of awareness of both of these international funding initiatives differ in relation to class, level of education, gender, and religious affiliation or ethnopolitical identity.

With regard to the difference in the levels of awareness between the EU and IFI funding initiatives, the study participants on the whole expressed a greater awareness of the EU Peace II fund than of the IFI. A community group member from Belfast explained:

For us we would be quite aware of the European peace program and less aware of the IFI as a funding body, which is often seen as quite elite and separate to grassroots and community organizations from our perspective and very difficult to access so we know less about it. The European peace program because of its inception being about grassroots led by good people in touch with the community certainly meant that there much more access, much more knowledge about the program.

Another community group member from Belfast expressed a similar perspective in the following passage:

I think we would be more aware of the European peace money rather than the International Fund for Ireland, because in the past when we applied to the latter it seemed to be more for business, for commercial enterprises and didn't run a good ship to ordinary community projects like ours.

Evidenced in the above comments of these community members from Belfast as well as by many of the other study participants is the perception that the IFI is geared more toward sustainable economic projects, whereas the EU Peace II Fund offers more opportunity for grassroots community organizations with projects that focus on peacebuilding and cross community contact.

An IFI development officer from Belfast, highly aware of both funding agencies, suggested that the EU and IFI funding have a common purpose but that the funding agencies operate in slightly different ways:

Well one is they come from different sources, and different origins. The International Fund for Ireland was initially a kind of redevelopment and regeneration programme coming out of the 1980s, and the European Peace programme came out of the 1990s and was more expressly aimed towards peace and reconciliation. On the other hand, the mechanisms they used especially in Peace II which was around prosperity and social inclusion. There are parallels between them. Structurally they are different, the scale of them is different. Both of them have over time begun to shift in the direction of supporting a shared future in an explicit rather than an implicit way. So there are differences between them in structure and in the kind of way in which they are carried out, underlying these are now joined between them in terms of what they see as the priority.

As this development officer made clear, there are perceived differences between the EU Peace II Fund and the IFI, yet both funding initiatives have various parallel functions.

With regard to the issue of how social class relates to awareness of the funding initiatives, we consider the role that consultants play in the funding application process. An IFI development officer from Derry explained how the funds intended for community group projects are diverted to consultants. He explained that:

We spent, we commissioned at least thirty, forty thousand pounds worth of consultancy after putting the application in, more than that, and then government commissions at least thirty thousand pounds worth of consultancy, to due diligence economical appraisal, of what we put in, and for relatively small sums of money. The amount of money they're getting out of peace for that project is six or seven

hundred thousand. It sounds a lot but in terms of what we are achieving it is . . . and for us to have to spend And with all my staff time would be say one hundred thousand pounds worth of staff time at least, direct cost of consultancy forty, forty-five thousand, and then for the government to spend on economic appraisal another forty on top of that to get nine hundred, it eats into the nine hundred.

It is fair to assume that consultants are both of a higher socioeconomic class and that they have a higher level of education than those individuals that the funding initiatives define as members of communities hardest hit by the ethnopolitical conflict. So not only does socio-economic class and education increase general awareness of the funding opportunities made available by EU Peace II and the IFI, class and education also factors into whether one is able to derive direct financial benefit through the funding application process of community groups.

Most of the women that participated in this study reported a relatively high level of awareness with both EU Peace II and the IFI. Still gender may play a role in establishing awareness as women are likely less socially engaged than are men. Women from disadvantaged areas in particular are vulnerable to being less socially engaged; their awareness of the funding opportunities is consequently lower.

Despite the fact that women from disadvantaged areas best represent the target group of people that have been most affected by the ethnopolitical conflict in Northern Ireland, they are still least likely to benefit. A community group member from Belfast remarked on the bleakness of some areas in which women live:

I am aware of the funding agencies, because for every piece of work that we do we have to get the funding first to do it. We work with women from socially disadvantaged areas, what I usually call here working class areas, but there is not much work about so that makes them socially disadvantaged areas. For every programme we put on we have to first raise the money, so therefore I would be aware of any funding like that, that would be about.

