

Caux Dialogue on Land and Security

addressing the human connections between poverty, conflict and
environmental degradation

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I am particularly pleased to come and talk to you today because I feel the issues I have come to talk to you about are really important; and I have seen that as I have worked in Africa and Asia.

Initiatives of Change works a lot with the issue of trust, and trust is to do with relationships. Although I am economist professionally, I have spent a large part of my working life thinking about the relationship issues which underpin economic and environmental questions. I would go so far as to say that both economic and environmental questions are generally symptoms of an underlying relationship problem and if you don't deal with the relationship problem at the root, then you will fail in the end to resolve on a sustainable basis either the economic or environmental questions.

Let me give you a small illustration of how complex the environmental questions are. As an agricultural economist I am interested in how much people use fertilisers. When I was in India I was studying fertiliser use, with the strong yielding fertilisers which were coming into India at the time and encouraging farmers to use more

fertilisers. When I went back there 30 years later to the same farmers I found that the salinization problems were enormous. The ground had become hard and productivity had gone right down because they had not maintained the structure of the soils by using manure and compost and other natural products. So fertiliser had been damaging in the end to sustainability. Let me give you the flip side to that. When I was in Rwanda after the genocide I was interested in what caused the genocide. What were the economic factors leading up to the genocide? I discovered that agricultural production per head began dropping in 1986. That was 8 years before the genocide broke out. There was less food being produced. The reason or that was that well-meaning NGOs and government aid experts were telling farmers not to use any fertiliser because it would be damaging to the soils. But unfortunately that was catastrophic because without fertilisers you cannot sustain a 4% annual rate of growth in population. Your population is doubling every 17 years and you cannot double food production every 17 years without new varieties of seed and use of fertilisers. If you are using fertilisers at 10, 20, 30, 40, 50, kilos an acre that is not so problematic- but they were not using fertilisers at all. It was 0 kilos an acre. Even now in Uganda, I heard a figure quoted of 7 kilos of acre of use of fertilisers, and you can see the impact of that in coffee and cocoa production. There is not a simple answer of no fertilisers.

Let me go into the relationship example in more detail with a simple illustration. Please forgive me if it seems simplistic, but it drives home a point. We all, or most of us, have microwave ovens and know what they are. You can think of a microwave oven from a financial point of view. What does it cost, and what does it cost to run? You can think of it from an environmental point of view. Is it a more efficient way to cook food than a conventional oven? Is it doing more or less damage in terms of global warming- carbon emissions and the rest. You can also ask about it from a relational point of view. What is the impact of buying a microwave oven on relationships in my household? Most of us when we buy microwaves ask the financial and environmental question but seldom the relational problems. Today in Britain, 25% of homes no longer have a table around which people meet or have an evening meal together. Because people come into the house at different times, they zap their food in the microwave, then go to their room or sit in front of the television. But they never sit round a table to have conversations. The impact of that on our children's ability hold conversations, and to deal with difficult issues, not by putting the phone down and not by switching off the emails, but by talking it through is obviously being affected. Unfortunately, technology is also feeding into this absence of communication skills; iphones, ipads, i-everything. So the question

I would like to put to you is how do relationships impact on economic and environmental sustainability?

Take the exit of Greece from the Eurozone. What is driving that? At one level it is an economic question– levels of national debt, decline of GDP, levels of unemployment, tax revenues, or lack of tax revenues. But you could also take a relational point of view– what is the relationship between Greece’s leaders and the other leaders in the Eurozone. What is the relationship between the people of Greece and the people of Germany? When on the one hand the Germans feel that the Greek people have lowered their pension age from 60 to 58, when the Germans have just raised theirs from 65 to 67, so the German tax payers feel like they are paying for the Greek pensions, and it is not fair. On the other hand, the Greeks feel that the northern European countries are gaining massively from the Euro, which they are, because their currency is artificially reduced in its values so you get high levels of employment in Germany and the German economy is booming, and the artificially high effect of the euro on Greece and southern Europe is a major contributor to the unemployment which they are facing, with a huge proportion of young people in Spain and Greece unemployed now. Over 50% of the 16–24 year olds. So relationally there is great tension between Germany and Greece but they are not sitting down to discuss those relational issues. They are simply talking about money all the time. Perhaps they need to think more carefully about the level of relationship.

Take the Gulf of Mexico enquiry. Was the White House commission correct in saying that this was simply a technical problem, that the oil drilling but was not working properly at the seabed level, or is there another story, that the engineers working with that drill bit were complaining to their senior managers, stating that there was going to be a disaster, we have big problems down here, but the managers were refusing to listen because they were trying to satisfy some BB targets. Was there a relational problem, or a technical problem?

Take the Murray River in Australia, the biggest river in Australia is in a critical condition. Who is using the Murray river water? There are a lot of people– the farming community, towns along Murray river who depend on it, and industries which also depend. These are stakeholders. The critical issue is what is happening in the relationships among the stakeholders. A student in Sydney did a PHD looking at those relationships and how they operated. Did the stakeholders meet and what kind of conversations did they have?

