

How an International Fund Helped Make Peace in Northern Ireland

Lessons from a Conflict Solved

The Good Friday Agreement in Northern Ireland “didn’t begin or come to fruition in a vacuum. There were many great things that happened before we even got to the negotiations that set the context, laid the ground, created the environments for the negotiation to succeed. One of those things was the International Fund for Ireland . . . The Fund for Middle East Peace can provide exactly the same source of stability for the Israeli-Palestinian conflict as it did for the Northern Ireland peace process.”

-Tony Blair, former Prime Minister of the United Kingdom, co-signatory to the Good Friday Agreement

Introduction

Why did peace succeed in Northern Ireland but collapse between Israelis and Palestinians? Both were considered deep, “intractable” conflicts over territory and national identity. Both saw intensive diplomatic negotiations in the 1990s. They even had some of the same negotiators. Yet, the peace process in Northern Ireland had one thing the Middle East has never had, something which the U.K.’s chief negotiator called “the great unsung hero of the peace process:” The International Fund for Ireland (IFI).

How and why did it work? Scale and leverage were certainly big factors. Combining funds from multiple donors, including the United States, United Kingdom, and European Union, enabled the IFI to deliver and unlock over \$2.4 billion in total peacebuilding investments on the ground. But the structure was equally important. By concentrating funds and efforts through a single international institution, the IFI and the programs it supported gained vastly greater leverage, credibility, efficiency, expertise, sustainability, and impact as they strategically built a long-term infrastructure of peace.

As U.S. policymakers consider how best to implement Congress’ recent major commitment in MEPPA of \$250 million for Israeli-Palestinian peacebuilding, the lessons learned from the IFI experience are critical. This is especially true as partners in Europe, the Middle East, and Asia express interest in joining the effort. Below are key takeaways from the IFI’s role in building a durable peace.

Background: A tale of two conflicts

In many ways, the two seemingly “intractable” conflicts in Northern Ireland and the Middle East appeared to play out in parallel on TV screens around the world. But even as U.S.-backed diplomatic efforts to end both these long-running conflicts intensified in the 1990s, only one was resolved. Different inputs yielded different outputs.

In the Middle East, diplomats negotiated the Oslo Accords in secret. Peace seemed to appear out of nowhere. Overnight, the Israeli and Palestinian publics were asked to accept sworn enemies as trusted partners worthy of historic national compromises. Without a solid foundation, peace crumbled easily in the face of opposition by violent extremists. Without resolving the core issues of trust and public support, even the most determined negotiators have not succeeded in rebuilding it.

Northern Ireland benefited from the opposite approach with the results to show for it. In the mid-1980s, Northern Ireland was far more violent than the Israeli-Palestinian conflict is today, with hundreds of explosions, shootings, and deaths—and thousands of injuries—each year. Polarization, fear, and hatred grew rapidly between the Nationalist and Unionist populations.

The environment was unsuitable to even discussing peace; almost all key variables necessary for successful conflict resolution were misaligned. So, the U.S. and international partners decided to intervene at an unprecedented scale at the grassroots level to radically realign those very same variables. These international allies joined forces to establish and fund the International Fund for Ireland, launching a massive, coordinated, strategic, and expert effort to create the social, economic, and political foundations for peace.

Twelve years later, the landscape was transformed, and diplomats had an atmosphere conducive to concluding the Good Friday Accords (GFA). The institutions and leaders that the IFI nurtured provided much of the intellectual content and grassroots support for the GFA and led the referendum campaign to successfully obtain the public's endorsement. Even in the face of rejectionists, the turmoil of Brexit, and occasional flareups, this deeply-rooted peace with broad support has held ever since thanks to the foundations that the IFI put in place.

In stark contrast to Oslo's secrecy, the IFI catalyzed, supported, and grew an entire field of visible, locally-led efforts that helped change the public conversation. U.K. Chief Negotiator Jonathan Powell called the IFI "the great unsung hero of the peace process."¹ Former U.S. Consul-General Dean Pittman said, "It's a rare opportunity for a diplomat to have a resource like the IFI . . . with a substantial amount of money to focus on projects and to move the overall agenda towards stability, a shared future, and reaching a political settlement."²

In 2009, this successful precedent inspired the Alliance for Middle East Peace (ALLMEP) to begin advocating for the creation of a similar International Fund for Israeli-Palestinian Peace. After a decade of legislative attempts, in 2020 Congress passed the Nita M. Lowey Middle East Partnership Fund for Peace Act (MEPPA) to create a dramatic new investment in Israeli-Palestinian shared prosperity and peace. It creates an initial five-year, \$250 million U.S. investment and calls for international partners and leverage.