While some women are very familiar with the funding agencies, those in socially disadvantaged areas still have a lower awareness of the funding opportunities and typically represent those in greatest need of assistance.

The levels of awareness can also be related to religious affiliation and ethnopolitical identity in Northern Ireland. The history of the region describes a changing political environment in which either group has at some point been disadvantaged with regard to social engagement. This may have been truer of the nationalists of Northern Ireland if the cumulative history is considered, but some of the study participants describe how some unionist residents and groups

have been socially disengaged for some time now. For example, initially some unionists had a negative perception of the IFI because of its link to the AIA, believing that IFI money was an effort to buy off their opposition to the agreement.¹⁴ Thus, an EU Peace II development officer explained how there can be a difference in levels of awareness between nationalists and unionists in County Cavan:

Because the fear would be that there are groups there that are well versed in making applications and they're reinforced and they get the money, whereas other groups in the South. Now we also have a particular one, we are not too sure whether it is because of the application or that they haven't got the expertise or whatever. But we have noticed that the Protestant community in particular in north Monaghan, have been slow to get involved in it, but that is something that is being addressed as well. But it could be for reasons other than the application, but the applications they may need help with them.

This development officer from County Cavan suggested that the unionist community in some cases may be less aware than their nationalist counterparts of the funding opportunities and that this lesser awareness may be the result of factors besides the difficulty of the forms.

A community group member from Derry mentioned several factors that contribute to a disparity with regard to awareness of the funding opportunities between the unionist and nationalist communities. He explained:

Derry is awash with self help initiatives, whereas if you actually go into the Protestant community it's more, they don't think along community lines in that sense, it's very much about the individual and they were also very, very dependent on the State. An example, a classic example that would be in the engineering industry the vast majority of people that left school and went into that, would have went to work in the shipyard and all about big companies. Then because of globalization, when the war was going on here people in Northern Ireland didn't realize what was happening in terms of globalization and when the whole infrastructure collapsed there was major pockets of disadvantage in Protestant communities, and in that context, but there was no history of community development, collective working which is crucial. So I think within Protestant communities they may find great difficulty, and obviously do they have the capacity to work in partnership, and it must be very, very difficult.

As explained in the above passage, religious identity may indeed play a role in establishing awareness of international funding initiatives. Unionist communities

that have been disengaged from others within their own religious community as well as from their Catholic neighbors tend to have a lower level of awareness of international funding initiatives. The multivariate analysis supports this claim.

PROCESS

The perspectives of the study participants with regard to the funding application process for both the EU Peace II fund and IFI provided exceptional detail of several recurring themes of persistent difficulties encountered by some of the applicants. Comparing the EU Peace II funding application process to that of the IFI, most of the study participants found the EU Peace II funding application process to be more onerous.

A community group member from Derry described the EU Peace II funding application process and how it challenges some of the applicants. He explained that:

One of the issues I would have with the EU programme has been, and I'm sure everybody has, it has improved in some areas and has actually got worse in others. But there is a level of bureaucracy there; you really do need to have a fair level of intellectual ability to be able to fill out an application form successfully and effectively. I think that some of the very people that has been most affected by the conflict, one of the affects of that conflict has been that their educational timing has been remarkably produced or markedly reduced and how you can square the fact that the very people the funding should be trying hardest to help maybe with the people who are the least able to complete the funding applications.

Another community group member from Derry described the EU Peace II funding application process in similar terms.

I think the application forms were maybe eighty-four pages long, some of them. It was an astronomical task for us, and we would have been quite educated. We had community work backgrounds, so for groups, which were emerging maybe and only beginning, I can understand why so many groups missed accessing funds particularly at the beginning.

Both of these community group members from Derry made the point of emphasizing the degree of difficulty in filling out the application forms for the EU Peace II fund.

