BUSINESS-BASED CONTRIBUTIONS TO PEACEBUILDING AND CONFLICT PREVENTION – IDENTIFYING THE FINNISH PRIVATE SECTOR POTENTIAL

Janne Penttilä
PEACE 034: Master’s Thesis
Supervisor: Eero Palmujoki
Abstract
Partnerships and cooperation with the private sector for peace and studying the economic preconditions for creating peaceful societies is a new trend in the practice of peacebuilding and conflict prevention. Few scholarly work exists on the role of business in peacebuilding that focuses on companies, not states, as primary actors.

This graduation thesis studies business-based peacebuilding and conflict prevention and seeks to identify undiscovered potential of the Finnish private sector to contribute to peacebuilding. Businesses can have a considerable contribution to create and foster peaceful societies, and thus, business-based peacebuilding is focusing on what those companies actually do which do make a positive contribution to peace.

This thesis applies an exploratory expert interview method to business-based peacebuilding and the potential of the Finnish private sector to contribute to peace. Senior experts are interviewed from Finnish peace organizations, Crisis Management Initiative and Safer Globe. Both organizations have experience and interest in value-adding private sector cooperation for the advancement of their work. Practical experiences and analytic reports of companies and business actors on the corporate engagement with peace and conflict constitute another part of the research material and complement the expert interviews.

Business-based peacebuilding is a pragmatic and strategic private sector activity which is sensitive to the conflict context and integrated to the peace constituency. Business-based peacebuilding is a present- and future-focused approach to conflict resolution and peacebuilding that concentrates more on present conditions and needs than on removing causes. Pragmatic business-based peacebuilding efforts as managed and implemented by companies and commercial actors should not, or can not, diverge from core business practices. Business-based peacebuilding is then an extension of doing business by other means.

Pragmatic and preventative peacebuilding efforts in which Finnish SMEs can contribute to could trigger intra-organizational learning and strategic response from the side of the Finnish private sector contrary to comprehensive cause-driven peacebuilding schemes. Tools for assessing business-based peacebuilding and its correlation to successful business are direly needed; nevertheless, forward-looking debate on Finland’s potential in peacetech innovations is already underway.

Key words: peacebuilding, conflict prevention, private sector, sustainability, NGOs, corporate responsibility, global governance
Table of contents

1. INTRODUCTION ............................................................................................................................................. 1

2. AN INTERDISCIPLINARY OVERVIEW OF BUSINESS IN PEACE AND CONFLICT ............................................. 5
   2.1. Liberal Capitalist Theories of International Peace ......................................................................................... 5
   2.2. Teleological Theories of Peacebuilding based in Ethical Business and Sustainability ......................... 9

3. PEACE THROUGH COMMERCE: DOING BUSINESS WITH ENLIGHTENED PRAGMATISM ............................. 18
   3.1. Private Sector as a Contributor in Peacebuilding and Conflict Prevention ............................................. 18
   3.2. Implementing Business-Based Peacebuilding Approaches ........................................................................ 28
       3.2.1. Conflict Resolution Organizations, NGOs and IGOs ........................................................................... 33
       3.2.2. Company-Initiated Peacebuilding ......................................................................................................... 34
       3.2.3. Collective Business-Based Peacebuilding ............................................................................................. 36

4. EXPLORATORY INTERVIEWS ON FINNISH BUSINESS-BASED PEACEBUILDING AND CONFLICT PREVENTION POTENTIAL ........................................................................................................ 40
   4.1. Developing and Producing Knowledge through an Expert Interview Method ........................................ 40
   4.2. Conducting Expert Interviews .................................................................................................................. 50
   4.3. Finnish Peacebuilding Organizations and their Cooperation with Private Sector Actors ................... 53

5. ANALYSIS ......................................................................................................................................................... 59

6. CONCLUSIONS ................................................................................................................................................... 64
1. INTRODUCTION

There seems to have transpired a broad realization that there are aligned interests of different actors in the sphere of international business, states and the international community, interests which, directly or indirectly, strive also for peace and security. Some gradual rapprochement of the private sector and other actors has occurred towards peacebuilding and conflict prevention, generally understood as belonging in the arena of high politics. A rather new trend in practice, and still somewhat undertheorized, would appear to be the tentative disposition of different actors – state, corporate and civil society – to engage each other and cooperate on global development challenges but making use of economic interests and the market mechanism coupled with business sustainability.

Corporate harm has been widely publicized in environmentally sensitive areas, local communities or in the internal political dynamic in the least developed countries, where most of the world’s conflicts take place. Local communities have voiced their grievances together with civil society organizations demanding corporate accountability for compliance in human rights abuses and pushing the private sector in taking a position in these questions.

A quarter of world population in 2011 – 1,5 billion people – also live in fragile and conflict-affected states or in countries with very high levels of criminal violence (Harbom & Wallensteen 2010). The remaining forms of conflict and violence do not fit neatly into ‘war’ or ‘peace’, or into ‘criminal violence’ or ‘political violence’, because of the overall success achieved in reducing interstate war (World Bank 2011, 2).

According to Mary Kaldor (2013, 2) violent conflict or ‘new wars’ of the era of globalization take place in contexts where “the distinction of between state and non-state, public and private, external and internal, economic and political, and even war and peace are breaking down.” The breakdown of these binary distinctions is both a cause and a consequence of violence (Kaldor 2013, 2). Relevant features of the concept of new wars to be stated here include the varying networks of state and non-state actors – e.g. regular armed forces, private security contractors, paramilitaries and warlords – and new forms of predatory private finance including loot and pillage, ‘taxation’ of humanitarian aid, diaspora support, illegal trade in natural resources, drug traffic and human trafficking (Kaldor 2013, 2-3).

Economic incentives, i.e. easily lootable natural resources, are found to correlate with the probability of rebellion and civil war, but it is difficult to distinguish from the new wars those who use political violence for economic ends and those who engage in predatory economic activities to finance their political cause (Kaldor 2013, 3; Collier & Hoeffler 2004).
Increased destructiveness and accuracy of modern military technology and new forms of communication spanning extensive global networks have become part and parcel of modern conflicts (Kaldor 2013, 4). These elements also connect global businesses and transnational companies to the contemporary problems of conflict, security, development and sustainable business activity.

That in mind, it is the view of the long-serving Finnish foreign minister Erkki Tuomioja, a political scientist and an ardent peace activist, that multinational companies should not be demonized anymore for almost all the ill to be found in the Third World. Today’s multinationals are dependent on a stable, peaceful and predictable business environment and would loath to have their corporate brands endangered by becoming associated with conflicts, human rights abuses or environmental damage. (Tuomioja 2013, 29-31.)

Currently in the international institutional canvas, in a growing number of issue areas, globalization’s deep processes are creating a disengagement of law and state from global governance (Cutler 2002, 32-3). If the same deep processes have impacted the changing role of the state in relation to organised violence (Kaldor 2013, 4) then peace research should do research on the relationship of private business and peace and conflict and better understand the role of companies in the arena of global governance; how companies can foster just business and contribute to peace on the one hand, but also look into economic preconditions and businesses as drivers of conflict prevention on the other.

Against this lead-in, the purpose of this graduation thesis is to study business-based peacebuilding and conflict prevention approaches and efforts and identify undiscovered potential of Finnish private sector to contribute to peacebuilding.

In Finland, during the past few years, an array of different government-funded private sector Aid-for-Trade programs and development financing instruments have proliferated supporting the go-to-market plans and business development of SMEs while intended to generate development impacts in least developed countries. The increased financing for private sector instruments coincided with the Finnish government deciding to cut 330 million euros from grant-based development cooperation budget, which has traditionally been the key source of financing for the Finnish NGO work in developing countries (Kehitys 2015, Eduskunta 2015).

A great deal of debate about development finance and the Finnish development cooperation has taken place in Finland and as a result the role of companies in development bundled with trade promotion efforts of the Finnish government have remained under close scrutiny and interest. This politicized debate still lingers as the academic field of peace research in Finland has not to date studied business and peacebuilding.
The research questions of the thesis are:

- What is business-based peacebuilding?
- How can businesses be utilized in creating preconditions for peace and resolving violent conflicts?
- Can we discover underlying potential in the private sector in Finland for peacebuilding?

What is the expert view of Finnish peace organizations on business-based efforts for peace?

This thesis does research on an approach labelled as business-based peacebuilding, and the potential of the Finnish private sector to contribute to peacebuilding. Businesses can have a considerable contribution to create and foster peaceful societies, and ultimately studying business-based peacebuilding is focusing on the why, the how and the what those companies that do make a positive contribution for peace actually do (Sweetman 2009, 11).

Theoretically this thesis grounds business-based peacebuilding in liberal theory in International Relations, the liberal peace theory and free trade economics and in teleological and normative worldviews of doing politics and business. Chapter 2 presents the theoretical framework of business-based peacebuilding and its interdisciplinary ties to governance, business and peace studies.

The literature on private sector contributions to peace and the efforts of business actors in cooperation with peacebuilding practitioners is somewhat sporadic across practical notions of doing business in developing countries and in weak governance environments, ethical business, and sustainable development to non-state actors in diplomacy and corporate responsibility and human rights dimensions. This poses obstacles in terms of research organization, but more so in collection of empirical research material.

The real-world practical experiences and analytic reports of companies and business actors on the corporate engagement with peace and conflict constitute one part of the research material. The practical level experiences from business and some conflict resolution actors clarifies not-so-obvious questions such as the motivation of private sector to look into peacebuilding efforts, the scope, stage and participants of business-based peacebuilding and especially the role of corporate agency in peacebuilding. These will be explored in chapter 3.

This is a research on the business of business-based peacebuilding and it should not strike as odd to approach the matter from the companies’ viewpoint and seek out potential Finnish companies to talk to. This is an overly demanding and cumbersome feat in my opinion. One might expect a similar response to what Shankleman received when talking to oil company CSR managers who “reveal skepticism that explicit corporate commitments to peacebuilding would be viewed as
legitimate or realistic, that their colleagues and shareholders would be persuaded that this is a valid activity to undertake, or that they have the skills necessary to intervene successfully” (2006, 67).

Thus, the thesis finds the other half of its research data by conducting expert interviews with two Finnish peace organizations, which have showed interest in value-adding private sector cooperation for peace. Expert interviews can be considered as an expedient and time-saving method of enquiry to acquire consistent insider knowledge in relation to a messy, interdisciplinary social question such as business-based peacebuilding. By interviewing senior experts from Crisis Management Initiative and Safer Globe Finland, organizations which maintain high-level professionalism and expertise in their work and sensitivity to new ideas and perspectives to peacebuilding, the thesis can eschew from the substantive pitfall described by Shankleman (2006) above. Chapter 4 will present the exploratory expert interview methodology and make inferences on the potential of business-based peacebuilding with the Finnish private sector especially.

Rather than creating new terminology or labels following ‘liberal’, ‘illiberal’, ‘hybrid’ or ‘post-liberal’ this thesis is looking for new tools or strategies for peace. Furthermore, studying non-state, third sector actors, who take situational and contextual ambiguity and diversity as given instead of one-size-fits-all- solutions, can indicate towards new ideas. Finally, business-based peacebuilding has the potential to genuinely reach to and affect the grass-roots of the society – cutting through the public and the private and across different societal cleavages and boundaries. That said, this thesis aspires to be an exploratory academic bridgehead about a niche phenomenon or innovation in peace studies and further its cause as a legitimate and realistic endeavour.
2. AN INTERDISCIPLINARY OVERVIEW OF BUSINESS IN PEACE AND CONFLICT

2.1. Liberal Capitalist Theories of International Peace

After an impressive career in various international forums spanning nearly six decades, Nobel peace laureate Martti Ahtisaari states in CMI publication ‘Recipe For A Better Life: Experiences From The Nordic Countries’ (Hiilamo, Kangas, Fritzell, Kvist & Palme 2013, 6) that he has become more and more convinced that the fate of our societies lies in equity: “In today’s world we don’t need raw capitalism, any sort of socialism, but a responsible and egalitarian market economy”. President Ahtisaari suggests that the challenge is not merely how we create wealth, but also how we use it and while the world today is increasingly interdependent, the main responsibility for creating egalitarian policies lies with the nation states. He concludes that “Egalitarian principles have to be carefully crafted if we want to ensure a just, fair and sustainable society for the generations to come”. (Hiilamo et al. 2013, 7.)

Another Nobel Peace laureate Kofi Annan said meeting with business leaders as early on as in 2004: “Business itself has an enormous stake in the search for solutions. After all, companies require a stable environment in order to conduct their operations and minimize their risks. Their reputations – not just with the public but with their own employees and shareholders – depend not just on what product or service is provided, but how it is provided. And their bottom lines can no longer be separated from some of the key goals of the United Nations: peace, development and equity. All these are compelling reasons why business should play an active role in tackling these issues, without waiting to be asked.” (Annan 2004).

The idea of liberal peace – the proposition that liberal democracies do not go to war with each other – is not a new one. A general suggestion might be that political science has not been able to bestow the idea with seamless causality or ‘a covering law’, however there would seem to be unquestionable correlation. Similarly, certain scepticism has lingered on the disposition that trade leads away from interstate war. If that would be the case then the two World Wars simply should not have occurred (Oetzel, Westermann-Behaylo, Koerber, Fort & Rivera 2010, 351). These World Wars and the associated economic upheaval reversed the trend toward globalization and dissolved the optimism in the spirit of capitalism (Gartzke 2007, 170).

In Peace Research, certain discernible constants can be understood about wars. Peter Wallensteen has compiled a typology of thinking on the causes of wars which consists of four categories: Realpolitik, Geopolitik, Idealpolitik and Kapitalpolitik. The last category remained under-studied for long, until the demise of official Marxism. The Kapitalpolitik approach by Marxists and Johan Galtung’s “A Structural Theory of Imperialism” (1971) had to do with who
benefitted from trade, not just with the fact that there was trade. Central to this approach was the possibility of trade being exploitative. The advocates of this school of thought focused on whether economic interactions were generating more spin-off effects for one than the other. Thus the possibility that the less-advantaged might even suffer negative spin-offs was raised and related to the outset of conflict. (Wallensteen 2011, 25.)

Free trade theorists would surely rebuke the aforementioned advocates that total gains from trade would by far offset any negative effects incurred while conceding that although the economic gains will not be generated equally, even the less-advantaged gain from the economic interaction.

Gartzke refurbishes the liberal peace theory more in accordance with capitalism and common interstate interests. Standard statistical tests imply that economic development, capital market integration and the compatibility of foreign policy preferences supplant the effect of democracy. Any of these three variables is sufficient to account for effects previously attributed to regime type in standard samples of wars, militarized interstate disputes and fatal disputes, which should be highlighted as a major breakthrough for the liberal theory. (Gartzke 2007, 166.)

Further elaborated, understanding war arising from incompatible interests and bargaining failure incurs that peace will ensue when states lack differences worthy of costly conflict or when circumstances favour successful diplomacy. Realist conviction argues that state interests are inherently incompatible, but this need apply only if we define state interests narrowly or if conquest promises tangible benefits. According to Gartzke’s work peace can consequently result from at least three attributes of mature capitalist economies. (Gartzke 2007, 166.)

First, the historical importance of territorial expansion to secure factors of production is nearly irrelevant compared to the need to acquire intellectual, financial and social capital. The added-value of increased land to advanced economies is scant while resource competition is more efficiently pursued through markets than by means of military power. (Gartzke 2007, 166.)

Second, substantial overlap in the foreign policy goals of developed nations in post-World War II epoch has further limited the scope and scale of conflict. Territorial tensions have abated in the developed world and consensus has set in how liberal states cooperate and accommodate minor differences in the international system. Finally, the rise of global capital markets has created a new mechanism for competition and communication instead of interstate animosity and discord. (Gartzke 2007, 166.)

In separation, these processes influence patterns of warfare and together they explain the absence of war among states in the developed world in so accounting for the dyadic observation of democratic peace (Gartzke 2007, 166). These capitalist processes could also be understood as belonging to a broader development in International Relations. Complex interdependence has three
main characteristics: multiple channels which connect societies, multiple issues arranged in a non-hierarchical manner on the interstate agenda and non-appliance of military force (Keohane & Nye 2001, 21).

Interstate relations refer to the conventional channels assumed by realists. Transgovernmental channels are applicable when the assumption that states act coherently as units is relaxed, while transnational ones are when the assumption that states are the only relevant units in international politics is relaxed. The absence of hierarchy among issues means that military security does not systematically dominate the political agenda. Military force may, however, be important in government relations with governments outside the region or on other issues which fall outside complex interdependence. (Keohane & Nye 2001, 21-2.)

Despite the critics within the traditional theory of international politics, Keohane and Nye (2001, 22) believe, in a similar fashion than Gartzke, that the three conditions of complex interdependence are fairly well approximated on some global issues of economic and ecological interdependence and characterizes attentively the entire relationship between certain countries. Wallensteen (2011, 25) notes that the capitalist peace theory has so far only been applied to interstate relations pointing out to parallel investigations of Collier (2007, 2009) about the role of economic dependencies in intrastate wars. Collier’s theses, often summed up as ‘greed’ as stated above, address the idea of unequal gains, especially as it connects to matters such as governance, corruption, access to arms and the availability of exploitable resources (Wallensteen 2011, 25).

