

# PEACE IS EVERYONE'S BUSINESS: ENGAGING THE PRIVATE SECTOR

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## OVERVIEW

Businesses 'usually do not see building peace as part of their mandate, unless their business model is tailored so they profit significantly more from peace than conflict'.<sup>1</sup> There are growing expectations in wider society, however, that companies will be more proactive in ensuring that their economic activities will have peaceful and stable outcomes. Similar calls are made for those that support economic development from other angles, such as donors, governments, the United Nations and non-governmental organizations, to factor in definitions of corporate responsibility to their approaches.

This session used case studies to explore the role of government and the private sector in positively supporting peacebuilding through economic activity and policy. The session highlighted ways of maximizing contributions to peace without undermining the authority and comparative advantages of the public and civil society sectors.

## KEY TAKEAWAYS

### *National government perspective*

The Colombian Agency for Reintegration (ARC) is the state division responsible—along with other public and private sector bodies—for advising on, coordinating and assisting the return of demobilized combatants from illegal armed groups to normal social and economic life. From this top-down perspective, it was emphasized that for the private sector to assist in building the capacity of the population, the intersection between areas of opportunity and the needs of the private sector must first be identified.

### *Civil society perspective*

Peacebuilding cannot be owned by a single sector. Collaborations among civil society and between the public and private sectors are key when trying to cultivate a strong peace culture for business to thrive. Each sector reinforces a different level of security and assists a different need of an ex-combatant. Frequent engagement and high-quality dialogues are needed in such collaborations to address both common and diverging interests. It is important to be aware that such partnerships are difficult to navigate and confrontation is inevitable. As a result, all parties must allow space for disagreement to occur and have mechanisms in place to collectively progress.

### *Business perspective*

Businesses need to be legitimate in the eyes of government in order to be able to proactively support peacebuilding. Rooted in this belief, the Mindanao Business Council in the Philippines built a coalition of businesses that was strong in number and could effectively advocate for economic rights before the government. This coalition built partnerships with local communities and became a bridge between local people and the government.

<sup>1</sup> International Alert, *Peace Through Prosperity: Integrating Peacebuilding into Economic Development* (International Alert: London, 2015), p.28.



## RECOMMENDATIONS

### 1. Encourage sustainable and responsible private investment practices to minimize the risk of fuelling conflict.

- To achieve sustainable and responsible outcomes, the social, environmental and financial dimensions of results should be evaluated, which is known as the triple bottom line.
- The shareholder, customer and investor can all push businesses to be a force for good and to consider the triple bottom line in their daily operations. This would include where companies set up shop, how meaningful or long term their Corporate Social Responsibility (CSR) commitments are and who they hire, all of which can have a huge impact on decreasing inequalities.

### 2. Remember that private sector businesses can still thrive in conflict zones.

- Businesses such as social enterprises often thrive in conflict zones when providing essential goods, such as food, power, water and gas, and especially when there are no other traders in the market.
- It is therefore important to leverage the underlying networks in conflict zones when seeking to build peace.

### 3. Acknowledge and leverage the power of private sector companies to play the role of ‘economic diplomat’.

- In cases where the state fails to deliver public goods and services to its society members, private sector companies have the power to become the provider.
- This generates competition between the public and private sectors. In turn, given that private sector providers are ultimately profit-seekers, this creates pressure on the state to act to ensure that all its society members have access to a certain quality of life and level of provision, regardless of their financial capacities.

### 4. Utilize private sector knowledge, resources and networks to resolve conflicts.