Another closely related critique of the EU Peace II fund was also made by another community group member from Derry. She described her frustration with the amount of work required to complete the application forms irrespective of the size of the project being proposed. In her words:

And also I think that probably the frustrating thing is that I think that the amount of detail and the amount of time that you have to give it has to be commensurate with the amount of money you are applying for it. So even if you are not looking for a large amount of money you still have to go through so many hoops.

The point of how applicants are required to go through an extensive application process even when their project is a small one was made more forcefully by yet another community group member from Derry.

I haven't any difficulty with the forms, the criteria on any of the forms that I have filled in so far, is fair. My problem with filling in the application forms is the assessment, because I have sat on panels assessing some of these applications. They come from organizations that I know, and there is a lot of lies, and print, and unfortunately it is the people who are not high in capacity in that regard loses out, whereas their projects could be the better projects for the community.

Applicants with limited resources that seek smaller amounts of support are tasked with competing with applications put forward by more experienced and larger organizations with more resources.

In contrast to the difficulties with the EU Peace II funding application process referenced by the study participants, many found the IFI process fairly straight forward. One such community group member from Carrickmacross, County Monaghan, compared the IFI favorably to the EU Peace II in the following passage:

IFI and the EU peace programme, well IFI is much easier to deal with. It was more straightforward in terms of reporting back, and it was quite simple, you got x amount showing invoices and cheques and report back. There were no written reports . . . I think we just had to do one kind of final written report, a report and some photographs, whereas the peace and reconciliation funding couldn't be compared to in terms of bureaucracy, it was above and beyond what would be needed. It's contradictory and hypocritical, I mean it is meant to be able to target groups of the peace programme most of whom might come out of disadvantage and yet even the application form you need specialized skills to complete the application form and aims and objectives and let alone report back financial procedures. So in terms of comparison IFI was much easier to deal with.

Consider this passage in the context of our discussion of awareness — where we found that there was a greater level of awareness of the EU Peace II fund over that of the IFI and that IFI was perceived more often as being more exclusionary. The narratives of the study participants suggest that while the EU Peace II fund

may have a wider flexibility in accepting applications than the IFI, the EU Peace II funding application process is far more challenging and less straightforward than that of the IFI.

A community group member from Belfast offered an explanation of how successful applications got through in the EU Peace II fund and how challenging the process can be:

One of the reasons why we were very successful was not just because we had a very successful and private tested programme on the ground in peace and reconciliation work. But because we had the intellectual and administrative ability to fill in very, very difficult application forms. Some of the smaller organizations many of which I respected had neither the know how or the money to pay for professionals to fill in these application forms for them. So there was a considerable distance between the levels of maturity as many grassroots organizations had significant value on the ground.

Small grassroots organizations are challenged to compete with larger organizations with greater professional resources for funding that is intended to target disadvantaged areas in Northern Ireland and the Border area.

Another community group member from Belfast described how the EU Peace II funding application proved difficult, requiring a significant amount of personal information.

When we originally applied for the money it was a very difficult application process. The form itself consisted of maybe thirty pages, all quite intense; a lot of information had to be given, every single thing that you intended to do over the next couple of years had to be recorded. So these were objectives that you had to meet then over the next couple of years, that was ok. But they would constantly do these checks on how our organization was running, and they would want to know a lot of personal information about people who would come to us and they disregarded the fact that these people were still feeling under threat so that had to be constantly made clear that these people were afraid, that they really don't want people to have all this personal information.

The requirements of the funding application process for the EU Peace II fund often presents smaller grassroots organizations with bureaucratic challenges that are insensitive to the needs of the community.

Of the study participants that encountered a higher degree of difficulty in completing the EU Peace II funding application, most cited the length of the application, amount of required documentation in reporting, and the degree of expertise expected in general by the EU. An EU Peace II development officer

from Monaghan, County Monaghan, described his frustration with the EU Peace II funding application process.

We have always said, even in drawing up the operational programs where we would be in on the consultation stage at the beginning. One of the main gripes we would have had was the amount of documentation a person has to go through before they get their application in. By continually keeping on about the gripe we have been able to get them to make it more customer friendly. The only problem in relation to European funding is that Europe requires a certain degree of accountability, you would have accountability anyway, but maybe a greater degree of accountability than is actually necessary, we think.