The matter with an idea of capitalist peace is that it is connected to the fragile states debate and the fact that conflict-prone countries are not like mature capitalist economies. The capitalist peace effect can hardly flow with ease, for example, when certain poverty-stricken resource-rich countries lease out land to supply the growing populations of rising autocratic economies far away.

In fact, the convergence of global crises in food, energy, finance and the environment during the past few years has driven a dramatic revaluation of land ownership. The concept of ‘landgrabbing’ entails that there are excess land available for private sector investments to generate income and jobs for developing countries. Human rights issues have surfaced as customary land has been understood as ‘idle’ and deals have been struck without consent, broader social and environmental issues have not been considered and local livelihoods based in subsistence agriculture have disappeared due to dormant investments as in land value speculation. (TNI 2012, 4-6.)

This is a global phenomenon with a North-South dynamic echoing the colonial past found in many of these countries, but also a South-South dynamic is apparent with economically powerful non-Northern countries like Brazil and Qatar becoming involved. To some, land grabs are drastically threatening the food security and livelihoods of the rural poor and oppose fiercely such
commercial deals. Others promote these deals because of the increased economic opportunity for the rural poor while being wary of corruption and negative consequences and in doing so call for improved land market governance. (Borras Jr. et al. 2011, 209-10.)

In addition to the landgrabbing phenomenon, the emergence of the BRICS-countries with their economic leverage could destabilise the international consensus of running things and accommodating differences. Territorial tensions, ultimately linked to natural resources or security concerns, seem to be on the rise in South East Asia and the Middle East, but also in European soil. Hybrid influencing tactics, such as ‘trolling’ or fake news, or the much publicised surveillance great powers are managing are within the scope of activities over which modern liberal democracies’ increased vulnerability is apparent.

To classical political economists, much like in an ideal Realist state system, warfare is a result of resource competition. If there are reasons other than resource competition, why nations fight, then some wars will occur. This would then be a fact of life, despite the basic validity of capitalist peace arguments. It would be necessary to revise our understanding rather than reject without consideration, the economic explanations for liberal peace, which are also an essential point of departure for building any thesis about the business-based approaches to peacebuilding and conflict prevention. (Gartzke 2007, 170.)

Wallensteen sums his discussion on Kapitalpolitik with the conclusion that wars and military confrontations between great powers tend not to arise from economic interaction. Neither direct competition nor bilateral cooperation between industrializing major states have a strong relationship with wars and confrontations. The conclusion does not rule out the occurrence of competition or conflict, but points out to the propensity that conflicts about economic matters are treated with economic means. (Wallensteen 2011, 64-5.)

Actually, interesting differences are found in the state systems from the early 19th century until the era of globalization in terms of the industrialization of warfare. The global system is different from the earlier ones by having a much higher degree of specifically military-related industrial production in peace time and by devoting a larger share of research resources to military development than ever before. The increased industrialization and sophistication of military technology gradually has led to the phenomenon Eisenhower warned about in 1961 – the military-industrial complex. (Wallensteen 2011, 65.)

Wallensteen’s final point is worth remembering as indicated by Michael D. Wallace (1981) who has found a very high correlation between pairs of rapidly arming countries and the escalation of confrontations into war. The US Secretary of State from 1997 to 2001 Madeleine Albright’s quote stands in contrast to a consistent theory of liberal peace and complex interdependence: “What’s the
point of having this superb military you’re always talking about if we can’t use it?” (Washington Post 1996). Conditions and instruments of complex interdependence seem to be closer to the present reality of international politics than what Albright’s realism is presenting. Power resources specific to issue areas will be the most relevant instruments of state policy, the major instruments being manipulation of interdependence, international organizations and transnational actors (Keohane & Nye 2001, 32).

Although some may claim so, the power shift from public to private sector is not a zero-sum game – a gain in power by non-state actors does not necessarily translate into a loss of state power (Slaughter 1997). What is more remarkable is a new transnational world of transaction flows in which firms have developed and instituted novel management systems for themselves and for relations with their subsidiaries, suppliers and distributors they deem necessary for the operation in those transnational spaces. “TNCs have gone global and function in near real time, leaving behind the slower moving, state-mediated inter-national world of arm’s-length economic transactions and traditional legal mechanisms, even as they depend on that world for their licenses to operate and to protect their property rights.” (Ruggie 2004, 503.)

Ruggie suggests that this development may be able to create ‘a more inclusive institutional arena’ in which, and sites from which, other social actors, including CSOs, international organizations and even states, can graft their pursuit of broader social agendas onto the global reach and capacity of TNCs. The new global public domain described is an increasingly institutionalized transnational arena of discourse, contestation, and action concerning the production of global public goods involving private as well as public actors. (Ruggie 2004, 503-4.) The thesis has utilized the concept, not as a method of enquiry, but more as a theoretical backdrop framing the research subject within a larger global canvas that links this paper to global governance structures and processes of globalization.

Hooghe and Marks (2003, 1) remark that in contemporary debates on multi-level governance, flexibility and plurality are commonly understood as positive features of modern governance contrary to centralized authority and hierarchical command and control structures. Building on governance resources on multiple levels, including non-state levels, and protecting flexibility within the field of peace and state-building, might offer new opportunities for international powers and actors having the potential to contribute to post-conflict recovery through other means than those adopted by traditional state-based actors (Wiuff Moe 2010, 29).

2.2. Teleological Theories of Peacebuilding based in Ethical Business and Sustainability

Correspondingly to the liberal theory of capitalist peace, interdisciplinary research has explained that business actors do have the ability to contribute to peace. Businesses have the capability to get
rival factions to work together towards a common objective and in so doing establishing a shared interest, even if that shared interest would ‘only’ be about making money. In Northern Ireland, companies have intentionally begun to hire Catholics and Protestants in an equal proportion to bring the two groups of the sectarian conflict to work with ‘the other’. Thus, certain kind of business behaviour may contribute to the good of peace. Businesses provide jobs which can reduce poverty and dampen the underlying resentments and incentives which could escalate to violence and conflict. (Oetzel et al. 2010, 352.)

Companies’ legal license is issued by state agencies, but their social license can be granted only by communities, which may also have a transnational dimension (Ruggie 2013, 10). A social license to operate is defined as the broad acceptance of the company’s operations by the community (Ruggie 2013, xxxix). The failure to obtain or sustain a social license to operate has led companies to rely on government or private security forces to protect their assets from demonstrators which has resulted in applying illegal use of force or other forms of coercion. Shell in Ogoniland, Nigeria, is considered the quintessential case of unattended social license issues escalating into alleged corporate complicity in gross human rights abuses. (Ruggie 2013, 17).

However, multinational companies operate as globally integrated entities without being subject to any single global regulator therefore creating governance challenges that large national companies or small-scale businesses do not (Ruggie 2013, xii). Instead of global regulation, the individual component entities of each MNC are subject to the jurisdiction in which it operates. Even where national legislation proscribes abusive conduct by firms, which at times can not be taken for granted, states have often failed to implement them. This is due to their lack of capacity, fear of competitive repercussions or because their leaders subordinate the public good for their private gain. (Ruggie 2013, xvi.)

Ruggie (2013, xxiii) calls business and human rights “a microcosm of a larger crisis in contemporary governance: the widening gaps between the scope and impact of economic forces and actors, and the capacity of societies to manage their adverse consequences”. Human centred development, which places human security at its core, has widely been accepted as the necessary condition for peaceful and progressive societies and private businesses can play a critical role in supporting such development.

“Creating a more just business in relation to human rights involves finding ways to make respecting rights an integral part of business – that is, just making it standard business practice” (Ruggie 2013, xxiv). This would be a very systemic achievement in countering global causes of conflict, however as Ruggie (2013, xxiv) admits there is no single Archimedean leverage point from
which this is achievable. However, an important foundation to build on would be to further broaden our conception of peace and the preconditions for peace.

As Nancy J. Adler notes efficiently, The Nobel Committee has broadened its definitions of peace-makers over the years, to include people and organizations involved in reducing the probability that violent conflicts ever occur in the first place. The list of Peace Prize recipients formerly included only political leaders and diplomats involved in ending raging conflicts, but now includes actors involved in creating and maintaining the preconditions of peace. While the conception of peace-makers have broadened, so has the preconditions of peace from democracy promotion to the environment and from human rights to alleviating extreme income inequality (Suder 2006, 178.)

Adler adds that considering the global experience and structures needed for such international cooperation which would be able to tackle for instance problems of the environment or international security, “one is struck by the more extensive and integrated experience of multinational corporations as compared with the more discrete, geographically-defined experience of most countries and governments”. When one considers the organizations, which should be involved in providing global solutions to global problems, it is plain that the international community should consider the potential contributions of all sectors, including the private sector. (Suder 2006, 181.)

Environment-enhancing and peace-making strategies by businesses balanced against the efforts of one tree-planting activist or the consumer decisions of one individual is not a question of commitment or values, but about the private sector’s much higher leverage to make substantial and lasting worldwide changes. (Suder 2006, 191.) This is an important realization when we are trying to include the private sector more in matters of peace and spur their contributions.

The goal of peacebuilding is conflict transformation, the descriptive and proscriptive change across personal, relational, structural and cultural dimensions (Lederach 1997, 82). This change will come about only through the creation of an indigenous peace constituency, meaning, inter alia, seeing people in conflict as ‘resources, not recipients’. (Lederach 1997, 94).

Lederach uses a pyramid as a way of coordinating the various activities and relationships at play and representing the society. At the top of the peacebuilding pyramid national leaders are found. These are the few politically visible individuals that represent governmental, military, religious and political functions. In the middle level, Lederach recognizes leaders who have significant authority within particular sectors, as in lower-ranked religious leaders, ethnic and clan leaders, academics, CEOs of major business enterprises, NGO leaders and key figures in business and trade associations. Grassroots leaders constitute the bottom level having less influence over conflict
dynamics individually, but directly representing local communities and the population at large. (Lederach 1997, 40-1.)

There is good reason to engage leaders across levels, but Lederach (1997, 41) specifically suggests that instead of focusing on the top-level, middle-level leaders, for example, management of large business enterprises dominant in a particular sector, might provide the best point of entry for resolution and reconciliation.

If all of society’s primary actors actively work to create and maintain the preconditions of peace, the world can attain peace. For too long, business has been excluded or has not been contributing positively. In the 21st century, forward-looking leaders from all sectors are looking for partnerships which specifically include business as a co-creator of society. (Suder 2006, 191.) When Adler comments on the private sector’s higher leverage it immediately reminds one of “the pursuit of broader social agendas” different actors can “graft onto the global reach and capacity of TNCs” (Ruggie 2004, 503-4).

The arguments about the relationship of business and peace have integrated deontological and utilitarian worldviews, but the structure of these arguments has been teleological. Therefore the assumption is sustained, universally, that peace is a good. (Oetzel et al. 2010, 353.) While some may advocate opinions that there is a ‘dark side of human psyche’ which makes humans or primates inclined to violent behaviour, Joseph Rotblatt’s (Franck, Roze and Connolly 1998, 71) argument that there is a lack of scientific evidence that biology condemns humanity to war, is more justified.

The idea of peace through ethical business or peace through capitalism, are consistent with the teleological assumption above, in which peace is a natural goal of human activity – including business activity (Oetzel et al. 2010, 354). Dunfee and Fort (2003, 613) suggest that to the extent that there is agreement on peace as a universal human aspiration, it can serve as a hypergoal of business, an overarching aim to which all business can aspire. By setting peace as a hypergoal, businesses are encouraging their employees in ways that are consistent with basic human values and motivations, and human rights. Such activity could help create sustainable peace. (Oetzel et al. 2010, 354.)

Yet when it has come to business and human rights, “the microcosm of the larger crisis in contemporary governance”, many multinationals have not risen to this challenge. Ruggie and his team surveyed 320 cases where allegations of corporate-related human rights violations were made between 2005 and 2007 and the companies initially took a strictly legalistic approach to these issues: “we don’t own this problem, they said, these are independent suppliers, or this is a legally separate subsidiary; we are a business and therefore should not interfere in the domestic affairs of our host country even when the military dictatorship engages in what are widely believed to be
extrajudicial killings of protesters against our operations; we must obey the law of the land even if that forces us to violate internationally recognized standards and our own business values” (Ruggie 2013, 34).

Since then, after been subjected to negative press attention globally and arduous litigation processes, firms have started to internalize the new social expectations as corporate responsibilities. However, one could state that to this day, there has not existed a common understanding of precisely what these responsibilities should be and what practices they should entail. CSR initiatives that were launched often existed largely as disconnected fragments incorporating different commitments, focusing rarely on human rights. (Ruggie 2013, 34.)

This is not the case anymore or need not be. In times of peace, companies can work to prevent violent conflict and as part of the overarching aspiration of peace, many national and international businesses try to limit the risks of conflict escalation in their own commercial activities, which is reflected in their CSR policy and company values. (Slim 2012, 915.)

Doing ethical business means making sure the company does not directly cause or contribute to sustaining armed conflict or human rights violations in any part of its operations: along the supply chain, in its recruitment policies, in its working conditions, in the way it behaves with the local population and is able to uphold its social license and in its collaboration with security forces. Conflict prevention of this kind is ethically good business and good for business. (Slim 2012, 915.)

Businesses themselves have created international industry standards for all main business sectors – including extractives, manufacturing, banking and tourism –, which set guidelines for good practice in conflict prevention and reduction). In addition to company codes of conducts and industry-wide standards, the UN Guiding Principles on Business and Human Rights represents the most comprehensive international framework to date to ensure that all businesses apply “human rights due diligence” of all kinds to their business activities to prevent or remedy business-related human rights violations. (Slim 2012, 915-6.)

In conflict areas, the connection of business and human rights is twofold. Firstly, companies and security providers have been identified who have been found directly involved in human rights abuses, and secondly, a wider circle of commercial actors has existed – companies that have bought, traded and transported illicit raw material, businesses that processed them, and providers of lending and payment facilities – which inadvertently has contributed to funding and perpetuating the conflicts (Ruggie 2013, 32-33.)

The corporate responsibility debate positions positive business involvement in issues of social concern, poverty alleviation and human rights, but as this thesis already suggests, the CSR field’s

---

connection to peace and preventing violent conflict is somewhat vague and disorganized. It is the view of Derek Sweetman (2009, 11), of George Mason University, that a separate approach of “business-based peacebuilding” from various other business activities in conflict countries can be identified and that its practise is actually increasing.

According to him, there are different ways how businesses respond to conflict in their operating environment. A company can decide not to engage the conflict, which may necessitate an increased input into company security; a way to avoid the conflict entirely is to leave the conflict area and relocate company operations; and finally, a business may take action to address the conflict. For the purposes of identifying and understanding private sector contributions to address violent conflict, the most useful way to divide corporate activity in this context is to separate simple compliance with existing laws and guidelines from taking active steps to reduce the negative effects a company might have on a conflict, and also from attempts by business to address and help resolve the conflict itself. This final option is business-based peacebuilding (Sweetman 2009, 11.)

The aim of peacebuilding is to create conditions for a sustainable peace in war-torn societies – conditions that last even after the peacebuilders’ exit (Annan 1998). To foster the process of sustainable peace, the practice of peacebuilding should identify and support structures which strengthen and solidify peace and avoid a relapse into conflict (Boutros-Ghali 1992). The policy responses of the international community to the cumulation of crises that took place after the Cold War varied from delivering humanitarian assistance and protecting civilians to deploying troops in the aftermath of conflicts to prevent the recurrence of violence (Paris 2004, 2).

Peacebuilding can be understood then as involving a wide variety of military and non-military functions. The military aspect is only a piece of a larger effort to establish the conditions for lasting and stable peace. Further, peacebuilding is a post-conflict enterprise, beginning when the fighting has stopped. However, the definition can be used more broadly to encompass also other types of interventions that are aimed at preventing violence from erupting in the first place. This has been labelled as preventive diplomacy. (Paris 2004, 38-9.)

Business-based peacebuilding is business-based in the sense that “the action and programs are managed and implemented by business and commercial actors” (Sweetman 2009, 11). The use of the term peacebuilding in this context is then in fact used more broadly to indicate actions which may extend beyond limited conflict resolution, such as mediation and negotiation, and could include conflict prevention and post-conflict work (Sweetman 2009, 11). Efforts with the objective to avert conflict before or after conflict-fighting can then qualify as business-based peacebuilding.

According to Timothy Fort (2010, 348) many different caps will be worn by those advocating approaches akin to business-based peacebuilding. Fort refers (2010) to an idea of peace through
commerce from a business ethics viewpoint that can easily be integrated to various concepts of business-based peacebuilding while maintains that efforts can also be made without an explicit ethical formulation.

