

DYNAMICS OF GROWTH: BUILDING SOCIAL CAPITAL

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Development in the Bahá'í view is an organic process in which the spiritual is expressed and carried in the material. Organic is also evolutionary.

Meaningful development requires the harmonization of individual progress and social advancement, globalization and decentralization, and the promotion of universal standards and the fostering of cultural diversity.

Bahá'u'lláh teaches the recognition of the oneness of humankind must be the central organizing principle around which a new civilization must be built. THIS MIGHTY PRINCIPLE REQUIRES A NEW STATE OF MIND AND, I BELIEVE, A VERY CONCERTED SERIES OF STEPS TO BE TAKEN, IF WE ARE TO DO JUSTICE TO THIS CENTRAL TEACHING OF OUR FAITH.

We take the world as we find it. The world is in a very sorry state. More war is pending. The very fact our press focuses on THE WAR, without reference to other on-going wars, illustrates the challenge we face in making this principle a reality in the minds of humankind.

We know from Shoghi Effendi that the alternation of crisis and victory will characterize the immediate future, as we proceed through this half-light period in the development of the Faith.

Against this backdrop the Universal House of Justice cited in the Ridván 152 message their "concern and hope in the face of the despair besetting leaders of nations and peoples in their search for solutions to pressing social problems. Indeed," they go on to say, "such desperation is tantamount to a worldwide cry for the Teachings of Bahá'u'lláh, truly a challenge and a promise no conscientious Bahá'í institution or individual can ignore."

This is the backdrop for my remarks this morning. To begin my subject I have chosen to first discuss a case I am involved with as a mediator/facilitator. The case is called Rondas Campesinas vs. Minera Yanacocha. The case originates in Cajamarca, Peru. Cajamarca is historically very significant in the history of Latin America and especially in the history of the Incan nation.

Cajamarca is the place where Pizarro captured Atahualpa, the last Inca, and held him prisoner until he would agree to fill his cell with gold. Atahualpa did fill the cell with gold; nonetheless, the Spaniards murdered him.

In this place the Inca's dug for gold for which they became very famous. Today there are new gold diggers in Cajamarca. The new gold diggers are Dumont Mining of Denver, Colorado, now the largest gold mining company in the world, and Buena Ventura Mining of Peru, a family owned and operated mining company. Since 1992 this joint operation has been digging for gold at Minera Yanacocha. The mine site is at 4,400 meters elevation. The mine sits atop the Andes, and waters flow both toward the Amazon and the Pacific Ocean.

Partial funding for this operation began with the International Finance Corporation (IFC) of the World Bank, the private sector arm of the bank. The original mining plan-contemplated ore

would be excavated for five years; however, early on, the engineers discovered this area to contain one of the largest deposits of gold in the world. They are now contemplating mining for the next fifty years.

Three years ago there was a mercury spill that affected three small villages located on the route to the coast where the ore is transported. The mercury spill served to cause a massive public outcry regarding the mines activities in the region. This region has been primarily agricultural and dairy farmers. The hillsides, like most of the Andes, are dotted with tiny plots of land where individuals eek out an existence. Each year the plots grow smaller due to the growth of the population making this existence less likely to be sustainable.

The collision of the mining interests and the farming and dairy interests coupled with the citizens in the town who have witnessed a skyrocketing of prostitution, influx of people from outside the region, streets filled with very large trucks creating a risk for all pedestrians, all contributed to the eruption. This city is located in a bucolic valley in a remote northeastern corner of Peru.

The immediate fallout of the spill was to have the local authorities manage the situation. The Ministry of Health sent the Minister who promised all sorts of attention to those persons who came into contact with the mercury, but in reality none was forthcoming. This is still true to today.

The IFC, a minority shareholder in the mine, had created an Ombudsman Office as a result of complaints against World Bank investments, which were and are causing serious social consequences. This office received a complaint from individuals in Cajamarca to investigate the causes of the accident and identify the steps necessary to correct the situation. The complaint was filed after the local community members were exhausted with the failure of the authorities to adequately respond to the situation.

The CAO (Ombudsman Office) organized an international team of experts to investigate the occurrences and write a report. A comment on the condition in the community is relevant at this point.

The entire community no longer had any confidence in either the local government, the national government nor the mine. The level of total distrust was extraordinary. Only those persons who continually denounced the mine enjoyed credibility. If anyone from the town of Cajamarca accepted funds from the mine to do any job for any purpose, they were automatically suspected of having sold out.