This development officer from the Border Area urged that individuals and community groups from the disadvantaged areas have a greater say with regard to the definition of the stated goals of the international funding initiatives and more say with regard to the criteria and process of the funding applications.

MULTIVARIATE ANALYSIS

In this section we employ a multivariate analysis to examine the factors that have shaped popular awareness of the IFI and EU Peace II fund in Northern Ireland. We resort to multivariate analysis because simple bivariate relationships may not hold once all other factors have been taken into account. We employ a binary response regression technique to learn about popular awareness of the IFI and EU Peace II fund in Northern Ireland. We employ binary probit models to model the awareness of the IFI and EU Peace II fund separately. It is not the task of this article to develop these models in great detail. Rather we only present a brief discussion of the interpretation of the coefficient.

As in Wooldrige¹⁵ we employ the binary dependent variable regression model of the form:

$$E[y/x = 0[1 - F(x' \beta)] + 1F(x' \beta)] = F(x' \beta) \quad 1.0$$

where x is $k \times n$ data matrix and β is $k \times 1$ vector of coefficients. It is noteworthy that in this class of probability regression models the parameters of the model may not reflect the true marginal effects. That is to say the coefficients are not the same as the marginal effects. Rather the generic marginal effect form is given by:

$$\frac{\partial E[y/x]}{\partial x} \left\{ \frac{dF(x' \beta)}{d(x' \beta)} \right\} \beta = f(x' \beta) \beta \quad 1.1$$

Where $f(\cdot)$ is the normal density function that corresponds to the cumulative normal probability distribution function, $F(\cdot)$. It is clear from equation (1.1) that to get the marginal effect we need to weight the slope by probability density. Hence, for a probit model, the marginal effect would be given by:

$$\frac{\partial E[y/x]}{\partial x} \left\{ \frac{dF(x'\beta)}{d(x'\beta)} \right\} \beta = \varphi(x'\beta)\beta \quad 1.2$$

where $\varphi(t)$ is the standard normal density. Table 1 reports the estimated marginal effects. Equation (1.1) also illustrates that the value of the marginal effect depends on the level of all variables (x_i). This leaves us with a decision about the values of the variables to be used to compute these effects. In our case the marginal effects are calculated at mean values of all other variables. In cases where the explanatory variable is a dummy variable we calculate the difference in predicted probabilities at the values of 1 and 0. Keeping this in mind the results could be interpreted as follows. Let us take the marginal effect of the variable gender on the awareness of the IFI or/and EU Peace II fund in Model 1 of Table 1. For a male individual respondent the predicted probability of being aware of any company funded by the IFI or the EU Peace II fund is higher by 0.06 (6 percent) than their female counterparts, keeping all other variables constant at their mean value. All the other coefficients can be interpreted likewise.

Dependent Variable

The dependent variable is a binary response variable that takes a value of 1 if respondents are aware of any company funded by either the IFI or/and the EU Peace II fund otherwise it is 0.

Results

The marginal effects in Table 1 show that there is a variation in the awareness of the funds across, gender, religion, age group, economic class, and employment experience. We present the discussion of the results on next page.

Table1.
Probit model on perceived awareness of EU Peace fund and/or the IFI

Variable	Marginal Effects	Z-statistic
Catholic	0.090**	(2.31)
Male	0.055**	(2.1)
Abc1 male	-0.106**	(-2.26)
Not working	-0.018	(-0.61)
Abc1 class	0.142*	(4.28)
Abc1 Catholic	0.029	(0.48)
C2 Catholic	-0.005	(-0.11)
Age 15-25	0.109*	(-2.59)
Age 25-34	0.046	(1.03)
Age 35-50	0.078***	(1.78)
Age 50-64	0.032	(0.76)
Observed proportion	0.18	
Predicted Proportion	0.16	
Correctly specified (%)	81.75	
Chi2(11)	67.26	
N	1019	

Data source: Northern Ireland Public Opinion Survey (2006).