According to Sweetman (2009, 11) it could be more fruitful to focus on business-based peacebuilding than to analyse all corporate behaviour in conflict zones. Most existing studies encompass at least the three forms of positive interaction by businesses as presented by Nelson (2000). By concentrating on behaviour that goes beyond mere compliance and risk minimization, in other words focusing on business-based peacebuilding or value creation, one might be able to discover new correlations and connections that are not evident as a part of a larger whole. (Sweetman 2009, 11.)

In addition, focusing on business-based peacebuilding avoids complex concerns regarding private sector behaviour in areas of conflict that deserve their own independent treatment. Topics such as the malpractice of PMC’s or regulatory efforts for natural resources have been better addressed elsewhere and are not per se pertinent to analysing and developing “best practices” to those companies that choose to become positively involved in a conflict. The raison d’être of business-based peacebuilding is not to somehow prove that all companies, or most companies, contribute positively to peacebuilding. It is to study what those companies that do make a positive contribution do. (Sweetman 2009, 11.) The above pinpoints the practical relevance of business-based peacebuilding.

Certain companies are making innovative contributions to social and environmental well-being through their core business strategy and processes or their very business idea. Some of the most interesting private sector peacebuilding strategies include business efforts. These efforts aim to reduce poverty, foster peace and enhance environmental quality and, at the same time, make a profit out of it. (Suder 2006, 185.)

Bottom-of-the-Pyramid or Base-of-the-Pyramid (BOP) is a business outlook easily integrated into business-based peacebuilding or the idea that functioning market economies have peace promoting effects.

Management professors C.K. Prahalad and Stuart Hart (2002) have conceived a novel approach to bring the private sector expertise to tackle some of the world’s most crucial problems. They convince and advise MNC’s how to reduce extreme poverty and in doing so global instability, and simultaneously earn significant profits. Prahalad and Hart dispel the illusion that the world’s poorest do not constitute a market, that they have nothing to spend and that there are no profits to be made by serving them. (Suder 2006, 185.)
BOP-strategies have the potential to reduce the risk of disease, terrorism and insurgence caused by poverty, by giving the poor access to better and affordable products and basic services. (Suder 2006, 185-6). “The use of commercial development to bring people out of poverty and give them a chance for a better life is critical to the stability and health of the global economy and the continued success of the Western MNC’s” (Prahald & Hart 2002, 4). The discussion is brought back to Ahtisaari’s notion on equity and the importance of a sense of fairness to a peaceful society (Hiilamo et al. 2013).

Referring to the ILO’s 2001 World Employment Report, roughly third of the world’s work force are either underemployed or have such low-paying jobs that they are unable to support themselves or their families. Helping these disenfranchised, nearly a billion people, to elevate themselves above this desperation line is “a business opportunity to do well and do good”. Two interventions are crucial in achieving this: providing access to credit and increasing the earning potential of the poor (Prahald & Hart 2002, 6.)

Regarding the business logic of companies, strategies for the BOP-market can flow from four different market dynamics – price performance, views of quality, sustainability and profitability (Prahalad & Hart, 6). Whether reducing resource intensity, maintaining recyclability or using renewable energy (Prahalad & Hart, 6), sustainability in these forms is wealth creation in a very pure form, and while one could have doubts over the ease and profitability of BOP-strategies, in general they are able to create an immense added-value in the everyday lives of world’s poor and in doing so, businesses are potentially practising business-based peacebuilding.

Recently, Harvard business guru Michael Porter with Mark Kramer (2011) introduced “the big idea” of “creating shared value”. The principle of shared value involves economic value for business but additionally the creation of value for society by addressing its needs and challenges. In the shared value model societal issues are at the core instead of remaining stuck in the periphery as in the CSR mind-set. (Porter & Kramer 2011.)

According to Porter and Kramer companies view value creation narrowly, miss the most important customer needs by optimizing short-term financial performance and ignore the broader influences crucial to their longer-term success. Otherwise, companies would not overlook the well-being of their customers, the depletion of natural resources vital to their businesses, the viability of key suppliers and the economic distress in the communities in which they do business. On top of this, governments through their feeble regulation have often made shared value more difficult to achieve. (Porter & Kramer 2011.) For instance, Lovins, Lovins and Hawken note that in the United States at least, the private and the public sector have had a tradition of systematically
rewarding companies for wasting natural resources and penalizing them for boosting resource productivity in their business operations (Lovins et al 1999, 156-7).

Lastly then, for the business sector to contribute to peace, it does not have to radically transform businesses themselves, entire economic systems and the relationship between the individual and economic exchange in order to achieve social change through ‘peace business’ as prescribed by Galtung, Jacobsen and Brand-Jacobsen (2002).
3. PEACE THROUGH COMMERCE: DOING BUSINESS WITH ENLIGHTENED PRAGMATISM

3.1. Private Sector as a Contributor in Peacebuilding and Conflict Prevention

“The private sector has been engaged in areas of conflict and its aftermath ever since international trade began. It plays a role in many ways – positive and negative, direct and indirect – and has always done so.” (Nelson 2000, 14.)

The proposition about the peace promoting effects of commerce and trade is not a novel one. Montesquieu, Adam Smith and others have argued that the spirit of capitalism, or trade in general, has the ability to extinguish cultural and social monotheism, counter violent passions of war and abusive political power and temper fanaticism and intolerance (AACSB International 2006). Richard J. Roberts of New England Biolabs who won the 1993 Nobel Prize for Physiology or Medicine argues strongly in support of commerce: “It tends to promote peace, not war…. By practicing science and staying aware of commercial possibilities, I believe that the cause of peace can be promoted” (Roberts 2004 quoted in AACSB International 2006). Research in peace could make inferences on the effects of scientific ability and education in fostering peace.

Regardless of the not-so-recent worldly notions on market economies and peace, prior to 1995, virtually no scholarly work on the role of business in peacebuilding existed that focused on corporations, not states, as primary actors (Sweetman 2009, 12). Jane Nelson’s report “The Business of Peace” (2000) can be recognized as the first major analytic work on business-based peacebuilding (Sweetman 2009, 23). Because of the newness of this analysis, accounts of business-based peacebuilding are exploratory in nature, often combining descriptions of ongoing programs with normative worldviews on future. Additionally, these analyses have highlighted aspects of positive private sector contributions while criticizing business activities that have exacerbated or perpetuated conflict. (Sweetman 2009, 12.)

This thesis does not dramatically differ from the abovementioned, but by instilling and integrating a Finnish business perspective into the discussion, fresh insight and concrete notions could be drawn about the business context in peace and conflict, the relevance of peacebuilding for Finnish companies and their importance to the peacebuilding practitioners work in a globalized world.

The exploratory nature of business-based peacebuilding has remained, for a number of reasons. Firstly, companies doing peacebuilding on their own might self-censor their activities and achievements. If their efforts produce competitive advantage companies are keen to play down their work and publicizing failed cases makes little sense. Secondly, programs which are run without
collaborating with conflict resolution or development organizations are more difficult to track and evaluate. The third reason is the simple fact that these programs are undertaken in areas in which conducting thorough and objective research is a difficult feat. (Sweetman 2009, 12.)

There does not exist a simple and clear regime of incentives to encourage investment in peacebuilding by companies, yet companies do take this role and relate to the matter (Gerson 2000, 144). Globalization has predicated that business actors have global operations farther from their home country and increasingly in areas which are subject to violent conflict. Businesses seem to be taking a proactive role in the countries they do business in, regardless of conflict, largely due to pressure from transnational advocacy groups which form the corporate responsibility movement. (Sweetman 2009, 13.) Peace, or the general concern for human rights as its surrogate, is becoming a larger part of the message of CSR groups (Haufler 2001, 6).

The growing acceptance of and number of enquiries in multi-track approaches to conflict prevention and resolution has placed increased expectations on companies, especially TNC’s. This has further generated pressure on these companies to play a more proactive role in peacebuilding. Failing to play a proactive role in the development of a given working environment or, even worse, being seen as responsible for, or complicit in, creating or exacerbating conflict there, means that a company will probably attract negative media attention, NGO campaigns and consumer boycotts. (Nelson 2000, 14.)

International companies are under ever-increasing competitive pressure to create shareholder value while the pressure is also on from consumers, governments, ethical investors, the media and pressure groups to create social value. At the very minimum, corporations are expected to comply with international laws and standards and to ‘do no harm’. (Nelson 2000, 14.)

Sweatshop exploitation, environmentally degrading extraction of natural resources or corrupt business practices are not likely to produce much peace. They are more likely to build resentment, social exclusion and misery that can lead to an escalation into violence. Schipani’s and Fort’s (2004), and Fort’s (2007) main argument is that there is “a happy coincidence between anthropological, political and economically determined attributes of relatively non-violent societies and consensus-based recommendations for ethical business behaviour”. Thus, following commonly accepted recommendations for ethical business practices may reduce violence and have a positive effect for peace. (Suder 2008, 49-50.)

Fort and Schipani (2004) started referring to this academic topic as “Peace Through Commerce”. The foremost practice this policy would propel is economic performance. Indeed, a clear relationship existing between poverty and violence, businesses can help countries to build economic
capabilities. This being particularly true if their operations exceed mere extraction and add value to the larger economy. (Suder 2008, 49-50.)

A second business practice which can have a peace-promoting effect is adherence to the rule of law. A correlative linkage has been established that those countries which are the most corrupt tend also to resolve their disputes with violence. Company policies that discourage bribery contribute to a social milieu that leads away from violence and towards non-violent dispute resolution methods. (Suder 2008, 50.) In 2002, Milton Friedmann conceded erring in his advice to transitional economies that attempted to leave communism behind after the fall of the Soviet Union: “privatize, privatize, privatize…but I was wrong...Privatization is meaningless if you don’t have the rule of law” (Gwartney, Lawson et al. 2002, xvii-xviii).

The third practice of Peace Through Commerce is building a sense of community. The first way this sense is built is externally. Companies are expected to be ‘good corporate citizens’, behave culturally sensitively and environmentally responsibly. A sense of community is also internal. Companies should build their organizations so that they are communities – empowering employees with voice, respecting human rights and, to the extent possible and applicable, fostering gender equality. (Suder 2008, 50.)

The consideration of business as an agent of peacebuilding originates from a Multi-Track approach to diplomacy. This approach assesses traditional diplomatic efforts (Track One) as unable to adequately address long-rooted conflicts, even when supplemented with unofficial efforts by governments (Track Two). Peacemakers should take advantage of a series of other ‘tracks’, including individuals, non-governmental organizations and businesses, who are seen to construct the Track Three. (Diamond & McDonald 1996).

According to Diamond and McDonald (1996, 52), proponents of the Multi-Track approach, the role of business in conflict, beyond generating profit is to “build relationships and create pathways for communications and joint action.” Analogous to the Peace Through Commerce mind-set, businesses can support peacebuilding by helping improve economic conditions and through the diversity they naturally support when operating across cultures. Seen in this way, businesses act as effective messengers, in effect becoming ‘the exchange mechanism’ of a particular multi-track system, for instance, by providing useful information to outside actors during a crisis (Diamond & McDonald 1996, 56-7).

As one takes the different concepts of this paper under consideration – whether business-based peacebuilding, Peace Through Commerce, capitalist peace or multi-level governance – they all share the same core foundation with C. Andrew Marshall’s (2012, 25) argument about the relative declined primacy of great power interventions and large multilateral organisations in global security.
governance. Marshall’s (2012, 25) point is that the field of conflict resolution has undergone a series of reasonably dramatic changes since the end of the Cold War, among them the multiplicity of new peacemakers, which includes private diplomatic initiatives and negotiations between principal political actors at the leadership level facilitated by non-governmental organizations.

Marshall (2012, 28) defines private diplomacy as “a form of non-intrusive diplomacy run by a non-state actor designed to create space for armed opponents to engage in unrestricted dialogue on ways and means of peacefully resolving their conflicts”. Despite of the sensitivity and diversity of this type of activity, peace mediation has become a prominent ingredient of international politics and private diplomatic efforts constitute a growing and accepted component part of it (Marshall 2012, 28).

The same applies to the role of private sector in peacebuilding in general. There does exist evidence of companies engaging in a form of non-intrusive diplomacy, for example UK-based Lonrho and its CEO Tiny Rowland’s role as a ‘business diplomat’ in facilitating the peace process between the government of Mozambique and Renamo, but it remains a controversial role for companies to take (Nelson 2000, 21). While this type of activity is within the conflict resolution sphere of business-based peacebuilding it is not what business-based peacebuilding is centrally about.

Business sector contributions revolve more around the argument that corporations should maintain socially and environmentally responsible business practices and cultural awareness robustly and continuously in relation to their core business operations and remain committed on a corporate level. The central issue of conflict resolution and peacebuilding by business actors is not about businesses taking a politically driven role in fragile conflict situations. Even if there has developed a private governance space for companies, without discreet and clear ‘rules of the game’, it is not altogether evident how different private actors enter and participate in this space.

The recent progression of international humanitarian and human rights law has conversed into an increased risk of transboundary litigation for companies accused of human rights abuses or complicity in such. At the same time, the growth in the activities of non-governmental pressure groups, the international media and the internet have clearly propelled the risk of reputation damage into new heights concerning accusations of corporate-related human rights abuse in conflict situations. These two factors, combined with ‘on-the-ground’ costs of risk management and material losses, means that few companies operating in such weak governance environments can afford to ignore their links to existing or potential conflict. (Nelson 2000, 15.)
Nelson (2000, 28) condenses corporate responsibility in three strategies which serve as a foundation to start thinking about different business-based efforts on peacebuilding and conflict prevention. The three strategies are compliance, risk minimization and value creation.

Compliance means that at the very minimum, companies should comply with national regulations even if the host countries are not effectively implementing or monitoring these. MNC’s, in particular, should benchmark their local practices against internationally agreed laws, conventions and standards. (Nelson 2000, 28.) International business largely concurs. The three largest international business associations, stated in a policy brief that companies ‘are expected to obey the law, even if it is not enforced, and to respect the principles of relevant international instruments where national law is absent’ (IOE 2006, 4).

The second strategy is risk minimisation. Beyond basic compliance, companies need to be aware of their real and potential socio-economic, political and environmental impacts and their ability to create or exacerbate violent conflict. Building on their awareness, companies should implement procedures which aim to minimise any damage that might result from their business operations or the operations of their business partners. (Nelson 2000, 28.) Risk minimisation or ‘do no harm’, is directly linked to the social license of company operations. It is therefore particularly relevant for industries with a heavy footprint on society and the environment, such as mining, with their significant water requirements, large sunk costs and social effects. There are always some companies which are not sufficiently aware of their impacts or which do not credibly engage with their different stakeholders when problems arise. Recently in the Nordic countries, where the organizational and corporate culture is adjudged as the most transparent and trustworthy in the world, there has emerged cases with serious negative political, social and environmental impacts.

Norwegian fertilizer firm Yara pleaded guilty of paying millions in total in bribes to suppliers in Russia and to senior government officials of the Gaddafi regime in Libya (Reuters 2014). Talvivaara, where the Finnish state is a shareholder, has been targeted by the media and local community to accept proper responsibility of its toxic waste management and the pollution it is causing to nearby water resources in North Eastern Finland (MTV3 2014). Lastly, the operating procedures of the Thai supplier of pineapple juice concentrate to Finnish consumer goods chains, S-Group, Kesko and Tuko, indicated to the use of forced labor and human trafficking (Finnwatch 2014). The Thai supplier responded to criticism by taking legal actions against Finnwatch researcher Andy Hall (Finnwatch 2016) after which S-Group publicly came into the defence of Hall in the ongoing legal process (S-Group 2016).

The third corporate responsibility strategy is value creation. According to Nelson (2000, 28) value is created when companies “proactively create positive societal value by optimising the
external multipliers of their own business operations and engaging in innovative social investment, stakeholder consultation, policy dialogue, advocacy and civic institution building, including collective action with other companies.”

Nelson recognizes seven characteristics of the contemporary context of business in these circumstances which should motivate and encourage companies to become involved in peacebuilding. These are privatization, liberalization, increased importance of emerging markets, technological change, increased social expectations, global competitiveness and changing ‘governance’ structures. (Nelson 2000, 16-7.)

The first three factors are undoubtedly part and parcel of the economic and political transformation of the late 20th century around the world – in a globalized world economy state-owned companies have turned private and new markets have opened their doors to foreign investment drawing company operations, assets and personnel closer to conflict. (Nelson 2000, 16.)

The rise of new technologies has undoubtedly increased the reach and scope of the private sector. This technological change has not only created new market opportunities and competitive pressures for businesses, but is considered an essential foundation of the work and achievements of global civil society movements. (Nelson 2000, 16.)

Many would concur that while privatisation and liberalisation have transferred assets and power to the private sector, in the same way democratic and technological developments have transferred other forms of power or empowerment to civil society and private individuals. A strong focus of the activities of CSO’s has been a resonant call for greater accountability on the part of governments and global business. Whilst facing rising social expectations, in global competition the competitive situation of companies is ever more dramatic and unforgiving. Therefore companies must stay more responsive than ever to the commercial agenda as well. (Nelson 2000, 17.)

