

How business can play a peace-positive role in conflict

Key to corporate peace-building lies in a company's ability to facilitate dialogue

BRIAN GANSON

AS BUSINESS increasingly looks to expansion into emerging markets in Africa and other developing economies, companies face increased risk of operating in conflict zones – but also the opportunity to contribute to bringing about peace, in turn increasing the long-term sustainability of their investments.

However, a lack of knowledge on what exactly companies can practically do to play an effective role in advancing peace – on what works, how and why – makes it difficult for business to plan specific actions and allocate resources.

“Business as usual” in regions in conflict – even when adhering scrupulously to standards of human rights and corporate governance – is unlikely to contribute to peace, and could exacerbate conflict over the resources and opportunities brought in by the business.

The introduction of new resources into a resource-scarce society that is also in conflict rarely (if ever) leads to people sharing these resources and living happily together. Rather, resources brought into a conflict environment always become a part of the conflict.

Beyond avoiding negative impact, there is wide agreement that businesses can, should – and actually do – act in ways that contribute positively to peace, but documented evidence of businesses having a positive impact on peace is mostly anecdotal.

To address the knowledge gap, I and a team from CDA Collaborative Learning Projects based in the US and Peace Research Institute Oslo (Prio) in Norway conducted a two-year learning project focused on the role of the private sector in fragile, conflict-affected environments.

The project assessed the positive and negative impacts of business practices on the key drivers of conflict and peace, conducting 11 in-depth case studies on four continents aimed at identifying how business can play



BUSINESS in conflict zones can act as a catalyst for positive change, such as ensuring a relatively violence-free election, says the writer.

an effective peace-positive role. What we found is that lack of clarity and faulty assumptions about what works, and what does not, have significant implications for the way resources are mobilised and channelled, and for the way initiatives are designed and implemented – potentially leading to misallocation of resources or, worse, outcomes that intensify conflict or deepen fragility.

Companies are better positioned to avoid making negative impacts when they worked from a “nuanced understanding of conflict dynamics”, and actively monitor and manage their impact on drivers of conflict.

We found that companies which intentionally, and successfully, set out to positively affect the dynamics of conflict and peace had realised that while they had little ability to change material conditions on the ground, their strength as peace-builders lay in their negotiating and influencing capacity.

The key to corporate peace-building impact lies in the company's power to facilitate formal and informal dialogue and negotiations among diverse actors in a conflict setting, rather than in the commonly held view that its economic and philanthropic activities bring about peace. Even in cases in

which companies introduced substantial jobs, contracts, and development projects into contexts characterised by poverty, exclusion, and conflict, we found no evidence indicating that these resources brought about or contributed to positive impacts on peace without significant accompanying dialogue about, and eventual consensus building on, conflict issues.

Companies that create positive impacts on peace and conflict demonstrate both exceptional abilities and exceptional willingness, going beyond ordinary business activities or corporate social responsibility initiatives to address key drivers of conflict and peace.

Companies – with their access to role-players across the spectrum and high-placed government officials, as well as their control over significant economic resources – have substantial influence and convening power.

Companies that had discernible peace-positive impacts used this power to help build and sustain the conditions for role-players to work together towards shared goals and shared understanding of conflict drivers and dynamics.

Evidence from the field suggests that private sector actors have positive impacts on peace when they help

build the conditions in which they and other actors can engage each other constructively about issues that drive conflict.

By creating space for dialogue, efforts towards new or reformed institutions, platforms for disenfranchised parties to be heard, and other collaborative initiatives, companies can induce conflict actors to address differences or change their perspectives on conflict issues.

The case studies of both individual companies and business organisations included South Africa's Consultative Business Movement, which in the 1980s and 1990s played a key role in shifting perceptions of the ANC as a terrorist organisation, paving the way for negotiations between the apartheid government and the ANC.

This illustrates the role that business can play in creating and supporting channels of communication and act as a catalyst for positive change in the relationships between role players in a conflict situation.

Other case studies looked at the role of the Kenyan Private Sector Alliance in ensuring a relatively violence-free election in 2013, the Colombian National Federation of Coffee Growers collaboration in reducing conflict coffee-farming communities, and the case of Colombian pipeline company Ocesa whose long-standing constructive relationships with communities along its Trans-Andino pipeline helped to mitigate the impact of nation-wide armed conflict.

In the Philippines, the Unifrutti Tropical company's strong relationship with local community leaders and leadership of armed separatist groups allowed the company to operate in a conflict zone with relatively few security concerns, and enabled a dramatic reduction in local-level violence – creating an island of stability in a highly volatile region.

Ganson is head of the Africa Centre for Dispute Settlement at the University of Stellenbosch Business School.