Robust z statistics in parentheses . . . *Significant at 5% ** significant at 1% . . . *** significant at 10%

Note: Abc1 Male= (Male)x(Catholic); Abc1 Catholic=(Abc1)x(Catholic); C2 Catholic= (C2)x(Catholic)

Employment history

We can see that the coefficient of the variable which indicates that a person has never been employed (Not Work) shows that there is negative relationship between employment and awareness. A respondent who has never been employed is less probably aware of the IFI and/or EU Peace II fund than someone who is employed at least for some time, keeping other things constant. This may imply that employment is a good source of information for someone to be aware of the activities by the IFI and EU Peace II funding agencies.

Gender

A gender variable is included in our model to indicate whether a person is female or male. A gender dummy assumes a value of 1 if a respondent is male, otherwise the value is 0. It is our expectation that gender may have a significant effect on the awareness of the IFI and the EU Peace II fund in Northern Ireland.

In line with our expectation Table 1 shows that the probability of being aware of both the IFI and/or EU Peace II fund is higher for male than female respondents, keeping other things constant.

Religion

It is well known that religion is a badge of the identity of both communities in the Northern Ireland conflict.¹⁶ To capture the role of this variable in the Northern Ireland conflict the respondents were classified into three religious groups: Catholic, Protestant, and others. In the multivariate analysis we focus on Protestants and Catholics rather than unionists and nationalists.¹⁷ Accordingly, there are two dummy variables for each religious group. The “other” religious group is dropped from the sample. It is expected that Catholics compared to Protestants will be more aware of the IFI and EU Peace II fund. As expected, Table 1 shows that Catholics have a higher probability of being aware of the IFI and/or EU Peace II fund than respondents with other religious affiliations. This tends to support the findings from the qualitative data. Byrne *et al.* (2006) report similar results using a 1997 survey of the public’s perceptions of the IFI and EU Peace I fund.¹⁸ Table 1 also shows that professional Catholics (variable *Abc1* Catholic) seem to have a greater awareness of both funds than the other Catholics. On the other hand, the coefficient of the “C2 Catholic” variable indicates that semi-skilled Catholics are less aware of any non-governmental organization (NGO) or business funded by either or both of the international funds.

Economic Class

This article also investigates the correlation of a category of economic class a respondent belongs to and his/her awareness of the funds. Three dummy variables were generated to represent the three economic classes, which are ABC1 (professional class), DE (skilled class), and C2 (semi-skilled class) dummy. Table 1 presents that the coefficient of ABC class is positive and statistically significant which suggests that the respondents from the professional class are more likely to be aware of either the IFI or/and the EU Peace II fund relative to those respondents in the semi-skilled class. This result is not counter intuitive. Professionals are relatively more educated than the skilled and semiskilled classes and would be expected to enjoy good access to information to make use of the funding opportunities. This could be because of their ability to understand and tap into existing information or purely because of network effects.

Age

The variable age is also included as a determinant factor on the models considered in this study. We include dummy variables for five age groups in Table 1. To avoid the dummy variable trap we drop the age group 65 and above from the regression model and this age group serves as a reference group for the interpretation. This way we are able to control the effect of age on the models considered in this article. Table 1 above shows that the probability of being aware of the IFI and the EU Peace II fund increases with age. More specifically, the results show that respondents in age group 15-25 have the lowest level of awareness about NGOs financed by the international funds (IFI and the EU Peace fund).

DISCUSSION

The application process for both the EU Peace II fund and the IFI is prescriptive and is ultimately devised by the funding agencies themselves; these agencies establish the objectives and identify the criteria of a predefined path to peace. The community groups applying for these funds often wrestle with their projects to position them to qualify in accordance with the set criteria. Rather than have the international economic assistance for peace in Northern Ireland tailor its format to fit the existing needs of the communities, the funding is processed in a way that has those in need 'fit' the funding criteria.