The final motivating factor for companies to do peacebuilding was in a sense already suggested by referring to Diamond and McDonald’s (1996) Multi-Track approach and Marshall’s (2012) notion of private diplomacy actors. Nelson (2000, 17) centers the concept of contemporary governance as being “increasingly about balancing the roles, responsibilities, accountabilities and capabilities of different levels of government and different actors and sectors in society.”

Thus, business, like all other actors, faces new challenges. In the longer term, these changes and developments offer a potential for more effective and accountable governance structures and more active and open civil society. However, during the transition process concerns might emerge of the relative roles and responsibilities of different actors or their vested interests operating against change. This increases the potential for conflict. (Nelson 2000, 17.)
Nelson continues with the notion that there are many costs associated with conflict to businesses. These include security and risk management costs, material losses and opportunity costs related to e.g. suspension of work or disruption in trade links, capital costs, personnel costs, litigation costs and reputation costs. (Nelson 2000, 22-23.)

Furthermore, David Wernick explains that the terrorist attacks of 9/11 altered the international business environment in a single, fundamental sweep (Suder 2006, 59-73). Beyond some of the direct costs listed by Nelson (2000), international firms now face a number of new macro-level concerns, among them the disruption risk by possible attacks against key suppliers and the global commercial infrastructure, for example information networks, airlines or sea freight. There is also the concern that hastily enacted antiterrorist regulations might disrupt well-oiled supply chains and burden them with layers of bureaucracy and uncertainty. To view terrorism in a traditional sense as a country-specific political risk factor is anachronistic in a technologically driven global economy and thus, new approaches are needed to assess and manage such geopolitical risks confronting international firms. (Suder 2006, 211-2.)

The way companies are affected by conflict can vary. Goulbourne identifies three risk factors which relate to the susceptibility to costs in conflict. The factors are company sector, size and location, meaning that companies in sectors with deep footprints, such as the extractive industry, that are large enough to attract the attention of combatants and are located near areas of conflict, are most likely to suffer from the costs of conflict. (Goulbourne 2003, 6-7.)

Sweetman (2009, 49) sees that in the discussion of business involvement in peacebuilding, the seven motivating factors described by Nelson (2000) are deficient. The factors are deficient in that they are all external to the companies themselves. To Sweetman, Nelson’s explanations fail to realize that there are internal changes in businesses which correspond to the external motivations. Therefore, it would be inaccurate to presume that the changing nature of governance structures that allow for non-governmental governance would automatically pull in business actors. There are examples of companies that have received societal pressure to assist in a conflict but opted not to engage in business-based peacebuilding. (Sweetman 2009, 49.)

Globally operating companies have become more vulnerable to pressure from what Keck and Sikkink described as Transnational Advocacy Networks. These networked actors coordinate around an idea and take action in different locations around the world, their primary function being pushing for ‘norm implementation’ and behavioural change. (Keck & Sikkink 1998, 3.)

Wenger and Mockli perceive this issue a bit differently arguing that four reasons explain the greater corporate involvement in peacebuilding. First, intra-country conflict, which has replaced inter-country wars, does more damage to business; second, notions of the scope of national security
have expanded to include businesses; third, conflict prevention has become an important issue of global governance, and finally, it is also increasingly becoming a corporate governance issue. (Wenger & Mockli 2003, 2.)

For globally operating companies it is already commonplace to voluntarily adopt social and environmental standards or guidelines associated to controversial public policy issues instead of relying solely on external regulation. These standards are often higher than governmental regulation and, while remaining voluntary, they can complement or supplement governmental regulation in socio-political areas, especially in countries that have a weak regulatory capacity. (Haufler 2001, 29.) During the past thirty years or so, the separation between the public and private sectors has become less rigid and state intervention to the national economy has been reversed by a wave of privatization and deregulation, i.e. forces of globalization (Haufler 2001, 15). Haufler (2001, 15) adds that ‘much of the new private sector governance responds to gaps in global governance that stem from the lack of overarching comprehensive regulation of corporations on an international level’.

So then, as Sweetman (2009, 25) points out, the motivation for transnational companies to auto-regulate their behaviour should arise from the same conditions that Haufler (2001, 3) states valid for cases of industry self-regulation: a high risk of government regulation, relatively low economic competition and high asset specificity, high probability of transnational activist pressure and high levels of information exchange, learning and consensus within the industry.

Companies that practice business-based peacebuilding usually seem to do it out of a recognition of ‘enlightened self-interest’ incorporating the wellbeing of the society and the natural environment around them into their business decisions. The internalization and institutionalization of a CSR-influenced business philosophy has opened up the possibility of businesses taking action outside their core business practices and incorporated social concerns into the practices themselves. As the range of options possible within normal business has expanded, similarly, the venues in which businesses can act grew in number also. In sum, it is not just that space for new kind of governance emerged, but that internal developments pushed businesses to fill it. (Sweetman 2009, 49.)

In terms of companies being agents of conflict ‘intervention’, Nelson (2000, 30-34) endorses five principles for companies which work in areas of conflict:

- Strategic commitment from the CEO and Board levels. This can include public commitments to conflict prevention and establishing policies, principles and operating standards linked to specific issues.
- Risk and impact analysis. Companies should evaluate the impacts of their actions on conflicts.
- Dialogue and consultation. Companies need to identify and engage with key stakeholders on a regular basis.
- Partnership and collective action. Companies should develop and invest in mutually beneficial and transparent partnerships with other companies, governments and NGO’s on conflict issues.
- Evaluation and accountability. Companies should identify key performance indicators for assessing their social, economic and environmental impacts and relationships and monitor the company’s progress in relation to these indicators.

Rigorous and continuous analysis is central to a company’s understanding of the context in which it is operating and the options it may have for engaging in conflict prevention or resolution. Forged by such analysis, these options should be able to safeguard the company’s business interests while also contributing to wider social interests. Achieving the above requires an understanding of the nature of the conflict, the role and relationships of other actors and the characteristics and constraints faced by the company itself. (Nelson 2000, 31.)

Understanding and acknowledging the social, economic and political context of conflict is the sine qua non of outside involvement, whether political, commercial or humanitarian and within that broader context, outside actors are to be held accountable for their engagement and the impact of their activities (ICRC 2000 quoted in Nelson 2000, 35).

Affirmatively, the analytical understanding of the conflict context is thus a basic fundament of business-based peacebuilding efforts. Nelson (2000, 36) finds that the proper business-based interventions are determined by a number of factors, including the causes, stage, and location of the conflict; the role, power, capacity, and relationships of different actors; and the type of company’s industry, size, history, ownership, and spheres of influence.

Business risks and responsibilities vary depending on the location of the conflict relative to the company’s sphere of control, influence and interest. The imperative for direct action to prevent or tackle a conflict is far greater when the situation is affecting, or is likely to affect, the company employees or the local community. (Nelson 2000, 48.)

On the other hand, big ‘footprint’ actors, with capital intensive investment and a high public profile, such as extractives, usually bear higher conflict-related risks and responsibilities than tourism, often labelled as a pro-peace industry (Nelson 2000, 58). Even companies operating with the greatest integrity and moral resolve can get ‘caught in the middle’ of power struggles between national and regional level authorities or grievances between the government and local communities (Nelson 2000, 49).
Nelson (2000, 64) categorizes three possible company actions in a conflict context: core business activities, social investment and policy dialogue. Sweetman articulates core business activities as “anything related to the provision of the good or service produced by the company”. These can refer to employee recruitment policies, marketing or operations. Social investment are, as a matter of fact, non-core resource expenditures including, for example, building infrastructure or providing health services, while dialogue can refer to informal community-level discussions with the affected local residents by the company or maintaining open communication with the national government. (Sweetman 2009, 26.)

Bais and Huijser are critical of dialogue efforts by business actors in conflicts as this not their proper role. Mediation between warring parties requires an expertise which is fundamentally beyond the core business of MNCs. They stress that how MNCs can contribute to preventing and solving conflicts is actually through their core business. (Bais & Huijser 2005, 12-13.) Former Heineken CEO Jean-Louis Homé concurs: “Being a direct actor in peace building is not the vocation of a company. If, as an enterprise, you act within decent rules, then you are part of the stabilization of the country” (Bais & Huijser 2005, 47-48). Homé, not unacquainted with doing business in conflict regions, sums up his leading principle: “We are a factor, not an actor. You are part of the game, but you have to stay a factor” (Bais & Huijser 2005, 40). According to Wenger and Mockli (2003, 131) companies tend to value stability above all, which is why business should not take over functions normally handled by the government organizations.

As to social investment, in private sector efforts to peacebuilding, expectations usually revolve around the financial resources of the company. The ability of companies to provide funds to address deeply-rooted socio-economic problems is clearly important, but it should not be understood as the sum of the private sector’s role. (Killick, Srikantha & Gündüz 2005, 10.)

The Finnish bakery and confectionery company Fazer’s campaign in 2012 to donate five eurocents from the purchase of a certain product sold to building a school in Coté d’Ivoire went awry when the Finnish public and consumers turned on to the company for giving an appearance of socially responsible business, while making a sizeable profit out the cocoa industry riddled with its well-reported supply chain issues, such as child labour and conflict economy (HS 2012).

Interestingly, media commentators and ordinary consumers did not seem pleased by the campaign, not because it was able to provide a school for African children, but because to them the company did not act out of ‘pure’ philanthropy, but more out of its business interests – actually its core business activities, like brand management and marketing. Killick and others’ (2005, 10) notion could be seen as sympathetic to both sides in pointing out that as much as the private sector
can do to support education, health programmes or local business development, these activities should specifically focus on groups or issues pertinent to the conflict.

3.2. Implementing Business-Based Peacebuilding Approaches

Regardless of Jean-Louis Homé’s earlier view on businesses as a mere factor, not an actor, the academic work of John Paul Lederach (1997) conceptualizes peacebuilding as a process of a number of actors working across the levels of society and addressing issues, relationships and to some extent systems. Lederach (1997, 33) recognizes that the key dilemma of peacebuilding is coordination of the different peacebuilding activities and programs occurring in a conflict up to an extent that these activities would collectively produce reconciliation and positive peace.

Local businesses\(^2\) are then, by definition, part of the existing conflict context, as well as part of the peace constituency. They constitute a powerful section of society, in terms of political leverage or commercial services, with various linkages to different social and political actors and strata, through business actors, but also within the third sector, along cultural, ethnic or religious lines. The relationship of local business is rooted to the conflict making the peacebuilding role of business potentially crucial. (Killick et al. 2005, 5.)

Given this highly ‘networked seat’ that the private sector holds in the society, Killick, Srikantha and Gündüz suggest an addition to Lederach’s three-tier understanding of the peacebuilding potential of societies (Figure 1). Business people are strategically positioned to act in different ways and are represented at all levels. (Killick et al. 2005, 5.)

---

\(^2\) Killick et al (2005, 5) define local business as all private economic actors, including business associations and chambers of commerce, originating from and based in a country of conflict.
Four generic underlying conditions are important in promoting and sustaining the role of the local private sector in conflict resolution and peacebuilding. The conditions are a widespread recognition of the business interest in peace, an influential and diverse private sector, the private sector should be perceived as relatively independent and positive by the conflict actors, and finally, there must be leadership in conflict resolution by individual champions. (Killick et al. 2005, 6.)

There are different levels on which these conditions are required to exist, as Figure 1 suggests, and they are dependent on the nature and scale of the conflict. A specific conflict at the grassroots level does not necessarily need an influential national private sector, but a locally respected business community. These conditions serve as a baseline framework for analysing whether the private sector should become involved in a given conflict situation, in what ways can it best contribute and how could the contribution of business actors be maximized. (Killick et al. 2005, 6.)

It would seem that there are plenty of academic work which converses on the factors which can lead to business-based peacebuilding’s successful contribution. However, as Sweetman notes, no one has developed an adequate measure of what success would be. Many would encourage the thought that companies conduct periodic conflict assessments. Nelson, for instance, urges companies to set key performance indicators and monitor their progress in relation to these indicators. The greatest caveat of the business-based peacebuilding discussion is the fact that no one
has been able to develop an analytical tool capable of determining the direct or indirect impact of the different private sector efforts on an ongoing conflict or conflict process. (Sweetman 2009, 27.)

Sweetman’s take on the matter is that the complexity of violent conflict is a large part of the problem. There will in high probability be many other peacebuilding efforts at work in the conflict area than efforts by the business actors. (Sweetman 2009, 27.)

If the conflict situation improves, how much of that can be attributed to the business actions, and how much to other efforts? In case the conflict worsens, is it in spite of business-based peacebuilding? Perhaps some of the conflict was avoided through private sector action? Establishing causality is a difficult task in peacebuilding theory, thus the lack of analytical tools means that one cannot comprehensively establish what exactly would be a success. Sweetman points out that this warrants caution in approaching the different factors which are claimed to lead to success in business-based peacebuilding. (Sweetman 2009, 27.)

In spite of the significant overlap of corporate interest in establishing a stable, positive peace and the conflict transformation agenda, most companies are still disconnected from this debate, questioning their involvement in peacebuilding or conflict transformation. From the perspective of companies, a conflict is something that the companies have no control over and therefore there would seem little point in becoming involved.

The externality of business actors from conflict is represented by three different facets: the lack of a shared definition of conflict, different definitions of the scope of conflict and different objectives of conflict transformation efforts. (Zandvliet 2011, 361-2.)

According to Zandvliet, the idea of business-based peacebuilding suffers from a *relational gap*. Stakeholders which are active in the conflict do not communicate effectively and focus on their differences instead of mutual interests. This adds up to a low trust between corporate actors and NGOs. Additionally there is a *content gap*, referring to the fact that companies are non-strategic in their conflict analysis. The companies that have an early warning system or conduct comprehensive political analysis are very few. (Zandvliet 2011, 371-3.)

Outsiders often opine that the political and economic leverage of companies can be applied to address any kind of conflict at any time. Zandvliet considers that in reality a company’s ability to effectively implement and succeed in conflict transformation efforts depends on two important factors: the level of conflict and the timing of the intervention. (Zandvliet 2011, 364.)

To determine what is the appropriate action for a company to take, conflict levels are defined as national or macro conflicts, which develop outside the direct working environment of the company, and as local or regional conflicts, which take place closer to the grassroots level in those areas where the company presence has a more direct impact. Companies can have an impact on either
conflict level, but their ability to do so effectively varies over time. The ability to affect macro conflict change decreases, while the ability to affect regional and local conflict increases with time. (Zandvliet 2011, 364.)

On the macro level, prior to closing an investment a company wields a relatively high degree of leverage over the authorities that are keen to attract foreign companies’ capital. Companies can demand conditions in their investment agreements with regimes. The bargaining power will decrease once a final investment decision is made and the investment starts to accrue sunk costs, for example, due to construction of a plant or setting up a mine. On the local level, the leverage to impact conflict, positively or negatively, increases over time. A longer on-the-ground presence provides the company with a better understanding of the local context by being able to distinguish the root causes of conflict from its manifestations and agents of conflict change from spoilers, and it increases its ability to use its resources to affect conflict dynamics in the grassroots level, by providing additional employment and business opportunities, employee training, community awareness and other efforts. (Zandvliet 2011, 364-5.)

Distinguishing between individual companies and the larger business community as a conflict transformation entity could be perceived as an important achievement indicating that the business community is not monolithic as to its capacity to transform conflict but in fact dynamic and self-organizing (Zandvliet 2011, 375). Instead of original root causes or prescriptions on conflict types, companies are more likely to base their consideration over necessary action on the current topics of the conflict context or the ‘state of affairs’ (Sweetman 2009, 51).

Companies do not perceive themselves as doing anything political, but consider their actions in terms of business sense as in reducing the risk exposure to company operations and making efforts to creating a more constructive working environment. Companies remain unresponsive as to matters of ‘peace and conflict’ because the conflict transformation agenda is so disconnected from the business case. (Zandvliet 2011, 360.)

Following Zandvliet then, instead of passionate private sector attempts to bring macro-level solutions to conflicts, it might actually be more fruitful for companies to try to reap the benefits of acting locally, by remaining accessible and responsive on the community level, modifying processes and protecting the interests of the local context along with the operational environment of the company.

This is an example of what Sandole (1999) describes as the ‘two-culture problem’, arising from a divergence between actors attempting to eliminate the causes of conflict and those who are trying to deal with the process of conflict and interrupt the negative process (Sweetman 2009, 51).
The heart of the two-culture problem is the distinction between ‘conflict-as-startup condition’ and ‘conflict-as-process’, and the disintegration of startup conditions from the process. According to Sandole, the startup conditions stoke the conflict only in the beginning and beyond a point the conflict itself becomes the greatest cause of further conflict. Until conflict-as-startup and conflict-as-process are integrated and connected constructively, efforts to intervene in protracted violent conflict may backfire and exacerbate solving the conflict. (Sandole 1999, 131-2.)