We can also look at how companies relate to their stakeholders. There is an international organisation called the International Integrated Reporting Council. They have a major proposal going to the G20 this autumn suggesting that all companies in the world should be required to do integrated reporting. Not just reports on the environmental and financial results, but on their relationships they have with their major stakeholders. They are being asked to report on those relationships and to measure those relationships before they report on them.

Any environmental issue involves looking at who the stakeholders are and what are the relationships among them. I know something about this from Brendan Bromwich as far as Darfur is concerned. In the Darfur situation, and with the water supply to Darfur which is critically important, there are many significant stakeholders. Government ministers of water and forestry and agriculture, who all want use of that water and the new supplies of water going to Darfur. There are state level ministries and then there are local ministries– there is a complex network of relationships which determines who gets how much water and whether that water is used sustainably. If you are worried about water sustainability in Darfur you need to worry about the aquifers, you need to worry about how quickly it is being mined, but if you want good governance around that water there is a complex network of relationships to measure, to think about and to assess. Because where there is a relational weakness you will find the system breaks apart.

I have been interested in why it is so difficult to get western people today, in the US, Europe or Australia, to engage with the sustainability agenda and the protection of the people going forward. People always say that of course it is about money, but I wonder if there are other ways of thinking about this. I am struck by the negative consequences of the individualism which we are so proud of in the west. Individual rights and the financial system so heavily based on individual freedoms. I consume as an individual, I save as an individual, I set up a pension as an individual, I am taxed as an individual. I own my property and land as an individual. Every area of economic activity is governed by individuals. Human rights, which used to be such an important and great blessing to humanity after 1947, protecting us from a collectivist government, has in a sense been turned on its head and become a curse to us. Because when we claim our rights, we are not thinking about the impact on third parties. This isn't about relational rights; it is about personal rights, about me, me, me. The trouble is that is destructive in the end because we are not thinking about how claiming our rights is affecting other people, which can often be negative. So we need to rethink the culture of rights. We talk about relational rights as a new way of defining rights because they take account of third party impact.

Perhaps we also need to think about our education in terms of the fact that we invite children into our schools on the basis that this education is all about you. Your career, your personal development, your opportunity to earn a good income. It is all about competition to become top of the class. Instead of starting to talk about schools as a relational enterprise, we test students on an individual exam scores, we do not test them on relational skills when they leave schools. And when they have left don't we want them to be good citizens.

If relationships are really the key, an important question is the question of relational distance. How far apart are people in their relationships? There is a controversy in England at the moment about the price of milk. You might say how we could possibly argue about the price of milk; we have so much of it. But our problem with the milk price is that our retailers have worked out that they can really screw down the producers to a level of price which is below production cost. So the farmers don't have enough money even to be able to produce their milk, and they certainly don't have enough money to protect the environment in which they produce their milk. To look after the hedgerows the fields, the arable land down in Cornwall. This is also a relational issue. As a consumer in Cambridge, I do not know a single farmer in Cornwall. I cannot approach that farmer to ask about the real production cost, and I have no idea how that farmer is feeling because he is so far away. It is close to what the Admiral was talking about; our lack of engagement with people at the other end of the supply chain means that we find it really hard to empathise with them, to understand their problems, and we are not willing to pay for something to be done.

So how do you build up key relationships in long supply chains? Time is the critical short resource of the 21st century, and we have people who spend their whole lives looking at the financial situation, but no one who spends time looking at the shortage of time. I have invented a new discipline called chronomics; it is like economics but it is concerned with 'chrono' which is greek for time.

I need to draw to a close. Let me give you another piece of kit to look at relationships. As well as looking at relational distance, you might ask the question of how to then build closer relationships, between nations and between individuals and between organisations? What is the key to building trust? The work we have been doing for a long time in Cambridge is about to come out in a major book published by Cambridge University Press. It is arguing that there are five key dimensions going on in any relationship at any time. There are five drivers of trust. The first of these is communication- all relationships require communication. The

second is time or story. Every relationship involves time, every relationship has a past, a present and an expected future. They all have an impact on how we conduct relationships now. The third is information– the breadth and depth of the information about the other party is critical to how you understand, them, how you interpret and how you act on what they say to you. How deep is that knowledge? Think about a dryland situation, where there are two tribal groups competing for a scarce piece of land or a scarce resource. How deep is their knowledge of one another? The fourth one is how power is used. How much is there a participation in decisions? How much is there a sharing of risk and reward? To what extent do people show respect for one another. The fifth one is about whether people have a sense of sharing a purpose, and share their goals and values.

As we think about land and security, can I ask you to think about these four questions? Firstly, what is the relational angle, what is the relational understanding I am talking about. Secondly, who are the stakeholders? Who really minds about the outcome and who should mind about it? Thirdly, if you had to say in which of these five areas the problem in the relationship is most acute, specify which one you think is most important. Fourthly, think about how those relational problems that lie underneath the problems of environmental sustainability and how they can be addressed.

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More information about the Caux Dialogue on Land and Security 2015 is available at www.landlivespeace.org.