The funding application process for the EU Peace II and the IFI ought to be more dialogic, with more of an interchange of ideas that inspire effort in a continual process of building peace. Such a process can be likened to a dialogue that continues despite uncertainty and ambiguity, a dialogue that is ongoing and does not commit to a linear schedule. Conceptualizing such a dialogue as an ongoing process liberates the truth, providing flexibility to our understanding through the acceptance of change.

Those applying to the EU Peace II fund and the IFI ought to have more input in devising the objectives of the funds as well as the criteria and process. Peace cannot be prescribed to Northern Ireland; peace, if it is to be realized, must grow through positive relations between individuals and communities. These relations cannot be prescribed by those outside the community; positive relations are achieved through the engagement of those opposed in a mutually respectful process of participation in the socio-economic development of community. In this view, the funding agencies are to work with the community groups on best practices to jointly develop new objectives and criteria of both funds and engage in the application process together to build peace.¹⁹

John Paul Lederach, a leading scholar and practitioner in the field of peace and conflict studies, makes the case for peacebuilding through an exercise of the moral imagination, which he describes as "the capacity to imagine and

generate constructive responses and initiatives that, while rooted in the day-to-day challenges of violent settings, transcend and ultimately break the grips of those destructive patterns and cycles.”²⁰ Through the exercise of the moral imagination new possibilities of engagement are made possible as the imagination reaches beyond prescribed views of peace that often create social polarity. The moral imagination inspires new relations by refusing to be limited to the parameters of prescription; imagination allows for new emerging patterns of connection.

Lederach envisions new possibilities with the adoption of a moral imagination and believes that it can create crucially important social space which he refers to as “platforms.” In his words:

Platforms: Ongoing social and relational spaces, in other words, people in relationship who generate creative processes, initiatives, and solutions to the deeper-ingrained destructive patterns and the day-to-day ebb and flow of social conflict. As such, a platform has a continuous generative capacity that is responsive to longer-term relational patterns and is adaptive to changing environments. The focus of a platform is to create and sustain a foundation capable of generating responsive change processes that address both the immediate expression of the conflict and the deeper epicenter of the conflictive relational context.²¹

Both the EU Peace II fund and the IFI can serve as platforms in this sense by adopting a more participatory model of economic assistance for peacebuilding in Northern Ireland.

The EU Peace II fund and the IFI can be made more participatory through the engagement of grassroots community members and groups in both establishing the goals of the funding initiatives and criteria as well as a cooperative process in the funding application process. In this way, those that are targeted by international assistance are provided with the opportunity to determine the terms of engagement with these funding initiatives. Rather than prescribing peace to Northern Ireland, a more participatory approach would seek to both define and build a peace together through the inclusion of all voices in the process.

A participatory funding model would accommodate changes in the socioeconomic reality of Northern Ireland, as experienced by those from disadvantaged areas, through an ongoing dialogic process that is flexible enough to “imagine new paths to peace.”²² Without such participation the funding initiatives can at times fail to deal with the challenges facing those in greatest need of assistance. Applicants feel alienated by funding criteria and a process that was created independent of their direct input; applicants are expected to

adjust to rules that they often do not understand and had no role in creating. In place of striving to establish accountability through more rigorous reporting criteria, the EU Peace II and the IFI ought to be giving the grassroots communities a greater responsibility for devising the social and economic terms under which they plan to build peace in Northern Ireland.

The question pursued in this article is not whether the EU Peace II fund and the IFI have promoted peace in Northern Ireland; rather, our interest has been to uncover the perceived shortcomings of the funding initiatives with a focus on the dimensions of awareness and process. Through consideration of these dimensions in the funding applications for the EU Peace II fund and the IFI the related qualitative and quantitative data suggests several areas of improvement. The IFI, for example, has been criticized for aspects of its administration and some of the projects for which it has provided cash.²³

Through the narratives of the study, participants the dimensions of awareness and process were considered in the context of the role and effectiveness of the IFI and EU funding for peace in Northern Ireland. Our study findings suggest that, while there were some differences reported by those familiar with both funds, concerns with the degree of difficulty of the application processes as well as with the equity of distribution of the funds was expressed in relation to both IFI and EU Peace II funding. Yet, it should be noted that the EU Peace II funding application process is perceived to be more onerous than that of the IFI. However, the EU Peace II fund is commonly perceived to be more welcoming of community group projects geared to cross community contact, whereas the IFI is seen as a resource for projects that are more economically sustainable.