The conflicts in which the private sector has been actively implementing peacebuilding efforts have almost always been long-term and moved into conflict-as-process. Therefore, the business approach of addressing current concerns instead of perceived ‘causes’ is justified. In fact, it is possible that businesses that implement business-based peacebuilding might be taking a more effective approach to conflict than many conflict resolution organizations. The concern described as the content gap (Zandvliet 2011), that companies view conflicts in a non-strategic fashion can be mitigated by advocating a more pragmatic focus on addressing what companies see, instead of conducting complex political analyses to devise a comprehensive peacebuilding scheme. (Sweetman 2009, 51.)

In spite of the merits of the earlier business-based peacebuilding research, they point out that there are some clear limitations of the current scholarship in business and peace. The originator of the business-based peacebuilding effort, individual-level effects of business activity and a focus on what business can provide instead of what is needed in conflict resolution, are among the critical issues overlooked by the discussion. (Sweetman 2009, 52.)

Much of the business-based peacebuilding literature is predominantly applicable to large-scale national industries and MNCs, but less so with small-scale business actors which would speak for a need for a different approach with local actors. Sweetman endorses separating business-instigated peacebuilding from business association-instigated business-based peacebuilding to enable SME participation in peacebuilding. (Sweetman 2009, 53.)

Collective business-based peacebuilding, usually organized through business associations, differs from company-focused efforts in scope and action. A number of authors have stated that business-based peacebuilding in collectives is more successful, however the question is not about unilateral or multilateral business initiatives in general, but about the type of approach best suited to current circumstances. (Sweetman 2009, 54.)

Companies, business associations, conflict resolutions organizations or international organizations approach business based peacebuilding in accordance with their experience in other areas (Sweetman 2009, 55). “Companies apply the lessons of CSR and improve the way they do business, business associations focus on networking and promoting a particular message (peace, in
this case), conflict resolution organizations try to initiate dialogue and international organizations form large-scale partnerships for large-scale projects. This should not be surprising, but it reinforces the fact that business-based peacebuilding is not a transformative response to conflict. **Instead, it is an extension of doing business by other means**” (Sweetman 2009, 55-56).

**3.2.1. Conflict Resolution Organizations, NGOs and IGOs**

One of the first conflict resolution organizations that actively sought the assistance of businesses to resolve conflict was Institute for Multi-Track Diplomacy (IMTD). The organization initially engaged businesspeople in East Asia, doing research on the business perspectives to peacebuilding in Taiwan and Hong Kong. IMTD’s general conclusion was that while top management was interested in peacebuilding, they were largely unaware of the resources for peacebuilding, which were available to them. The organization has been developing a business-based approach in the conflict in India and Pakistan in cooperation with Lahore University of Management Sciences and the Management Development Institute in India. (Sweetman 2009, 29-30.) IMTD’s main current activities in India include establishing a Peace Corridor between Sikh shrines across the Indian-Pakistani border engaging actively with the local community, the Sikh diaspora and the respective governments (IMTD 2014). One of IMTD’s key initiatives has been dialogue promotion and they have been pursuing a greater involvement of businesspeople in mediation and peace negotiation efforts (Wenger and Mockli 2003, 110-1).

Another example of a conflict prevention organization systematically endorsing collaboration with business is International Alert, an independent, non-governmental organization focusing on generating conditions and processes conducive to ending violence and impacting issues that are able to affect lasting peace. Since 1999, the organization has worked with businesspeople and MNCs responsive to a ‘conflict-sensitive’ approach in their business and who believe that being sensitive about local conflict, they can reduce the risks to their operations, but also contribute to greater stability and the company’s social licence to operate. International Alert states that they are one of the few independent organisations which has established the connection with business and peacebuilding and have actively engaged all key players in a pragmatic way. (International Alert 2014a.)

In 2005, International Alert helped to establish the Caucasus Business and Development Network (CBDN) which promotes greater economic cooperation across the conflict divides in Caucasus and the neighbouring Turkey. CBDN is a locally-driven initiative working with local entrepreneurs, businesses and international partners to support the regional economic environment by creating new platforms of regional economic cooperation, promoting different events, production lines and regional brands which cross the fixed divisions of conflict. The network
together with International Alert is building the conditions for peace by encouraging dialogue and economic cooperation in the absence of political resolutions. (International Alert 2014b.)

Safer Globe Finland, an independent Finnish peace and security research network dedicated to studying and developing tools for the promotion of lasting peace and security, has an ongoing research project to study the effects of conflicts on the operation of Finnish organizations and companies in fragile environments.

A key part of the project is the Conflict Compass web app which was launched in the autumn of 2014. The objective of the Compass is to help companies to construct their activity towards a conflict-reducing and peace building way of doing business. Utilizing the Compass, companies would be better able to map their operational environment, perceive the risks and possibilities that relate to their activities in this environment, and to assimilate the impact they have on peace and security. (Safer Globe Finland 2015.)

The actions taken by organizations such as IMTD or International Alert are driven by research and assessments, and so the approaches that they plan and endorse are based on existing knowledge more than improvised solutions to immediate problems (Sweetman 2009, 32). The same goes with Safer Globe Finland as well.

3.2.2. Company-Initiated Peacebuilding

Company-initiated peacebuilding refers to the approaches of businesses unilaterally implemented to promote peace. Four general groups of company-initiated action can be discerned. These are pure philanthropy and personal peacemaking, dialogue, social investment and core business practices. (Sweetman 2009, 32-3.)

It is unlikely that corporate philanthropy or personal diplomacy by business leaders will significantly affect business-based peacebuilding in the long-term. The funding of various projects and organizations that engage business in conflict areas is a necessary, but not a sufficient, condition for success. Ultimately, characteristics of the individual organizations and projects funded will be decisive. (Sweetman 2009, 33-34.)

The risks of undue influence and lack of democratic process are generally seen excessive when business diplomats, such as CEO Tiny Rowland, engage directly and unilaterally in peace negotiations. Working outside the agreed legal frameworks or the diplomatic cover of the United Nations is perceived as counterproductive. The link between engagement in peace diplomacy and protecting direct commercial interests is unacceptable and produces problems of unprofessionalism. Because of the delicate concerns over legitimacy and interest, these types of interventions generally raise little support. When it comes to diplomacy and peacemaking, there are far greater and more fluent roles for companies in collective efforts (Nelson 2000, 111.)
Dialogue is one of the most popular forms of business-based intervention (Sweetman 2009, 34). The high-level panels and fora of multinational companies and international business on the social issues and sustainable development have obviously coincided with the establishment of the corporate social responsibility agenda.

In addition to B2B-dialogue, major companies can also promote dialogue with the governments in those countries where they do operate. A commonplace practice for businesses is also to begin small-scale dialogue with local level stakeholders to understand and hear grievances and address concerns before the occurrence of violence. (Sweetman 2009, 34-35.)

Zandvliet’s (2011, 365) description of the relatively high degree of leverage companies command over authorities before an investment decision, can be a form of more strategic dialogue. This is done by securing agreements in congruence with and depending on the improvement of conflict conditions prior to making an investment. One company negotiated with the government of Sudan and made its investment conditional on Sudan signing and sustaining the Comprehensive Peace Agreement (CPA) that set in motion the process of South Sudan having a referendum on its independence in 2011. Another company in Colombia made its decision on additional investments to the country conditional on the government commitments to security sector reform. (Zandvliet 2011, 366-7.)

Companies also converse with their customers about possibilities to support conflict resolution. Body Shop ran advertisements around peace issues in Nigeria and Ben & Jerry’s peace campaign attempted to open a debate about the reallocation 1 % of the US government defence budget for peace work (Nelson 2000, 69), while Timberland and Benetton have carried out advertising campaigns that encourage increased ethnic tolerance and understanding of different perspectives in society (Nelson 2000, 116).

These campaigns can be a part of the private sector social investments. Social investment is a broad category of business-based projects, not necessarily focusing on conflict resolution. One common form of this category is providing education and health services to affected areas, another is donating the company’s products. Generally, many of these projects are intended to promote an environment in which peace can flourish and fit perfectly with the overall public relations agenda of high-profile companies. A more involved approach to peacebuilding through social investments would be to support the development or redevelopment of local businesses in the conflict-hit area, for example through training, purchasing decisions, supporting entrepreneurship or providing equipment. (Sweetman 2009, 36.)

Peacebuilding through core business practices is also a category of various approaches. It includes companies which have a clear mind-set of promoting peace simply by doing business in a
conflict area arguing that the conflict situation is improved by the fact that they stay and maintain their business in the country. Heineken, with the vocation of their former CEO Jean-Louis Homé, is a good example of this. (Sweetman 2009, 39.)

Some companies instead have modified their business practices such as employment or purchasing for the purpose of fostering peace, the products of certain companies contribute to peacebuilding as tools for peacemakers, and a few companies have structured their entire business around peace (Sweetman 2009, 39).

Acting with decent rules and staying in conflict-torn countries companies, such as Heineken, reason that while maintaining a business they are contributing to the wellbeing of the people, by keeping people working and protecting their workers on and off the job (Bais & Huijser 2005, 41). A number of companies that stayed in South Africa during apartheid, such as Mercedez-Benz and De Beers, instead of packing and leaving the country as demanded by the international public opinion, were able to positively contribute to the welfare of their employees and pressurize the regime by ignoring the discriminatory rules of apartheid (Sweetman 2009, 40).

Companies which move in quickly after a conflict has abated have a possible advantage over their competitors but also a possibility to contribute in a positive way (Sweetman 2009, 40). ABB, the Swiss-Swedish power and automation technology company, encouraged diversity and improved ethnic relations in the workplace through a programme that specifically brought together Serbs, Bosniaks and Kosovars in a joint endeavour to rebuild the damaged electricity infrastructure. In doing so the company assisted in ameliorating local human capital and strengthening small-scale business capacity in the Balkans (Nelson 2000, 68.)

Finally, there are companies organized around the goal of peace. PeaceWorks sells high-end gourmet food products in the US that are sourced by companies run and staffed by former combatants in conflict. The company’s mission is to maximize economic return while promoting co-operation in regions of conflict around the world. The company has a line of salsas and spreads manufactured with raw materials that are sourced from indigenous farming co-operatives in Chiapas, Mexico, which employ members from previously warring tribes. Another food item is a premium hazelnut chocolate bar produced by Arabs and Israelis side by side in a co-operative in Israel. (Nelson 2000, 117.)

3.2.3. Collective Business-Based Peacebuilding
A more effective way for companies to handle peacebuilding roles might be to work through business coalitions and existing business organizations. These groups use the same approaches than as individual companies, but are more likely to utilize more than one type of business-based
peacebuilding effort. As a result, the effectiveness of collective actions is more easily examined conflict-by-conflict (Sweetman 2009, 41.)

Probably the most classic example of a collective effort in business-based peacebuilding started to unfold when the Northern Irish branch of the Confederation of British Industry (CBI) published “Peace – A Challenging New Era”. This paper introduced the notion of a “peace dividend”, specifically describing the cost of conflict and the economic benefits of peace in detail. The paper was able to communicate the peace dividend as a frame for possible resolution of the conflict and when tourism increased and unemployment fell during the 1994 ceasefire, this approach grew in support. (Tongeren, Brenk, Hellema & Verhoeven 2005, 327-328.)

In 1996, CBI was joined by the Hospitality Association for Northern Ireland, the Institute of Directors, the Northern Ireland Chamber of Commerce and Industry, the Northern Ireland Growth Challenge, the Northern Ireland Economic Council, and the Northern Ireland Committee of the Irish Congress of Trade Unions. The G7, as the group became known, welcomed all political parties to their meetings in Belfast, brought American business leaders and the Commerce Secretary to Northern Ireland to promote investment and published hiring and management guidelines that promoted diversity for reducing tensions. The economic improvement attributed to the CBI’s actions was seen as a significant contributing factor to the signing of the Good Friday Agreement in 1998. (Tongeren, Brenk, Hellema & Verhoeven 2005, 327-328.)

Other cases of collective business-based peacebuilding include the work of the Consultative Business Movement (CBM) that was able to mediate between the conflicting parties in South Africa in the beginning and during the transition from apartheid. During the 1980s, CBM was able to open discussions with banned liberation movements and later, when the national level peace dialogue seemed to hit the wall, the organization managed to bring ANC back to the negotiating table. As a trustworthy and professional organization the CBM could de-politicize the management of multi-party discussions and negotiations in a politically tense environment. Additionally, after the signing of the National Peace Accord, CBM took on the administrative and organizational requirements of the new constitutional process, as requested by ANC and the de Klerk government. (Fourie 2005, 323-5.)

Colombia is another country where many collective business-based efforts for peace have been implemented. A mix of economic downturn and conflict provided the necessary catalyst for the private sector to found Vallenpaz (Corporación para el Desarrollo y la Paz del Valle y el Cauca), an business initiative led by the former Cali mayor, Rodrigo Guerrero. The initiative, established in 2000, aimed to support and rebuild local state institutions and promote the socioeconomic development of Valle and Cauca, regions controlled by the guerrilla troops. (Rettberg 2004, 8.)
The organization and its members endorse a structural interpretation of violence. Wide-scale poverty and state neglect in a specific area of a country are a limit to economic growth and an impediment to business activity in general, and the organization’s members saw a business-led intervention as necessary to fill the role of state in providing basic services and conditions for continuing business activities in the region. (Rettberg 2004, 8.)

Most of the financial resources of Vallenpaz were raised from institutional and international donors, such as the EU, the national Peace Investments Fund (FIP) and the U.S. government. The positive reputation and connections of former mayor Rodrigo Guerrero were crucial in fundraising. His leadership and negotiation skills can also be partially credited with the effective bargaining with the local guerrilla leaders. Vallenpaz’s activities have preceded contacting and negotiating with the local commanders to seek approval for entering different areas and avoiding any obstructions. (Rettberg 2004, 8.)

Rettberg summarizes the underlying motivations for the initiation and continuation of business-led peacebuilding, in the case of Vallenpaz. The actual or perceived cost of conflict is an obvious motivational factor. Additionally, the learning process in the generation of business-led peace initiatives is of crucial importance. Mayor Guerrero’s diverse professional experience has provided him with the necessary know-how, credibility and networks to maintain the engagement of the local businesses and negotiate with the paramilitaries. (Rettberg 2004, 9.)

Finally, the impact of company-specific traits on business-led peacebuilding is evident. Most of Vallenpaz’s members are medium-sized, fixed asset companies which are not only context-dependent but context-specific as well. Facing a conflict, few have the option the exit the economy or the capability to exert pressure to national policymaking on conflict management. The choices of these companies are limited to locally based approaches and their choice is made easier by being able to free ride on the benefits of peacebuilding financed mainly by external resources. (Rettberg 2004, 9.)

As illustrated by Figure 2, two groups of factors seem to play an important role in explaining business-led peacebuilding as a corporate strategy in a context of conflict. One group of factors relates to context. During the 1990’s in Colombia, the general conditions culminated into an increase in conflict costs, a severe economic recession and state absence regionally and in key policy areas. These are necessary conditions for business-led peacebuilding to occur, but not sufficient. Most Colombian companies faced the same challenges and only a few responded with a peacebuilding strategy. (Rettberg 2004, 16.)
Company-specific characteristics also matter. The sectoral affiliation, size, mobility and location of the company are important for identifying the availability of alternative courses of action for companies faced with conflict. Philanthropic background and know-how point at the institutional trajectories and unique company-specific learning processes fostering business-led peacebuilding. Lastly, the ability to free ride on external resources, financial or other, is an important element of private sector participation. (Rettberg 2004, 16.) Companies will probably abstain from investing their resources in peacebuilding if there is not a clear and severe enough threat directed at them or the security conditions are improved (Rettberg 2004, 18).

While reflecting on these contextual factors, Sandole’s (1999, 131-2) two-culture problem, the tension between addressing the ‘root causes’ of the conflict and applying an interruptive approach to the conflict, seems to have a salient function.

Sweetman argues sternly that business-based peacebuilding is much more suited to an interruption approach than a focus on the conflict’s start-up conditions. This is because of the limited geographic scope in which businesses operate, the fact that the most relevant benefits for a company relate to stopping hostilities in the immediate, and the very issue that the factors understood as causing the conflict might be different than those which cause the reoccurrence of the conflict. The deduction is then that business-based peacebuilding should be a pragmatic enterprise. (Sweetman 2009, 96.)

The two groups of factors provide guidelines for what motivates business-led peacebuilding, and inputs for a ‘best practices’ approach for policymaking. The chances of success are greatly improved if peacebuilding addresses issues that have direct relevance to companies. These could be worker training, community relations, strengthening local distribution networks and raising productivity and profitability through other forms of action. (Rettberg 2004, 19.)
4. EXPLORATORY INTERVIEWS ON FINNISH BUSINESS-BASED PEACEBUILDING AND CONFLICT PREVENTION POTENTIAL

As early as in Autumn 2013, interview as a method of enquiry started to take shape in the back of the researcher’s mind for a sensible research method for the preliminary research problems. Business and private sectors actors’ roles in peace and conflict seemed to be understudied and business-based peacebuilding could be expected as an unknown and irrelevant topic to discuss with a given company management. Applying quantitative methods to gather data of the peacebuilding efforts of Finnish business actors and to study the impacts of these efforts came across as cumbersome and unproductive.