The CAO Report was extremely well received as being a fair and clear representation of what had occurred. Based on this experience a year later another complaint was filed against Minera Yanacocha. This time the allegations focused on how the mine related to the community, or better said, did not relate to the community. It alleged gross indifference to the social plight of those persons affected by the mine's operations, the need for a social development fund, clean water and regular independent reports on the condition of the water, attention to the health problems in the three villages, employment opportunities for local people (the mine employs 9,000 people), and so on.

The CAO sent a team in July 2001 to investigate the feasibility of utilizing a facilitation or mediation approach to address these matters. I have been a member of that team from the outset.

With these facts as background I want to add a few additional comments to further clarify the situation and generalize for the purposes of this talk the relevance of the lessons learned to our own efforts to build community.

The primary complainants were the Rondas Campesinas, a unique Peruvian institution recognized in the Constitution for having legal jurisdiction over certain kinds of civil and criminal matters. They elect lay judges to perform these tasks. They are also a very effective social organization. In Cajamarca they were strong enough to resist the Sendero Luminoso encroachments, the only place in Peru to do so.

The Communist Party had re-emerged in Peru in this same area. The party is led by a coalition of a Liberation theology priest, university professors, European (German immigrants from the 60's) and some campesinos.

There is hostility between the town folk and the country folk. There is hostility between the miners from Lima and the town folk; the international miners are resented; the spouses of the miners are resented; and the mine's own social and economic development efforts are resented. There is no trust within the community.

This background provides the picture for our initial efforts. Instead of reviewing each and every step and the whys and what-fors, I intend now to focus on the social conditions operative that required a strategic approach in order for any effort to have some positive impact.

As neutrals, we knew this conflict did not belong to us. Our task was to create favorable conditions for a process to be initiated that would enable the participants to begin to work together for the long term.

An explanation of our methodology is also relevant. Everything we did was reduced to a written report, which was distributed widely and placed on the web page of the CAO in Washington. We accepted comments to every report. We have tried to be very transparent. Yet we were charged by some of the groups mentioned above at the outset of the process with being *Juez y parte* (judge and litigant). We acknowledged the World Bank is a stakeholder in the mine, yet the CAO's office is independent of the IFC. Those whose interest it is to foment more dissension have not accepted this concept.

The first session of MESA DE DIALOGO occurred in September 2001. In this session we reviewed our findings regarding the situation in Cajamarca and engaged the audience to identify their primary concerns to be discussed in this process. The representatives of the Mine decided to actively listen to the observations. What transpired was a highly emotional series of outbursts and denouncements of the Mine. Participants had so much pent up anger, they could not control themselves. It appeared to us that the method of dialogue was shouting and shouting louder.

We observed that the campesina women did not participate at all. We noted that the key nongovernmental organizations did not attend the session after telling us they would come. We came to learn that the leftist group had organized a boycott of the sessions and threatened those organizations if they attended. It was clear that the level of distrust was so deep that anything the mine's representative said would not be accepted.

In a word there was no social capital. This environment was completely contaminated.

OUR STRATEGIES

We developed a dual strategy. We recognized the need to continue the dialogue process with regularly scheduled meetings and follow up. In addition, we offered to the participants a series of courses on mediation, facilitation, and training the trainers. The participants selected the persons to attend these sessions in order to insure there was a broad representation from all the groups participating in the dialogue process. Special attention was devoted to securing the participation of the women from the country.

Our strategy was to create a group within the group. This new group would consist of individuals from all the groups, including the Mine, who in turn would have to learn to work together in order to build up some social capital. In this way we could foster the creation of an entirely new way of looking at the conflict and also assist in the creation of the necessary skills to build the capacity to address the problems facing the MESA.

One year later we now have over thirty people who have assumed the management of the small group processes in the dialogue process, begun to train members in their own organizations, developed sufficient identity with the MESA and it's processes to be committed to the future. The Mine has changed its perceptions of the MESA and has begun a series of responsive measures mentioned in the original complaint.

To be sure much more is to be done. I have only told a mere fraction of the story. We are planning to write a book on the experience.

EL SALVADOR-HOUSES OF JUSTICE

Following on a different situation we are engaged in El Salvador with the creation of houses of justice. These houses are in response to similar circumstances. They are located in the neighborhoods where there are real problems of violence and the residual effects of the civil war have not yet completely passed.

Houses of justice are multifunctional institutions designed to provide greater access to justice and greater access to the justice system. Because of the distrust of the legal system, we have developed a community-based response using locally trained mediators to attend to many of the conflicts that arise within the community. This approach is also attempting to create social capital within the community where again there is very little trust.