Some of the study participants made reference to bitter disappointment over rejected applications and the level of bureaucracy involved in the application process. Other participants made mention of the significant expenditure of community groups that employed consultants to assist in finding their way through the bureaucratic maze of the funding process. Such expenditure counters the intent of both the IFI and EU Peace II funding in that it does not direct the funding to those persons or groups that need it most. With regard to the equity of the funding distribution many concerns remain, namely, the frustrations some persons face with not knowing why their funding application was rejected while others were accepted. Grassroots participation in devising the funding application process along with a greater level of transparency of the workings of both funding agencies can serve to accommodate many of the criticisms brought forth.

In addition, the quantitative findings indicate that more male than female, Catholics than Protestants, professional compared with skilled and semi-skilled classes, and those in the age range 26-65 than the 15-25 range are aware of both funding agencies. Young professional Catholic males in their early thirties in

particular seem to be most aware of the funds. This very well educated group is taking advantage of new economic and political opportunities as Northern Ireland transitions from a protracted ethnopolitical conflict to a new era of peace and prosperity.

Through the adoption of a participatory approach to peacebuilding in Northern Ireland the EU Peace II fund and the IFI would seek to include some of the perspectives voiced in this article into the very design of the funding initiatives. Ideally, and in accordance with Lederach's moral imagination, this can be achieved by including those from the socially disadvantaged areas of Northern Ireland in the dialogue that surrounds the creation of such funding initiatives. In so doing, the EU Peace II fund and IFI can serve as flexible platforms from which the people of Northern Ireland can realize peacebuilding through the new relations.

CONCLUSIONS

This article contributes to the important debate over the impact of economic aid on the peace process in Northern Ireland. It is particularly timely, considering the speculation over a financial "peace dividend" to support the province's new power-sharing government. The article indicates that external funding initiatives tend to disproportionately benefit the privileged, that nationalists are better organized as communities than unionists, the EU is overly bureaucratic, and less needy communities benefit more from such initiatives than the needy.

The amounts involved in these two funds are relatively small sums. The EU funds are larger than the IFI providing yet another pertinent reason for why the participants are more aware of the EU funds.²⁴ The large British subvention to Northern Ireland prevented a political settlement as living standards were maintained at a reasonably high level despite the high level of political violence.²⁵ Yet, every responsible discussion of the EU Peace II fund and the IFI in Northern Ireland must concede that the assistance has brought about a level of positive change to the region. The assistance from the IFI and EU Peace II fund has created jobs and promoted peace and reconciliation through the various employment opportunities and cross community contact programs sponsored by the funds.²⁶ A community group member from Carrickmacross, County Monaghan, described how international funding assistance has had a positive impact on Northern Ireland:

It really has propelled I think the whole process once people see money and it raises such an awareness which is great. It got people in this area talking for the first time, it freed them that firstly to bring to our awareness that we had been impacted and on such different levels that we had been impacted and secondly it allowed to people

a forum to discuss this and especially in community work that you know old issues and all sorts could be voiced in a safe environment.

Peacebuilding, however, is an ongoing organic process that relies on the establishment of new relations — bringing people and communities together in an effort to create a better future for all.²⁷

International assistance, both economic and resource based, is required to help build the peace in Northern Ireland. A participatory approach to peacebuilding does not silence the professional view; rather it includes it in an ongoing dialogue and multi-track systems approach that attempts to articulate a future peace in an ever-changing present, in new and creative ways.²⁸ Political leaders, academics, and other professionals need to work with those from the disadvantaged areas in a cooperative manner to realize the goals of peace. Most importantly, both funding initiatives must avoid fostering a competitive environment in which a greater and more diverse polarity is created in an existing social climate of tension. Further, the EU Peace II fund and the IFI must create procedural mechanisms for lessening the competitiveness of the funding process and the rise of feelings of disenfranchisement that stem from failed funding applications. A more inclusive and participatory approach to devising the funding initiatives and in the management of the funds could be an important step in realizing these goals.