On the other hand, with the ‘mini-proliferation’ of private sector instruments in the development policy of the government of Finland, and various innovation- or impact-based programs in the academia that concentrated on emerging and developing markets and development challenges, a group or community of experts, enthusiasts and interest groups started to surface while I began working on my thesis.

Furthermore, my working experience at the Finnish government-funded business partnership program, Finnpartnership, which tries to increase the commercial cooperation of Finnish companies with companies in developing countries and in doing so achieve positive development effects, and at Finnish Fund for Industrial Cooperation (FINNFUND) that provides long-term risk capital for profitable and sustainable investments in developing countries, served as a certain catalyst for the research interviews.

Through my working history then a vantage point was offered for a researcher to establish direct contact with relevant actors and experts in Finland. I also considered conducting expert interviews as offering benefits in time-consumption and a potentially fruitful way of collecting data.

4.1. Developing and Producing Knowledge through an Expert Interview Method

Schostak (2006, 8) considers representing experiences, realities and interests in the relation between the interview and ‘writing’ as a mutual process of reading and writing opening possibilities for emancipatory research strategies. Interview is not to be thought of as a tool but an encounter, involving negotiations, calculations and interpretations. If the neutrality and comprehensibility of the interviewees’ accounts could be assured, research would consist of simply asking, listening and typing. At the heart of the interview then, there are essential discrepancies, differences between views or a continual postponement of certitude and comprehensibility. (Schostak 2006, 15.)

Any move between the interviewee and interviewer then involves a degree of risk, a risk of misunderstanding, of misjudgement, of misadventure. An opportunity also lies in the interview to
increase the field of difference where new things to see, feel and think about multiply. New ways of combining differences into syntheses arise and new articulations can be uttered as a consequence. (Schostak 2006, 15.)

“The practice of the inter-view, whether as closed unity or open field of ever-expanding differences, begins in the encounter. What follows can only be mapped but not predicted by an emergent theory of the interview” (Schostak 2006, 17).

According to Bogner, Littig and Menz, through expert interviews the processes of data gathering can be less time-consuming, particularly if the experts can be considered as ‘crystallization points’ for practical insider knowledge. Expert interviews are then useful in situations where it can be difficult or impossible to gain access to a particular social field and the interviewees are able to function as surrogates for a wider circle of players. (Bogner, Littig & Menz, 2009, 2.)

Expert interview can offer a means to achieve results quickly. Also, it is usually beneficial for the research if the interviewer and interviewee share a common scientific background or relevance system. The expert’s level of motivation to take part is higher and the social relevance of the research usually needs no additional elaboration. Finally, during the interview the expert might indicate other potential interviewees and after establishing a good rapport with the expert, the researcher may have found an extended circle of experts now accessible. (Bogner et al. 2009, 2.)

Contemporary approaches have sought to achieve a closed unity of the account and the event and establish the trustworthiness of witnesses. Control over the messiness of reality is sought by creating various procedures to standardize interviews to reduce interviewer bias and establish certain bases for comparison and quantification. However, language as a method of representation in general is not that easy to control nor is the relationship between account and event so straightforward. Such attempts or plays for control add to the sources of distortion and bias and reduce the complexity of what is being witnessed into pre-ordained, or limited frameworks of categorization. (Schostak 2006, 16.)

To Schostak then, the dilemma is that what follows from the inter-view as an encounter can only be mapped but not predicted by any interview theory. The interview as an ever expanding field of difference and otherness – as inter-view – can be mapped and explored, but while including an element of uncertainty this risks misinterpretation. An interview as a closed unity administered by a legitimated procedure will produce texts capable of comparisons, measurement and generalization, but shall incur oversimplification and thus distortion. (Schostak 2006, 16.)

For the benefit of exploring expert knowledge, according to Meuser and Nagel expert interview as a method of qualitative research has been developed considerably in the past few decades. As more and more work has been published reflecting on methodological issues and dealing with gaps
in the scientific literature, they present an assumption that research into expert’s knowledge has gained in professionalism and quality. Meanwhile, globalization has triggered changes in modern societies that have affected conditions of the production of knowledge and knowledge-based expert systems. (Bogner et al. 2009, 17.)

These conditions can be described as constituting a basic plurality which cannot be grasped merely as an intensified coexistence of spheres of knowledge and viewpoints of experts. Besides this general diversification, this trend generates the transgression of the borders between spheres of knowledge. (Bogner et al. 2009, 17-18.)

From a pragmatic position, it is dependent on the researcher to define who can be identified as an expert. The features of expert knowledge that distinguish it from other forms of knowledge such as everyday knowledge or common-sense knowledge help the researcher to arrive at the definition of an expert. An individual is defined as an expert under the assumption that he or she has knowledge. The expert might not possess knowledge alone, but more importantly it is not accessible to anyone in the field of action under study. (Bogner et al. 2009, 18.)

“It is this advantage of knowledge which the expert interview is designed to discover, and it is an exclusive realm of knowledge which is highly potential because and as far as it is linked with the power of defining the situation.” (Bogner et al. 2009, 18).

Combining the pragmatic definition of the expert interview with the sociology of knowledge-perspective, a distinction between expert and lay person comes into sight (Bogner et al. 2009, 18). Earlier, Schütz (1964) has sought to establish the distinction between the expert, man on the street and lay person as ideal types of knowledge. The researcher, in accordance with his research objectives, ought to make the decision who he wants to interview as an expert, however, not as an arbitrary choice, but also related to the recognition of an expert as expert within his own field of action (Bogner et al. 2009, 18.).

Not every person that can be recognised in this way as an expert in a particular setting should be understood as a research informant, and Meuser and Nagel conclude following the work of Hitzler et. al (1994), that a person to be considered as an expert should possess “institutionalized authority to construct reality” (Bogner et al. 2009, 18-19). What is descriptive of expert knowledge is then its capability “to become hegemonial in a certain organizational and functional context within a field of practice” and in so influence and structure the conditions of actions for other actors in a relevant way (orig. Bogner & Menz 2002, 46; referred to and translated by Bogner et al. 2009, 19).

Departing from expert knowledge understood in a traditional sense, the changes in modern societies, as mentioned by Bogner et al. (2009), has meant that constructing reality has also evolved. New forms of knowledge production have evolved and complemented the traditional
specific relevances established within the various fields of action i.e. disciplines and professions. It seems that due to this development, expert knowledge’s link to a professional role is loosened, the sharp distinction between expert and lay person is weakened and the professional’s claim of exclusiveness for the relevances of her or his discipline is fading. The development is obvious in the forms of knowledge production as through Mode 1 or Mode 2. (Bogner et. al 2009, 19-20.)

The expert, as a professional, and expert knowledge, are a representation of a dominant form of knowledge production in modernity (Bogner et al. 2009, 20). Gibbons and others (1994) refer to this as Mode 1, in which knowledge is generated according to the cognitive and social norms of a disciplinary context and, in so far, is autonomous.

These norms are ‘imposed’ upon the expert and it is these norms alone which determine the expert’s behaviour (Bogner et al. 2009, 20). In knowledge production in a traditional sense then, experts could be understood as somewhat acclimatized, even confined, by ‘the usual catalogue’ of pre-established problems within a given field.

In Mode 2, the characteristics of Mode 1 lose their discriminating power and knowledge production takes place in wider, transdisciplinary contexts (Gibbons et al. 1994), and dissolution of the exclusivity to a discipline and the distinction between expert and lay person ensues. On the one hand, there is an increasing demand for expert knowledge capable of interpretation and orientation as forms and systems of expert knowledge proliferate and multiply. On the other, a paradoxical situation appears with the emergence of innovative transdisciplinary arrangements of knowledge production, new authorities of interpretation with their new relevances, network-based communication cultures and integrated forms of knowledge production which utilize and benefit from local knowledge and knowledge of lay people. Through the complex and concealed problems of societal change a world of counter-experts, counter-expertise and alternative publics has been established. (Bogner et al. 2009, 21.)

This is not a brief and passing trend, but an expression of the more inclusive institutional and transnational arena of discourse, contestation, and action presented by Ruggie (2004). Relevant counter-expertise can maintain its impact and begin an institution building of its own, often advancing adept personnel into positions of power. As they gain in experience and tenure, members of new social movements, NGOs and civil society networks tend to take over different political, social and cultural positions in the society. (Bogner 2009, 21.)

Knowledge production through Mode 1 is then exposed to systematic doubt as it needs to compete with expertise with origins in heterogeneous knowledge systems and spheres of interest. Mode 2, while being science-based, is transdisciplinary and incorporates local knowledge, experiential knowledge, viewpoints of lay people and others. As problems and imperatives of
Innovation are globalized and novel in many cases, expert knowledge created in the plural worlds of counter-experts becomes a demanded source – complementing the traditional Mode 1 form of knowledge production. (Bogner et al. 2009, 21-22.)

To Bogner and others (2009, 23), the status of the expert should be defined beyond the traditional understanding of the professional role and link it to ‘the relevances imposed upon’ the expert for a widened perspective and to explain the constitution of expertise in knowledge production.

Meuser and Nagel follow Gorden’s (1975, 199) description of experts as individuals “active in community affairs regardless of their position in the social status system”, i.e. regardless of them as ‘professionals’. Active participants in community affairs, or ‘activists’, can be members of citizen’s groups, relief organization or self-help groups which activities are not restricted to local contexts but are active on a global level. All of these actors acquire a special knowledge through their activity, but particularly because of their privileged access to information. A specific context and functional requirements apply and so their expertise is also socially institutionalized although differently from the expertise which is grounded on the role of the professional. (Bogner et al. 2009, 24.)

In sum: “The definition of experts as active participants emphasizes the specific functions such individuals have with regard to problems – whether by virtue of a professional role, or as a volunteer. Special knowledge acquired through carrying out such functions is the subject matter of the expert interview.” (Bogner et al. 2009, 24).

In “a regime of heterogeneity”, knowledge production takes place in a fragmentary way (Rammert 2003, 483, quoted in Bogner et al. 2009). With the expansion of expert systems, or Mode 2 knowledge production, there has been a massive proliferation in the technological and informational products of knowledge processes in the contemporary Western societies. Until recently, the pitfall of the discussion on knowledge societies has been a scant attention to the nature of knowledge processes and knowledge cultures, considering knowledge only as an intellectual or technological product rather than a production context in its own right. (Knorr-Cetina 1999, 6-7.)

The quality of knowledge is not only assessed by the colleagues, the ‘peers’, of a given discipline, but by heterogeneous groups of experts – a mixture of epistemic cultures (Rammert 2003, 488, quoted in Bogner et al. 2009). Nowotny, Scott and Gibbons (2001) reach out as far as depicting Mode 2-theory as re-thinking science.

With the changes towards knowledge-based societies, one can observe an increase in the non-explicit knowledge. In an intensified process of explicating and formalizing growing stocks of knowledge, the relevance of non-explicit knowledge becomes ever so clear (Rammert 2003, 484,
quoted in Bogner et al. 2009). This refers to collectively shared experiences, incorporated knowledge, rules of thumb, organizational routines or informal rules (Bogner et al. 2009, 30).

Instead of conceptualizing knowledge as the intellectual or technological product the emphasis should be put to “knowledge as practiced – within structures, processes, and environments that make up specific epistemic settings.” Conceding to the fact that the modern, affluent societies today are more and more expert systems, ‘society’ as we understand it, is thus to a significant extent constituted by the abovementioned epistemic settings. Epistemic cultures are the cultures of these knowledge settings. (Knorr-Cetina 1999, 9.)

That said, Meuser and Nagel (Bogner et al. 2009, 30) point out the operational knowledge guiding and orienting a person’s behaviour is difficult to access consciously and expectations that it could be ‘reeled off’ with ease during the interview are hasty and flighty.

The operational knowledge can however be seized in the empirical data and reconstructed from the interviewee’s commentary. The narrations of concrete problems, conflict and problem solutions which are a part of the expert’s experience are the building blocks for construing expert knowledge. Hence, adopting a process-oriented analytical view on expert knowledge is the foremost conclusion from the Mode 1 - Mode 2 discussion and the globalization of knowledge. (Bogner et al. 2009, 30.)

Summing up, what is descriptive of expert knowledge is the communicative practice of insider groups and networks, the procedures of negotiating opinions and the strategies of inclusion and exclusion. The biographical mixture of the expert status within private and public spheres of life-worldly experience is another element of expert knowledge and affirming that uncertainty and ambiguity are elemental parts of expert knowledge, the expert’s habitus, his awareness of contingencies and his strategies of self-assurance surface as an essential component of his or her knowledge. (Bogner et al. 2009, 31.)

It is now established that to a considerable amount expert knowledge encloses a procedural nature and non-explicitness. Therefore, the expert interview should not be thought of as knowledge extraction from the interviewee by asking questions in the sense of a questionnaire. An open interview based on a topic-guide is considered to be an appropriate way to collect data. Questionnaires would at best concede knowledge at the level of the discursive consciousness containing rationalist reasoning which corresponds with officially accepted standards. (Bogner et al. 2009, 31.)

Apart from cases of when interviewees are non-cooperative, experts reveal a lot more about relevances and maxims connected with their positions and functions when they begin conversing or chatting about their activities, extemporize, give examples, or use other forms of exploration. The open interview, for its part, enables the interviewee to unfold his outlooks and reflections. Closed
questions and a prefixed guideline should be avoided, and data collection founded upon general topics that steer the interview. (Bogner et al. 2009, 31.)

Thorough preparation of the interview topics and building up a knowledge base of the particular field where the interviewer is delving into are crucial for the interview to succeed. Generally speaking, the interviewer cannot afford to be too naïve or ignorant or will risk coming across as an incompetent researcher. (Bogner et al. 2009, 31-2.)

Trinczek (1995, 65 quoted in Bogner et al. 2009) found that the competency of the interviewer in delivering and presenting himself influences positively the readiness of respondents to bring up their knowledge and viewpoints. To many potential respondents, coming from different sides of the problems in question, business-based peacebuilding might be something difficult to grasp. Therefore interviewer’s delivery and preparedness is all the more important in this research.

“The more an interviewer demonstrates knowledgeability during the interview by giving competent assessments, stating reasons, and raising counterarguments, the more managers in turn will be willing to offer their own knowledge and take a stance on issues, thus disclosing their subjective structures of relevance and patterns of orientation in absence of strategic considerations” (Bogner et al. 2009, 211).

Narrative passages are part of expert interviews. Episodes in the field of the expert’s professional activity can turn out to be key reference point for the interview. Thus narratives shed light on tacit aspects of expert knowledge of which the expert is not fully aware of and which become noticed only gradually in the course of the narration. Through narratives interviewees reveal more about the relevance structures underlying their behaviour than they would actually do – or would be able to do – if asked directly. So it is presumed these reference points and the knowledge they project are located at the border of practical and discursive consciousness. (Bogner et al.2009, 32-3.)

The interviewer should stay vigilant for narrative passages on breaches of routine activities. Looking at how breaches and conflicts are handled or reacted upon brings out the mechanisms of orderly functioning. While these are difficult to anticipate in designing a particular interview schedule, carrying out the interviews in a flexible and non-bureaucratic way potentially enables the expert to address unforeseen aspects of topics. These aspects can then be picked up and capitalized in subsequent interviews. (Bogner et al. 2009, 33.)

The interview methodology of this research is exploratory, but merely in a general sense of exploring business-based peacebuilding potential of Finnish private sector actors and trying to discover new and practical instruments of peacebuilding for the academic field of peace research.

Exploratory expert interviews can serve to establish an initial orientation in a field which is substantively new or poorly defined as a way of helping the researcher develop a clearer idea of the
The focus of exploratory interview is on sounding out the subject under investigation – the interview’s objective is not to compare data or acquire as much information as possible nor to standardize data. (Bogner et al. 2009, 46.)

The most common form of expert interviews is systematizing, being oriented towards gaining access to exclusive knowledge possessed by the expert. The focus of a systematizing expert interview is on knowledge of action and experience, which has been derived from practice and can be accessed and forwarded spontaneously and discretionarily. This kind of expert interview is an attempt to obtain systematic and complete information which is indispensable to be able to offer sustainable answers to the initial research questions. The expert is treated primarily as a guide in possession of certain valid pieces of knowledge and information on ‘objective matters’ or as someone with a specific kind of specialized knowledge that is not available to the researcher. (Bogner et al. 2009, 46-7.)

The main focus of this approach is not in the interpretative facility of expert knowledge but rather in the capacity to provide facts concerning the question under investigation. Experts function as information sources regarding the reconstruction of sequences of events and social situations and are not the object of investigation themselves. Their role is that of informants providing information about the real objects investigated. (Bogner et al. 2009, 47.)

However, for the researcher to be able to ‘locate’ and capitalize on that kind of expert knowledge presented here, there is a third general type of expert interview – the theory-generating interview method based on Meuser and Nagel’s methodological work on expert interview, dating back to 1991 (Bogner et al 2009, 47). Schostak’s (2006) inter-view as a ‘waiting room’ is a good parallel reference for this type of expert interview.