Lesson 1: Institutionalize a sustained, long-term engagement.

The IFI began its work in the late 1980s while the conflict there was more violent than the Israeli-Palestinian conflict is today. Once started, it catalyzed a sustained, long-term effort to build relationships, economic development, interdependencies, and trust between Unionists and Nationalists. It made critical and strategic investments for twelve years before the Good Friday Accords and continued working afterwards to secure and strengthen a peace that at many points in the late 1990s and 2000s seemed on the cusp of collapse. This sustained effort before, during, and then beyond a peace deal was critical in cementing the gains achieved, even as rejectionists attempted to push back against progress.

¹ Lazarus, Ned, BICOM: Britain Israel Communications and Research Centre, A future for Israeli-Palestinian peacebuilding, Jul. 2017, available at <https://www.bicom.org.uk/analysis/future-israeli-palestinian-peacebuilding/>. Last accessed Jan. 3, 2021.

² McCreary, p. 171.

Most importantly, through the IFI, the international community stood up a durable institution with the mission and resources to focus beyond the current news cycle. Whereas national development agencies often have to focus on year-to-year funding, the IFI could approach peacebuilding with a longer horizon. Instead of becoming trapped by the short-term politics of the moment, the IFI took on the core job of investing in a more constructive political environment for the future, with a particular focus on youth.

Lesson 2: Multiply the scale with multinational donors.

By combining them in a single entity, the contributions from multiple donors—especially the U.S., E.U., U.K., Australia, Canada, and New Zealand—allowed the IFI to reach a transformative \$1.5 billion in direct funding and \$2.4 billion overall. This translated into \$44 per person per year (compared with \$1.50 per person in Israel-Palestine). Before long, participation in these programs became a rite—and eventually a rite of passage—for young Catholics and Protestants, rather than a privilege enjoyed by a tiny minority.³

Countries joining together in the common effort made the investment more appealing, reinforced and aligned shared policy between countries, and made possible a scale of activity that was otherwise out of reach. In its first 30 years, it supported 6,000 peacebuilding projects, deeply engaged 15,000 young people in training programs, and created more than 55,000 jobs.

Lesson 3: Use the legitimacy and credibility of multiple donors.

The IFI did not only pool resources; it also pooled legitimacy. Just by virtue of bringing international support, the IFI did two things that no single government could do alone. First, it blessed the projects with resources from around the world. Paul Quinn, an American observer on the IFI Board of Directors, remarked that the IFI's significance “was not just the money that was involved, but the perception that somebody else wanted to help the people of Northern Ireland.”⁴

Second, it represented a combined set of donor nations that historically had close ties with *both* Unionists and Nationalists. As a result, majorities within each society felt comfortable engaging with IFI-supported programs. It worked because “[b]oth sides needed outsiders who would be honest brokers.”⁵ In a recent (November 2020) [U.K. Parliamentary debate](#) on creating an International Fund for Israeli-Palestinian Peace, the Labour MP and Shadow Security Minister Conor McGinn—himself a Northern Irish native and son of a Sinn Fein Councilor—credited this exact idea for the IFI's success: “People on all sides trust it. It has no political agenda. Its only agenda is peace and reconciliation.”⁶

³ Johnston, Adrian. “The International Fund for Ireland: A Practical Model for Effective Peace-Building,” *Palestine-Israel Journal*, Vol. 22, No. 1, 2017, <https://pij.org/articles/1733/the-international-fund-for-ireland-a-practical-model-for-effective-peacebuilding>. Last accessed Dec. 30, 2020.

⁴ McCreary, p. 120.

⁵ McCreary, p. 120.

⁶ International Fund for Israeli-Palestinian Peace, Westminster Debate, Volume 684: debated on 17 November 2020, <https://hansard.parliament.uk/Commons/2020-11-17/debates/1E3EC84E-81DC-4068-A1E6-1143FAF36B2D/InternationalFund-ForIsraeli-PalestinianPeace>.

Lesson 4: Centrally coordinate a unified strategy.

The IFI was *the* address for peacebuilding in Northern Ireland. It could approach this work with a view that stretched across the entire field, across different sectors, and over time. It was able to map needs and opportunities and identify organizational capacities and gaps. It could drive funding where it would have the greatest impact at any time and avoid a disconnect among funders or duplication in efforts.