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Endnotes

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2. www.eu2004.ie <http://www.ue2004.ie/templates/standard.asp?sNavlocator=7,93,180>.
3. The International Fund for Ireland, Assessment of the Fund's Impacts on Contact, Dialogue and Reconciliation between Communities and on Employment. Department of Foreign Affairs (Dublin: IFI, 2004), p. 5.
4. *Ibid.*, p. 5.
5. Special Support Programme for Peace and Reconciliation in Northern Ireland and the Border Counties of Ireland 1995-1999. (Special Support Programme for Peace and Reconciliation), p.8.
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11. Stephen Ryan, "Peacebuilding Strategies and Intercommunal Conflict: Approaches to the Transformation of Divided Societies," *Nationalism and Ethnic Conflicts* 2, no. 2 (Spring 1996), p. 226.
12. John Whyte, *Interpreting Northern Ireland* (Oxford: Oxford University Press, 1990) makes the point that "while most Catholics are nationalists and describe themselves as Irish, not all do; and while most Protestants are unionist and would prefer to be called British rather than Irish, not all do." (p. 18).
13. Jennifer C. Greene, Valerie J. Caracelli, and Wendy F. Graham, "Toward a Conceptual Framework for Mixed-Method Evaluation Designs," *Educational Evaluation and Policy Analysis* 11, no. 3 (Autumn 1989), pp. 255-74.
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15. J.M. Wooldridge, ed., *Econometric Analysis of Cross Section and Panel Data* (Boston, MA: MIT Press, 2002).
16. McGarry and O'Leary, *Explaining Northern Ireland*.
17. Millward Brown Ulster did not include the political party demographic variable as part of its October 2006 Omnibus survey. Consequently, we are restricted in our quantitative analysis to draw on the religion demographic variable.
18. Byrne, *et. al.*, "People's Perceptions," pp. 1-21.
19. The KPMG Reports, for example, have presented the work of the IFI in a very positive light, generally praising its focus on grassroots cross-community projects. Similarly, reports by the

- European Commission and the European Court of Auditors highlight the IFI's positive track record in promoting contact between unionists and nationalists. In contrast Colin Harvey (1997) critiqued Peace I for being hurriedly put together without a clear understanding of which political and economic issues needed to be addressed. See KPMG Management Consulting, *The International Fund for Ireland: Assessment of the fund's impacts on contact, dialogue and reconciliation between the communities and on employment* (Dublin, 1995); KPMG Management Consulting, *The International Fund for Ireland: Assessment of the fund's impact on contact, dialogue and reconciliation between the communities and on employment* (Dublin, 2001); Brian Harvey, *Report on the program for peace and reconciliation* (York: Joseph Rowntree Charitable Trust, 1997); European Union Court of Auditors, Special report No. 7 concerning the International Fund for Ireland and the Special Support Program for Peace and Reconciliation in Northern Ireland and the Border Counties of Ireland 1995 to 1999 (Brussels, 2000); European Union Special Support Program for Peace and Reconciliation in Northern Ireland and the Border Counties of Ireland 1995-1999 (Brussels: European Structural Funds).
20. John Paul Lederach, *The Moral Imagination: The Art and Soul of Building Peace* (New York: Oxford University Press, 2005), p. 182.
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 22. Elise Boulding, *Building A Global Civic Culture* (Syracuse, NY: Syracuse University Press, 1990); Ho-Won Jeong, *Peacebuilding in Postconflict Strategies: Strategy and Process* (Boulder, CO: Lynne Rienner, 2005).
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