The goal of theory-generating interview is the communicative opening up and analytic reconstruction of the subjective dimension of expert knowledge. Here, the expert ceases to be the exclusive catalyst or the all-encompassing authority of the research process, but “subjective action orientations and implicit decision making maxims of experts from a particular specialist field are the starting-point of the formulation of theory.” (Bogner et al. 2009, 48.)

As peace research itself is not a stand-alone discipline and business-based peacebuilding being only one perspective to attain peace, the researcher is pursuing a systematizing take to bring more clarity into a complex matter. The researcher regards a systematizing interview method to align well with the research questions but in general finds the interview methodology applied in this research to include elements from each form of expert interview. It does not seem particularly progressive to begin labelling this research interviews as specifically exploratory, systemizing or theory-generating.
Bogner and Menz argue that the existing differences in competence are not the primary instance to characterize an expert, but rather the social relevance of his or her knowledge. An expert conceptualized as possessing a certain specific store of knowledge is detached from the societal conditions according to which expert status is recognized. The designation of expert status is dependent on social parameters which themselves are suspect to change. Also, conceiving expert knowledge as a ‘homogeneous body of knowledge’ would mean that the researcher should ignore statements set off by the interviewee as ‘private person’ and accept the interaction situation as a trivial encounter, instead of “an ever expanding field of differences and otherness”, as presented by Schostak (2006) earlier. (2009, 51-2.)

If one follows through the process of analytical differentiation between everyday and expert knowledge, three central dimensions of expert knowledge can be identified which converge with the methodological and theoretical claims stated by the expert interview. Technical knowledge contains information about operations and events governed by rules, field-specific application routines, bureaucratic competences and so on. Technical knowledge can provide a specific advantage in a certain area, its content being more systematic and specific than everyday knowledge. (Bogner et al. 2009, 52.)

Process knowledge is based on practical experience acquired from expert’s own context of action. It is related to the inspection and acquisition of information about sequences of actions, interaction routines, organizational constellations, and past or current events, in which the expert is directly involved in through a practical activity or which are close to his or her field of action. Process knowledge is unlike technical knowledge, because it cannot be acquired through educational qualifications only, but has to do more with the practical and also the personal. (Bogner et al. 2009, 52.)

The theory-generating interview seeks to gather the expert’s subjective orientations, rules, viewpoints and interpretations which picture expert knowledge as a heterogeneous conglomeration and potentially add up to interpretative knowledge. By reconstructing the abovementioned researcher can find his way to the sphere of ideas and ideologies, of fragmentary, inconsistent configurations of meaning and patterns of explanation. (Bogner et al. 2009, 52.)

“Expert knowledge only becomes identified as interpretative knowledge as the data gathered and the principles of evaluation are applied; its interpretative character is not a quality of the stores of knowledge themselves” (Bogner et al. 2009, 53).

Expert knowledge does not exist then prior to interpretation. Interpretative knowledge is always a result of an abstraction and systematization process – ‘an analytic construction’ performed by the researcher. The three different kinds of expert knowledge are not founded upon any natural
characteristics of the knowledge itself, but take meaning primarily as a construction of the researcher’s investigation and interpretation. According to an interview statement or a certain interview dialogue only, it is almost impossible to differentiate something ‘technical’, and in no need of further interpretation, from interpretative knowledge described as an expression of subjective construction of meaning on the part of the interviewee. (Bogner et al. 2009, 53.)

Only when evaluating the data the researcher can clear up whether the relevance structures and patterns of orientation used by the expert can be reconstructed exclusively by fundaments and explanations derived from the professional context or whether comments from the personal sphere ought to be incorporated. Thus to truly attain interpretative knowledge, the expert should be integrated methodologically as ‘a private person’, and sayings and arguments that are evoked from the ‘private’, everyday experience of the expert should be explored and analysed. (Bogner et al. 2009, 53.)

Every one is an expert in a sense, an expert on something, at least an expert of their own life. However, being in possession of some particular information does not yet qualify one as an expert methodologically. From a method-relational viewpoint, an expert is always to some degree a ‘construct’ of the researcher. An expert, being in possession of relevant knowledge on a given theme, is ascribed to a role by actors interested in information and elucidation. (Bogner et al. 2009, 49.)

Defining the expert this way points out that expertise is not a personal quality of the expert. On the other hand, one cannot pick out and choose just anyone as an expert and thus, as a general rule, researchers turn to those who have established their reputations by publishing relevant academic work, who are active in corresponding organizations and who have attained prestigious qualifications and maintain prestigious positions. A reasonable degree of certainty can be substantiated that these are the experts who ‘really’ possess a store of knowledge relevant to the research in question. (Bogner et al. 2009, 50.)

According to this social-representational approach an expert is anyone made into an expert by societal process, seen as an expert in social reality. It is difficult to put one’s finger on the specific junction of these two approaches and it would not seem to offer much practical value either. In research practice, the selection of experts is always defined via specific research interests and simultaneously through the social representativity of the expert. (Bogner et al. 2009, 50.)

This thesis has already succeeded in pointing out the weaknesses and shortcomings of the idea of a special structure or form of knowledge available to the expert. Returning to expert knowledge as analytic construction, some kind of practical criteria to single out experts of interest to the researcher would have relevant and indicative value.
When the research interview’s main concern has to do with interpretative knowledge, the criterion of knowledge will not suffice to determine who is considered an expert. For expert interview as a socially constructed scientific investigation, the expert is not of interest, because of the expert’s prowess to demonstrate access to this knowledge in an especially systematic or reflexive way or because of his or her abilities to provide a particularly accurate reflection of reality, but because it affects practice to a significant degree. (Bogner et al. 2009, 53-4, emphasis in original.)

The expert knowledge of the expert then is not interesting because of its exclusivity but by the power to produce practical effects suggesting that the expert may become hegemonic in terms of practice in his or her field of action. Defining an expert as an institutionalized authority with the potential to construct reality and enforce certain change means one should try to identify those potentials for power and influence in which the expert interpretative knowledge may succeed in becoming hegemonic. (Bogner et al 2009, 54-5.) As for the expert selection of this thesis, I’m certain that their knowledge has an effect on practice, and that it can structure the conditions of action of other actors and also build capabilities of others in business-based peacebuilding in a relevant way.

In terms of expert interview as a research method, Bogner and Menz (2009, 55) come to a conclusion that it can then be treated as “nothing more than a qualitative interview with a particular social group.”

### 4.2. Conducting Expert Interviews

The interviews were formulated along a semi-structured thematic approach that was anchored to initial research questions. As stated, the role of private sector actors in peace and conflict prevention interlinks and overlaps with many different actors and sectors as well as academic foundations, and while narrowing down the research problem was a continuous theme and objective, business-based peacebuilding as some kind of a ‘work-in-progress’ research program caused challenges to construct solid themes around which to structure interviews.

Basically, the theoretical sections of the research were condensed into a couple of dozen smaller topics or statements that formed the skeleton of the interview. This menu of topics was then narrowed down after revision and translated to Finnish. The Finnish menu was then again revised and adjusted. Iterative rounds of revision and translation into Finnish built interviewer expertise, and capability and preparedness to interact with the interviewees, ability to rearrange and group different questions during the interview and share researcher’s own assessments in an ad hoc manner.
The two interviews can be considered as examples of Schostak’s inter-view (2006) where through the interview encounter insight is found, the field of difference enlarged and syntheses spurred for the betterment of the research.

As a researcher, I was treated with the utmost appreciation and consideration by the interviewees. Through their professional experience they could relate to the high level of ambition and practical difficulties that studying private sector involvement in peacebuilding and conflict prevention involved. One of the interviewees commented upon first contact via e-mail that because of the huge amount of requests their organisation tends to categorically refrain from participating in interviews, but that he was ready to make an exception in this case. This interviewee and I were in no way acquainted with each other prior my interview request and thus it would be fair to assess that the interviewee was compelled by my research and its academic objectives.

I would also state that the interviewees and I did share a common relevance system, all of us working in the same Finnish government-funded development policy and business collaboration sphere at the time. The research topic did not require any additional elaboration to these interviewees, both having a direct professional interest in research in private sector and peacebuilding. At least to some modest extent then, during the interviews intersubjective and reciprocal learning could take place. Through my research method, a degree of exclusivity has also been achieved. This thesis has built good rapport with the small group of experts or enthusiasts in Finland who study and work on private sector involvement in peace and conflict.

The two interviews were conducted in August 2016 and February 2017. In both interviews a topic-guide was used to steer and orient the discussions. Both interviews were recorded and transcribed. Almost immediately after the interview sessions, initial reactions, observations and thoughts by the interviewer were noted down. The language of the interviews was Finnish and all translations to English are my own.

The first interviewee was Safer Globe Executive Director Maria Mekri. Safer Globe being perhaps the most prominent Finnish think tank focused on doing research on peace and specifically also on developing new ways and tools for lasting peace, and the interviewee being an acquaintance to me through my professional career, this organisation was a good starting point for the interviews. Safer Globe research projects have included the work on Conflict Compass and the annual reporting on Finland’s arms trade.

This first interview succeeded in narrowing the focus of the thesis from the ‘general’ linkages and dynamics of any private sector actors in conflict to developing the toolkit of the Finnish peacebuilding sector and the importance of this endeavour. This interview exceeded well over the prior agreed one-hour mark for the session and included wide array of several related, but in the end
unnecessary topics. The first interview functioned as an invaluable re-orientation point for the interview work corroborating researcher opinions and providing support for my research decision-making.

Interviewing Safer Globe opened the possibility to contact Crisis Management Initiative’s (CMI) Senior Manager Oskari Eronen. My odds for interview access with CMI were raised with Safer Globe as a liaison because Director Mekri could identify exactly the appropriate expert for my research. Mr Eronen’s responsibilities specifically involved CMI programme management and internal planning, monitoring and evaluation. Macroeconomic factors and political choices from a larger theoretical perspective and businesses as informal supporters, partners or funders of peace activities offer potential interfaces for development of CMI programme in addition to the interest in traditional and corporate-NGO cooperation, donor funding and business education.

These experts are made into experts via the objectives of this research. They both come from niche organisations with very low hierarchy that are programmatically open to and interested in private sector partnerships for peace. Having achieved executive management positions in these particular organisations the interviewees have power and influence to produce practical effects and potentially enforce change in their practice but also in a broader Finnish framework. Defining them as experts and establishing their potential to become hegemonic in terms of their practice is highlighted further by their activities in structuring the conditions for action for ‘non-conventional’ peacebuilding stakeholders and actors – the private sector.

Schostak reminds us that as always, in an interview enquiry as inter-view, something of a dilemma lingers. The interview generates an ever expanding field of difference and otherness which can be mapped and explored but at the cost of uncertainty and the risk of misinterpretation. ‘Result’ oversimplification and potential distortion loom. Whether there will be any validity achievable in the first place, it is more technical than real. (Schostak 2006, 16.)

This research is no different in this respect. The number of interviewees is few and the research questions presuppose niche expertise. A potential threat could be that researcher being a ‘quasi-expert’ himself and part of the same government funded development cooperation community as the interviewees, sides too much with his senior and executive experts and hears from the interview exactly what he hoped to in the first place.

Bogner and Menz raise a question mark held to be applicable to expert interviews in particular, with respect to an ideal of an interviewer who should remain somewhere in between neutrality and empathy. For them neutrality in interviews is not credible and they caution the interviewer against playing hide-and-seek about one’s own position on the epistemological interests and specific
research issues. Being explicit can be far more productive for successful conversation. (Bogner & Menz 2009, 71.)

The interviewees of this research did not need encouragement from me to speak. On the contrary, at times I had to put the brakes on during the interview and force questions in to be able to proceed. I felt that the most fruitful and interesting narrative passages and elaborations were triggered when the interviewer first expressed his own value-laden or normative arguments.

Schostak (2006, 178) says no absolute formula to guarantee truth exists and in no approach the individual is absolved from making decisions – the inter-view only keeps open possibilities, it does not point the way. “Where responsibility is founded not on a final answer but in relation to otherness, to difference, to openness, to transformation there is always hope for futures that are creative, novel, unique” (Schostak 2006, 178).

Finally, “The inter-view maps what is at stake in the multiplicity of views that create the everyday fields of struggle….What is worth fighting for, arguing for, building, emerges through the inter-view, the dialogue of the views of people who seek recognition and representation of their differences” (Schostak 2006, 178).

4.3. Finnish Peacebuilding Organizations and their Cooperation with Private Sector Actors

“I can see opportunities and potential, but I can’t really tell what ‘animal’ we are actually talking about at the moment”.  
Oskari Eronen, Senior Manager, CMI

CMI’s core mission is to add value to sustainable conflict resolution and prevention for ending violent political conflicts. In brief, CMI programme consists of peace mediation and dialogue, and providing consultative advice, training, and technical and operational support for mediators, but also to some extent for other actors that seek to build preconditions for positive change even when a formal peace process is lacking.

According to Eronen, CMI, as many other civil society organisations, does general cooperation with businesses in Finland that concerns typically marketing, branding, corporate responsibility issues and the like. In addition to donations, CMI is in the receiving end of pro bono services and support from the Finnish private sector that relate to event production and facilities, legal advice, marketing and digital capabilities. Through these type of corporate partnerships CMI can obtain important added value although as to their core mission these partnerships remain superficial. (Eronen 2017.)

The broader and more interesting question for a peace mediation organisation such as CMI is whether such cooperation opportunities with Finnish, or ‘Western’ companies, could be found and
nurtured that would connect to the key services and objectives of CMI. The queries from the private sector towards CMI usually refer to financial proposals which the peace organisation meticulously screens. (Eronen 2017.)

Eronen (2017) clarifies: “The cooperation interests of some business actors towards certain country agenda or project financing are not always altruistic only. Our first priority is to always consider our core principles and mission – impartiality and independence from external interests. We can’t accept financing which might steer our programme, or more importantly we can’t accept money which could be perceived by someone to influence our work.”

For CMI, there remains a third, more profound and structural, perspective to the role and cooperation opportunities with the private sector in peacebuilding: “In which respects peacebuilding, conflict resolution and prevention creates opportunities, enables economic activity and investments, and as a result supports positive social and economic development” (Eronen 2017).

This quite commonplace statement from the interviewee re-opens the research space of my thesis. While this paper has tried to contribute academically on how the private sector could support peaceful development and conflict resolution, following Eronen’s comment, peace is an overarching hypergoal for businesses. This introduces the private sector to the realm of peace theory and concretizes the need for this type of research.

“CMI as an organisation is not ‘doctrinal’ as in ‘Businesses as potential contributors for our work– oh how unbecoming and improper’. On the contrary, I’m very much interested in studying the potential junctions for co-operation, seeing and understanding better in which respects the national economy and business interests can conform to peace and development goals. …it’s a field where currently exists a lot of good questions, basic interest and research directions, but all the same the substance matter is quite scant.” (Eronen 2017).

Safer Globe’s interest in private sector is more general than CMI’s, as Safer Globe is a research driven think tank on peace and security issues. Synthetizing practice and theory and breaking ground to find new partnerships and practical solutions for sustainable peaceful development has been at the heart of Safer Globe from the beginning.

According to Maria Mekri (2016), until now the debate on private sector’s participatory efforts for peacebuilding or development business has been low key and long overdue: “Doing business with Somalia – Turkey has been talking about it now for 5 to 10 years. We are still starting to get connected and gather around. I think that Autumn 2016 and this moment when the Finnish state finances are tight and (development cooperation) resources are allocated with private sector focus, it is now when this discussion is getting noticed.”
There are three perspectives to the corporate interest in peacebuilding, Mekri sums. Firstly, the moral dimension (Mekri 2016). Again, peace as a telos is a natural aspiration of any human activity, also trade and business.

Secondly, companies are dependent on a secure enabling business environment, and by undertaking measures that support this broader environment companies will in general be able to cut their own costs. According to Mekri, herein lies the potential cost effect of peacebuilding for companies: “I would say that this potential is most apparent on the medium to long term time span depending on the stage of company presence or operations in the area and whether there are other actors. By bringing jobs to fragile areas, supporting the local communities and taking local security issues into consideration companies have a good chance of achieving cost effects even on the shorter term while they contribute to decreasing the conflict potential.” (Mekri 2016.)

Thirdly, there exists niche business potential left undiscovered for Finnish companies in developing and selling digital peacebuilding tools and software. These could include web based mediation or negotiation apps and tools for e.g. monitoring movements of specific demographic groups and their relation to violent incidents. According to Mekri this could make everyday life easier for the people who lead the lives in conflict areas. The billion dollar industry in the peacekeeping and crisis management business and the opportunities for companies in UN tenders in vehicles, equipment, services and facilities goes to show that there are serious business opportunities in an emergent peacebuilding capacity and services sector3 (Mekri 2016.)

