

VOLUME II



PEACE ECONOMY

*'Instilling Peace Led Sustainable Co-Development,
Co-existence, Toleration and Economic Non-violence'*

A Global Initiative by



ECONOMIC COUNCIL OF INDIA

(Not-for Profit, Non-Government-Entity)





PEACE ECONOMY®

THE PEACE ECONOMY: BUILDING A WORLD WORTH LIVING IN



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The General was a Consultant to the Ministry of Defence (Ordnance Factory Board) post-superannuation. He was the Distinguished Fellow and held COAS Chair of Excellence at the Centre for Land Warfare Studies 2021-2022. He is also a Senior Advisor / Board Member to several organisations & Think Tanks.

Overview

War is destruction. **Peace** is prosperity. But the real world is messier than this tidy moral equation. Across history, some of humanity's greatest leaps in innovation — from rockets to the internet — were born in the shadow of war. And yet, every time we recover from a major conflict, we hope it will be the last. The question we must ask is: can we decouple human progress from destruction? Could we perhaps pour our resources into fostering a *peace-driven-economy* that is, one that prospers despite conflict, rather than because of it?

In a globe tense with nuclear threats, digital warfare units, and competitive hostilities between nations, having a conversation about **Peace** isn't simply a hopeful ideal; it's vital. However, if we're to make peace a tangible and sturdy reality, we have to grasp the intricate relationship between warfare and economic systems. We must also recognize that the path forward hinges on cultivating education, mutual understanding, and worldwide collaboration.



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War Drives Progress — at a Terrible Price

Let's be honest: war has always been an economic accelerator. World War II pulled the United States of America out of the Great Depression. Europe rebuilt itself with American aid, leading to the creation of the European Union. Japan, after being devastated by nuclear bombs, transformed into a pacifist technological powerhouse. India, after its wars with Pakistan and China, made painful but necessary investments in defence manufacturing, infrastructure, and scientific institutions.

Even today, conflict fuels entire industries. Defence companies, cyber firms, and AI labs often thrive on government contracts shaped by fear of the next war. Geopolitics has become a marketplace of its own — satellites monitor borders, drones patrol skies, and arms exports drive diplomacy.

But this comes with costs — not just in dollars, but in lives, trust, and the moral fabric of society. Wars displace millions and destroy nations and their economic standing. They turn classrooms into ruins and futures into nightmares. The fact that war stimulates growth shouldn't make it acceptable. It should make us ashamed that we haven't found better ways to drive human potential.

What is a Peace Economy and Why Don't We Talk About It More?

Peace Economy® isn't just the absence of war. It's the presence of hope. It's an economy built on schools, not bunkers; on trade and cooperation, not threats and sanctions.

In a Peace Economy®:

- ✓ **Education** is a strategic priority, not an afterthought.
- ✓ **Infrastructure** serves people, not just troops.
- ✓ **Innovation** is civilian-first, not weaponized from the start.
- ✓ **Jobs** come from green energy, healthcare, and digital inclusion, not just defence procurements.



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After World War II, the U.S. funded the Marshall Plan, helping rebuild Europe. Japan which faced the world's only nuclear holocaust, has emerged by resilience as a developed nation. After apartheid, South Africa invested in reconciliation and skills training. Rwanda, after one of the worst genocides in history, turned to ICT and women-led entrepreneurship. These are examples of peace economies born out of pain — but committed to not repeating the past.

And yet, the **Peace Dividend** — the idea that we can reallocate defence budgets to human development — has often been a mirage. Even as wars end, new threats emerge: terrorism, cyberattacks, disinformation, and economic coercion. **Peace** no longer means the absence of bullets. It means building resilience in an age where war can be silent, digital, or economic.

Terrorism: A Threat to Peace Economy

A peaceful and prosperous world can never be built on shaky ground — and terrorism shakes the very core of peace. It doesn't just take innocent lives; it damages economies, spreads fear, disrupts development, and keeps entire regions trapped in cycles of instability. If we want a true peace economy, the world must stand together — firmly and clearly — for a *zero-tolerance approach to terrorism and those who support or shelter it*. No nation should be allowed to act as a breeding ground for violent groups while pretending to promote peace.

The global community must call out such hypocrisy and take united action — whether it's by *cutting financial lifelines, countering radical ideologies, or isolating regimes that use terror as a tool of foreign policy*.

Peace cannot grow in the soil of fear. Just as we fight climate change and disease together, we must fight terrorism together — to build a world where growth and harmony go hand in hand, and where every nation can develop without the shadow of violence.



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Global Unity Requires Institutional Reform

An economy centred around peace is unlikely to thrive in a world governed by outdated global structures.

The legacy global institutions, such as the UN, the World Bank, the IMF, and even the WTO, are relics of the post-World War II era. They need major reforms and an inclusive outlook to tackle the complex challenges of the 21st Century, like cyber warfare, conflicts fuelled by climate change, water, the use of economics as a weapon, and the spread of digital misinformation.