Of course, the IFI also quickly became the best-positioned and most knowledgeable agency in the world to develop and implement a unified grassroots strategy in Northern Ireland. This central expertise and coordination extended to accountability, compliance, and sound program management. A central fund can develop standardized measurements of progress and key performance indicators for use field-wide and then track goals and progress. Evaluation, monitoring, and financial controls are especially important in the Israeli-Palestinian context, where a complex set of norms and standards has developed over time to ensure that foreign aid and investment land in the right hands and effectively serve their purposes.

Lesson 5: Build a hub to develop and deploy concentrated expertise.

The IFI gathered in one place the wisdom and experiences of donors, subject-matter experts, policymakers, NGOs, and local communities; developed a deeper understanding and methodology for growing grassroots engagement; and then deployed this expertise to implementing partners.

IFI staff often helped shepherd projects from concept through funding and execution. Its development consultants on the ground helped identify projects, kept closely in touch with community groups and other organizations, and helped guide and re-shape project proposals to align with the IFI mission. Other members of the project teams identified and helped address weaknesses in project proposals, possible conflicts of interest, and potential duplication where others already might be conducting similar work. Board members with a broad range of expertise would then study proposals further and raise questions for refinement before full Board approval.

Lesson 6: Integrate reconciliation and economic efforts.

In the work of building partnerships, cooperation, and shared prosperity, there are often few stark lines dividing economic and people-to-people projects. Among many Israeli-Palestinian projects already underway, some join neighboring communities across conflict lines to jointly bring clean water to schools or develop local tourism infrastructure. Others are job-training and internship programs, transportation projects linking communities, and shared business incubators. All of these touch on both development and partnership objectives. Supporting and coordinating them through a central source is both more efficient and more effective.

That was the IFI's experience. It was able to infuse development projects with a conflict resolution agenda, as it did with border area projects to build community centers, industrial zones, and tourism infrastructure. Meanwhile, support for community centers, training programs, and youth activities also contributed to economic growth. Placing responsibility for all of these efforts in one entity also enables a smart and adjustable allocation of resources based on ever-changing needs and opportunities, as well as greater geographic precision.

Lesson 7: Leverage private investment to double the impact.

The IFI's funding impact was even greater than the total dollars that passed through its doors. It often provided crucial "first money on the table." This meant serving as a seed investor or partial funder in projects, frequently providing just the right amounts of moral and financial support to enable a project to go forward and attract greater resources. The result was \$2.20 in total investment for every \$1.00 directly provided by the IFI. A project that otherwise seemed risky could get just the start it needed with an IFI grant and the support of IFI experts. In the Palestinian and Israeli context, with its diffused network of philanthropic and private sector funding, such a centralized and catalytic approach could help guide hundreds of millions of dollars in additional funding toward the Fund's priorities, delivering a substantial return on investment for donor states.

In one example, the IFI helped redevelop an abandoned canal across the border between conflict areas, the Shannon-Erne Waterway. The area was considered so unsafe at the beginning, that VIPs had to attend the launch event by helicopter. At a time when there were many skeptics, the IFI provided £1 million for a feasibility study and another £5 million in capital investment, marketing campaigns, and local infrastructure over time. This enabled the effort to proceed. It attracted other supporters, brought tourism, and revived local businesses, ultimately leading to total project investments of £32 million, more than five times the direct IFI investment.

Conclusion

The vastly different international approaches to the Northern Ireland and Israeli-Palestinian conflicts were practically side by side experiments. The stark differences in outcomes have a great deal to do with the inputs. While widespread fear and mistrust have tripped up negotiations every time in the Middle East, the IFI began a steady stream of coordinated, strategic, massive investment to address those very issues starting over a decade before the Good Friday Accords. The roots are planted so deep that extremists have been unable to shake the peace ever since. The sort of programs that the IFI seeded in Northern Ireland—and that a similar institution could catalyze for Israelis and Palestinians—are a prerequisite for successful conflict resolution; they are necessary, core ingredients.

In its later years, one of the IFI's objectives is to share its experience for the benefit of other conflict zones, and indeed, the model it developed over more than 30 years is ideal for the Israeli-Palestinian conflict. U.S. funding commitments in MEPPA and readiness by international partners like the U.K. now make this model ripe for adoption in an International Fund for Israeli-Palestinian Peace. Early in the MEPPA planning process, the U.S. should convene and consult with key allies to explore this approach and learn lessons from the U.S.' most successful and enduring conflict resolution project of the last half century.