BUILDING SOCIAL CAPITAL

Building social capital as an integral element in the development of community. Social capital refers to how people cooperate for common ends on the basis of shared informal norms and values. The recognition of the necessity of this concept only began in the late 1990's.

"Social capital, which is the crucible of trust," rests on cultural roots (Fukuyama.) A certain degree of common cultural identification, a sense of belonging and shared behavioral norms makes up the glue that holds societies together. This cohesion helps define social capital.

In Putnam's critical book, Bowling Alone, he asserts the touchstone of social capital is the principle of generalized reciprocity. The norm of generalized reciprocity is so fundamental to civilized life that all prominent moral codes contain some equivalent to the Golden Rule.

The process of building social capital must necessarily anticipate a process of intensive consultation and the time necessary to build consensus among the participants. Trust is the key by-product of the cooperative social norms that constitute social capital. When trust is present, the community shares norms, readily complies with those norms, tends to avoid taking advantage of each other and readily forms groups to achieve common purposes. The

energy that is consumed by second-guessing is redirected by a commitment to take action on social problems.

Perhaps the most challenging dimension of the process is the building of trust in an environment where there is no trust. The absence of trust increases the transaction costs in every human contact, from simple commercial transactions to interaction between neighbors.

The two projects I mentioned earlier are responses to communities where there is very little social capital. Each project in its own way seeks to create opportunities to build trust through the application of training in dispute resolution techniques.

The same observations apply to our community. We have many localities where there are serious problems of lack of trust. I have met with a number of local assemblies whose very functioning is limited by these problems. We must, as a community, come to recognize that effectively addressing these internal issues is key to our growth.

From our study of religious conversion literature we have found the primary cause for stopping growth in a religious community is disunity and especially disunity around teaching. When these factors appear, the quality of community life also suffers. It is my observation that we tend to identify personalities that are causing the difficulties.

I want to suggest to this group that we might consider an alternative approach. Namely, by understanding the true nature of the challenge as an absence of adequate social capital, we can fashion a response that is designed to build up social capital. In that sense, the existence of unresolved conflict offers the opportunity to engage in training on how to resolve conflict and thus build unity.

Approaching these matters as opportunities for the acquisition of new skills creates a different dynamic in the community. Yes, I know most of us think we know how to consult. Find out the facts, identify the principles and apply the principles to the facts and hopefully with full unity. In the simplicity is the challenge. Because it appears so simple, I am under impression that much of the consultation is best characterized by ready, fire, aim.

In the legal systems of Latin America all have a conciliation phase. However, when I asked lawyers and judges about how they conduct the conciliation, the answer is they ask the parties if they want to conciliate, and 99% say no, so they declare the process over. They know that neither party wants to indicate their willingness to conciliate, because it is seen as a indicator of weakness in their case.

The Universal House of Justice said, there needs to be a recognition on the part of the members of the Assemblies of their spiritual character and the cultivation in their hearts of a respect for the Institution they serve as being something beyond themselves. This is a sacred entity whose powers they have the privilege to engage and canalize by coming together in harmony and acting in accordance with divinely revealed principles. With such perspective the members will be able to acquire an appropriate posture in relation to the Assembly itself, to appreciate their role as trustees of the Merciful.

This very same message is the one we use in working with judges throughout the world. We call upon them to see themselves as "trustees of the merciful". They have been invested with the greatest powers a state can bestow on its citizens, the power to deprive liberty. In this fashion we seek to alter the self-perception and begin a process of constructing a new self image. This language is startling to most judges. They have never considered their position in this light.

We began a consultation of how best to protect the trust granted them. What practices do they engage in that foster these values? What practices are contrary to these values? These activities are designed to foster the development of greater levels of social capital. If the judges do not believe in themselves, they cannot and will not undertake any significant reform efforts.

It is only through the exercise of true justice that trust will be established among diverse peoples, cultures and institutions of an increasingly interdependent world. In our study of the seekers we find they are searching for a religious community that is cohesive, trusting, accepting of diversity, and principle-based in its approach to advancing its cause.

Conflict is ubiquitous in our world. In order for Bahá'ís to begin the process of extending the new model to the rest of civilization, we need to have a handle on building trust. Since Bahá'u'lláh said his greatest gift to humankind was consultation, I think we should consider being more generous with this gift as a method of building trust in a world that desperately needs it.

By focusing on conflict as a normal dimension of life rather than an aberration, we can

(Additional missing text is being sought. Please check back at a later date...Rabbani Charitable Trust)