INDIA, emerging as a major peaceful global player, should continue to champion a reimagined form of multilateral cooperation that accurately and appropriately represents the *peace economy-integrated* geopolitical landscape of today.

The global South must have a voice. Global institutions must become more representative, more agile, and more responsive to the peace-development nexus.

This includes:

- ☆ *A stronger global education compact.*
- ☆ *Peace-centric funding mechanisms in development finance.*
- ☆ *Integration of conflict prevention and resolution metrics in economic evaluations.*
- ☆ *A global harmony index – measuring how nations contribute to collective stability, not just GDP or military might.*

INDIA, through platforms like ASEAN, BIMSTEC, BRICS+, Quad Dialogue, and the UNGA, must push this reform agenda with moral clarity and strategic urgency.



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Competition Must Lead to Cooperation, Not Confrontation

The 21st century is an age of great powers, but it must not become an age of great wars. We must learn from our failures: Cold War brinkmanship, arms races, proxy wars. The world is too small and too interconnected for us to continue thinking in binaries of win and lose. There is enough space on this Earth for everyone to live, grow, and cherish life.

Global competition is natural – even healthy. But it must be constructive, not destructive. Nations can compete in green innovation, space exploration, education indices, and AI breakthroughs – and then cooperate to scale the benefits. Climate change, pandemics, and financial crises – these demand unity, not rivalry.

Let India propose a Peace and Prosperity Compact for the Global South – one that redefines global engagement from *“you or me”* to *“you and me.”*

Policy Frameworks Towards Balanced & Sustainable Peace Economy©

A Peace Led Balanced & Sustainable Economic Co-development requires smart, integrated policy frameworks that balance security imperatives with long-term development goals. First, dual-use innovation must be encouraged – investing in technologies like AI, space systems, and drones that can drive civilian progress while ensuring national security.

Second, smart defence spending should replace mere budget expansion; the emphasis must be on efficiency, indigenous capability, and interoperability with trusted allies, rather than sheer volume.

Third, a conscious effort toward the demilitarization of development is critical. Finally, it's essential that any peace economy established after conflict dedicates itself to inclusively building peace. This means tackling the core issues, such as inequality, social marginalization, and conflicts rooted in identity, rather than just focusing on reconstructing physical infrastructure or increasing GDP numbers. These interconnected strategies can anchor a Peace Economy that is resilient, just, and truly developmental.



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Towards a Global Peace Economy

No nation can build peace alone. We need a global effort to invest in what unites us — climate action, pandemic preparedness, food security, and digital access.

Let's ask:

Why can we coordinate arms sales globally but not education programs?

Why do military alliances get more funding than global literacy?

Why do we track nuclear arsenals more closely than school dropouts?

We need a *"Peace Economy Index"*, a way to measure not just GDP or military power, but how much nations are investing in peace. This could include metrics like education spending, cross-border cooperation, carbon neutrality, refugee support, and conflict resolution initiatives.

Conclusion: The Future We Choose

The choice before us is not between idealism and realism. It is between short-term survival through conflict and long-term progress through cooperation.

In a fractured world — where wars rage, rivalries harden, and mistrust festers — the time has come to lead the way forward with a modern mechanism and modern methodology

A New Economic Doctrine: The Peace Economy®.

Peace is not just a moral ambition. It's vital for the economy, a key part of our growth plan, and something the whole world needs. Right now, India is in a unique place. As the largest democracy on the planet and the fastest growing economic force, India has the opportunity to lead the way on this — and not just for its benefit, but for humanity.



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The Economic Council of India's Role

Economic Council of India (ECI) is a multifaceted not-for-profit, non-government-entity (NGE), Headquartered at New Delhi (India) with having inter-regional presence through its chapters at Australia, Belgium, Bangladesh, Central Asia, Egypt, Italy, Kenya, New Zealand, Norway, Russia, Seychelles & United States of America.

Economic Council of India, which is based on inclusivity and peace-led economy and development, has to be a leader in this worldwide change. We need to start seeing prosperity not as a competition where only one can win, but as something we build together. We should make sure education, worldwide cooperation, and institutional reforms are the basis for lasting peace and an inclusive economy for humanity worldwide.

As India's foremost policy and economic thought leadership non-autonomous body, the *Economic Council of India* can play a pivotal role in mainstreaming the **Peace Economy**©:

- ★ **Policy Integration:** Embed peace-oriented metrics into national and regional development planning.
- ★ **Global Partnerships:** Lead dialogues with other economic councils think tanks, and multilateral bodies to co-develop the global peace economy framework.
- ★ **Youth Mobilization:** Launch Peace Economy Fellowships and Innovation Labs that engage young minds in designing economic models for shared prosperity.
- ★ **Narrative Building:** Shape national and international discourse that links peace with productivity, and cooperation with competitiveness.

ECI must become the intellectual and policy anchor for India's leadership in the global peace movement – rooted in realism, but striving for transformation.

"Peace must be measured, incentivized, and institutionalized – just like war is".



Wishing Everyone Peaceful Economic Prosperity!