Safer Globe’s Mekri posits private sector-based peacebuilding efforts as one perspective or approach among others. The spectrum of peace (building) operations and proceedings should be considered holistically as a process, including the private sector (Mekri 2016).

“To implicate that there would lie some transformative forces in private sector in peacebuilding practice, perhaps it’s rather that private sector has not been studied so much. Now it seems new and different, but what I find new and different is the fact that we are discussing it here and now.” (Mekri 2016).

Eronen (2017) adds: “To succeed in producing or enabling positive and broader social change, successful private sector efforts alone will ultimately fall short without diplomatic and other socio-political initiatives and drivers that simultaneously pull together in relative conformity. A peace mediation organisation can do its job well, but this must connect with the appropriate circumstances

---

3 A general guidebook for Finnish companies about the procurement procedures of international financial institutions (IFI) and development financial institutions (DFI) was published in the spring of 2017 to help companies succeed in the tenders and find new business opportunities (MFA Finland / Manketti 2017). The guide was funded by the MFA of Finland and a specific Developing Markets growth program managed by Finpro, Finland’s export promotion agency, supports companies in UN procurement and in recognizing business opportunities in projects funded or coordinated by IFI’s and international organizations (Finpro 2017).
and other concentrated efforts, organisations and initiatives that move forward on different levels of the society and are implemented simultaneously.”

According to Eronen, discussions on the role of private sector in peace typically highlight a very foundational question regarding peace – positive peace or negative peace. Peace practitioners and human rights activists are often concerned that companies operate mainly with a negative concept of peace perceiving peace as stable conditions and the lack of adjacent violence for the time being and leave out structural, long-term issues, which might simmer underneath and sustain conflict potential locally. (Eronen 2017.)

Mekri is dubious about the capabilities and level of professionalism Finnish companies show in their efforts to understand and study the conflict context and conflict potential in the business environments. She points out that Finnish companies tend to venture outside developed economies as if in a ‘vacuum’, or as if the first, and only, foreign actor in a given local community. Mekri stresses the importance of prior analysis at home on the social, economic and political contexts of conflicts and would hope to see a more global, or cosmopolitan, mind-set among the Finnish businesses. (Mekri 2016.)

On the other hand, Finnish companies, especially SMEs, lack sufficient resources for this. Conflict dynamics might lay deep and it is often improbable whether an individual company can affect a certain conflict positively in the first place. According to Mekri, among the sustainable development actors and development business sector, peacebuilding or assessing conflict potential is rarely addressed or conversed upon explicitly. As an example, she points out that in the corporate responsibility sector conflicts are not taken into account at all (Mekri 2016.)

CMI’s Eronen (2017) is reluctant to comment too much about Finnish companies capacities with regards to conflict context assessments or how much companies contact CMI with such enquiries. He confirms that CMI has done some briefings or commentaries for their partners, but does not elaborate their nature or scope. It would seem that the volume of such activity is modest as it is not in the core activities of what CMI does.

Mekri categorizes Safer Globe’s cooperation with the private sector as a type of capacity building and support services. For companies to build these type of partnerships they are in need of additional resources and should have to maintain quite a high and long-term level of ambition in how they manage their impacts to people. (Mekri 2016.)

Certain relevant and highly ambitious ideas have been nurtured in which Finnish companies could contribute e.g. to the peaceful development of Syria by supporting the Syrian refugees in Finland through various forms of employment, training and co-creation. In such case the easiest focal point for Finnish companies would be the Finnish Evangelical Lutheran Mission (FELM), a
A Finnish NGO, that has a project in Syria and in its neighbouring countries. FELM, building and managing a series of grass-roots level dialogues and networks in Syria, has sought to talk to and engage with the diaspora in Finland, but also with private sector actors. (Eronen 2017.)

Eronen admits that the Syrian context for established business professionals and financiers is a harsh one, but supports a concept where citizens and the private sector would somehow organize and join in a local grass-roots level movement. In an immediate post-peace agreement window, these kinds of movements could have the potential to fill the local everyday space with positive social initiatives while relegating negative conflict dynamics to the marginal. (Eronen 2017.)

Eronen (2017) does not rule out the possibility of positive private sector peacebuilding effects against a backdrop of corporate activity where social and environmental perspectives are integrated responsibly into operative business and where the most severe and relevant human rights risks are taken into account.

“At a minimum, companies should make sure that they do not worsen the situation when they are venturing into environments where conflict is imminent or where there is considerable conflict potential. CMI receives quite a lot of enquiries and cooperation proposals from companies, but whether or not these ever feed back into self-reflection of their own business activities...” (Eronen 2017).

Mekri states that when a company aims to decrease the incumbent conflict potential through their activities, they are actually doing business-based peacebuilding. This differs from companies aiming to decrease their own negative impact and assuming responsibility of potential they created in the first place: “To put this in a very simple way, it is business-based peacebuilding when after the companies’ entries and investments there remains less conflict potential than before it.” (Mekri 2016.)

Eronen finds it important that finally, also on a policy level, the connections between preconditions for private sector and economic development, and sustainable development objectives are being drawn. The importance of peace, security, inclusivity, functioning institutions and human rights in supporting private sector business activity, opportunity for economic growth and poverty reduction is now acknowledged in the Agenda 2030’s sustainable development goals. For the time being, it remains an interesting analytical puzzle how the series of presuppositions are to be validated and the positive efforts of an individual actor connected with and attributed to macro level development. (Eronen 2017.)

A potential tool to achieve this could be analysing big data sets on international indicators on fragility and peace, such as Fragile States Index and World Bank data, and uncover statistical...
significant connections with for example, elite change or security sector reform and overall peace index performance, Eronen (2017) sees.

“It (data analysis and the cumulation of reliable big data and global indexes) relates constitutively to how CMI can attribute the impact and effectiveness of its work. Can we do something more than verbally tell stories about it? Qualitative analysis on political systems, peace processes, political actors did this, the UN said that – that’s our ‘bread and butter’, but that is qualitative, verbal and narrative. Are we able to discover significant statistical relations with long-term economic performance and macro indicators that reflect gradual opening of political and social space and credibly indicate that the leading political elite has accounted for the change on those policy sectors?” (Eronen 2017.)

Neither of the two interviewee organisations operate on or finance themselves as private companies. Considerable amount of both CMI’s and Safer Globe’s funding comes from the Ministry for Foreign Affairs of Finland. Thus, these organisations are not private service providers for companies, Finnish or foreign. However, both NGO’s recognize that a growing private sector interest exists in their key expertise and programmes.

“Hypothetically speaking, it could be possible to modify our product palette and programme towards us having also other services that would be more apolitical and light instead of so confidential and sensitive. …If we would broaden our product portfolio and begin providing training activities and services, then probably it would be much easier to have cooperation with companies.” (Eronen 2017).

Mekri (2016) on mutual non-disclosure agreements with private companies: “If we would reach that then we as an organisation would have to start thinking about modifying our organisation structure, us having a consultancy business apart from the civil society organisation. It is not so impossible, many NGOs make this distinction and eventually in most likelihood we would too.”
5. ANALYSIS
A great part of the challenges on doing research on business-based peacebuilding stem from the fact that the actorship of companies as peacebuilding contributors is difficult to define. It is difficult to say something concrete about the role of companies in the midst of the complexity of businesses, conflict contexts and externalities. Peace and conflict have by and large remained conceptually in the periphery of business studies. Leaning on this thesis, private sector actors are not peacebuilding actors intrinsically, but on the other hand recognizing peace from a teleological viewpoint would allow companies to start developing their institutional trajectories with regards to peace, or ‘sustainability’ if you will.

Basically, this does not in any way collide with the ‘do no harm’ self-important perspective that is often taken as the yardstick of sustainable business in fragile and poor countries. However, it is still very far from instilling much strategic thought to the private sector in planning business-based efforts to address and resolve violent conflicts. If conflict potential springs from a general lack of livelihood opportunities and unfair conditions for work, then providing more jobs that offer decent work and a living wage can be considered peacebuilding. But depending on conflict dynamics merely providing employment might be irrelevant for resolving the conflict. Thus there remains ambivalence whether companies as contributors to peace should be understood as actors or factors.

The innate nature of business is to act profitably and avert risks, and companies will probably not engage in peacebuilding behaviour that is completely unprofitable or unrelated to their core activity. Therefore business-led peacebuilding can only be a by-product, not the main purpose of corporate strategy. The link between peacebuilding and the core activities of a company calls caution for philanthropic organizations. While the example of Vallenpaz suggests that philanthropic learning processes are an important basis for peacebuilding to take place, the more it is linked to, builds on, and complements company-related activities the less likely peacebuilding work is to degenerate into window-dressing. (Rettberg 2004, 19.)

Context affects businesses faced with conflict in quite different ways, providing constraints and facilitating conditions which make the choice to take part in peacebuilding more or less probable and underlie intra-organisational learning processes. Tracking the formation of these preferences in specific cases can contribute to discovering ‘best practices’ and suggests the usefulness of unpacking of the indefinite and general category of ‘private sector’ faced with conflict. (Rettberg 2004, 20.)

Sweetman’s (2009, 98) conclusion is that business-based peacebuilding is a present- and future-focused approach to conflict resolution and peacebuilding concentrating more on solutions than removing causes. Pragmatism, in this respect, refers to present conditions and needs as well as
future possibilities instead of fixing past causes. Pragmatic peacebuilding is better suited to the kinds of programs that can be pursued by businesses and is more acceptable and perhaps more appealing to business leaders than ‘larger-than-life’ programs explained in development jargon. Not all peacebuilding efforts that are specified as pragmatic peacebuilding are business-based, but all business-based peacebuilding is pragmatic. (Sweetman 2009, 98.)

In 2015, the top one hundred largest Finnish companies were enquired about how they foresee climate change mitigation affecting on their business. Over 80 percent of the respondents saw climate change first and foremost as an opportunity for business and almost 90 percent hoped that a comprehensive Paris climate agreement would be achieved (YLE 2015.)

In climate change mitigation, the actorship of companies is evident. It is organically linked to the new business opportunities that the development of ‘climate friendly’ clean technologies and international political commitments have spurred and incentivized. In contrast to global climate issues, conflicts in some respect still take place ‘in distant and faraway places’ and are treated with reactive efforts. Companies have internalized that being an actor can generate first-mover advantages and opportunities to reap unfulfilled demand and new markets.

Contributing to climate change mitigation can be linked to building preconditions for peace if the conflict root causes are connected to degradation of the natural habitat and environmental problems. During active conflict seldom relevant actorship exists for companies to assume and they stay as factors, not actors. While acknowledging the fact that the typical business of businesses is not peacebuilding, private sector’s role in different stages of the conflict cycle is sorely undertheorized.

While massive variation exists within the private sector, its potential added-value and different entries to peacebuilding, companies act upon the world under their own limitations, risk awareness and business drivers. Peace research and peace practice should consciously shape the playing field for general private sector participation on suitable problems and areas and create meaningful functionalities for companies’ business activities that relate to the overarching agenda for peace.

Ideally, this would be based on complexity-informed approach to self-sustainable peace in which peacebuilders – instead of trying to engineer specific outcomes – limit their efforts to safeguarding, stimulating, facilitating and creating space for societies to develop resilient capacities for self-organisation (de Coning 2016). Tanja Tamminen and Oskari Eronen, as pioneers of complexity thinking in peacebuilding in Finland, both provide a chapter for the recent Complexity Thinking for Peacebuilding Practice and Evaluation (Brusset, de Coning & Hughes eds. 2016).
There could be synergetic cooperation potential with the private sector and pragmatic business-based peacebuilding because here it is much to do with nuanced and tailored service provision or ‘products’ according to specific needs basis, and not about ‘solving the conflict’.

**Peacetech** is generally understood to cover a wide range of peacebuilding tools and applications that utilize technology, media and data. These are innovations which reduce violent behaviour and increase and facilitate dialogue and common understanding developed in co-creation with the local people in conflict areas. Forward-looking debate on Finland’s potential in developing peacetech and concerning its challenges, directions and opportunities has already begun in the form of Peacetech Forum that was held in Helsinki in May 2017 and organized by Peace Invaders, Helsinki Think Company and Stanford Peace Innovation Lab. (HS Mielipide 2017.)

This kind of systematic identification, development and stocktaking of business concepts, innovations and service providers that are sensitized to the agenda of peace and conflict contexts and could offer solutions for peace and conflict resolution practise or add value to incumbent peace interventions is missing in Finland. Currently, this is an opportunity missed even if, as said, there is plenty of serious interest and adjacent research directions.

A notable majority of Finnish companies are small and medium-sized enterprises. Typically Finnish SMEs do not have much international operations, let alone experience from fragile, conflict-ridden, environments. Larger Finnish companies produce capital-intensive investment goods and hardware and the Finnish company rarely is the primary investor in such projects. The MNC bias in business-based peacebuilding approach fits poorly with the Finnish private sector at large.

It is noticeably pervasive in the case of Finnish private sector how companies see themselves in an apolitical way and remain unresponsive to matters of ‘peace and conflict’. Adapting to Zandvliet (2011, 360) Finnish companies especially would most likely relate to acting locally instead of on the macro level, and modifying local processes and responding to community level concerns instead of providing solutions to ‘causes’, perceived or not. Sweetman (2006, 51-2) included focus in what business can provide instead of what is needed in conflict resolution and the originator the business-based peacebuilding effort as current limitations of private sector and peace scholarship. Peacetech could offer insight to these limitations as well as make business-as-usual type of companies see conflict environments in a more strategic way without the need of instantly coming up with complex political analyses or comprehensive peacebuilding schemes.

What the government of Finland could do is to explicitly raise peace and conflict sensitivity internally on the agenda of Finnish export business and trade promotion towards risk countries, provide financial instruments for developing peacetech innovations and companies to free-ride in
peacebuilding programs in target countries. To expect a cosmopolitan worldview to gain ground and enlightened self-interest to automatically spread among the Finnish private sector should be doubtful without the governmental sector actively pursuing and maintaining a conflict sensitivity ‘lense’ in its services to the private sector.

As put by Rettberg (2004), like it or not, a vital part of private sector participation in peacebuilding is the ability to free-ride, financially or otherwise, with external resources. It will be counterintuitive and very doubtful for companies to engage in behaviour that is completely unproductive or does not relate to their core activities in any way. This is why pragmatic private sector efforts in peacebuilding should be understood first and foremost as a by-product than part of the corporate ‘purpose’.

Somalia was one of Finland’s key development cooperation partners already in the 1980’s. Due to the persistent conflict and absence of legitimate government structures in Somalia, until of late Finland’s support to Somalia has focused on providing humanitarian assistance. Since the late 2000’s, Finland’s development aid to Somalia has begun to raise again. (MFA Finland 2017.) Given that a numerous Somali diaspora resides in Finland, it is unfortunate how indifferent the inclination towards discovering and developing private sector opportunities in Somalia has been among the Finnish stakeholders, public or private, and on the other hand, the Finnish-Somali networks and Finnish NGOs in Somalia, in the past.

Accepting that the country has struggled with clan-based intrastate conflict and dramatically weak human development, development focus has duly been maintained in crisis management and state building, but this perspective should be coupled with conscious opportunity recognition for developing private sector cooperation and free-riding. Somalia sits at the crossroads of major trade routes and has a vibrant private sector and undeveloped and abundant natural resources. Overall, many of the general and company-specific conditions (Figure 2) that enable business-led peacebuilding strategies relate positively to the Somali context. Given that the relative stability and positive political development can be maintained in the country, Somalia would offer an obvious test-bed environment for business-based peacebuilding efforts, inter alia peacetech applications, from Finland.

Having said that a constitutive ‘disclaimer’ for anyone dealing with business-based peacebuilding might be in order here. Perhaps the major caveat for business-based peacebuilding would be an assumption that companies are participating in good faith or at least for the reasons they claim (Sweetman 2009, 137).

It is imperative to avoid running into situations where participants need to choose between their business and creating peace. If one party has ulterior motives for participating in a program, it might
be also vying for the nearest exit from the program, potentially endangering other participants and risking making the conflict worse. (Sweetman 2009, 137-8.)

A good part, if not even the most, of the typical thinking on how peace is built is flimsy research-wise, Mekri (2006) says. Tools for the assessment of business-based peacebuilding, but also in more general terms, are critically needed. The scepticism evident to Shankleman (2006) could be tackled by further raising our understanding in the benefits of business-based peacebuilding to the greater conflict itself, but also by making clear inferences whether a peacebuilding program was beneficial to the participating company itself. (Sweetman 2009, 138-9.

Finally, to establish that business-based peacebuilding is a legitimate and realistic enterprise, practitioners need to argue for the involvement of businesses with examples and evidence from other instances and expand the fact that other companies have overcome internal problems with motivation and the mind-set that they could not competently intervene (Sweetman 2009, 81).

As one of the key takeaways of this research, one is left with no choice but to willingly agree with Sweetman (2006, 139) in the matter of fact that hopefully successful business-based peacebuilding efforts correlate to a successful business, but that at this point it is only a wish. “There is no adequate method of evaluating the relationship between the two” Sweetman (2006, 139) concludes.
6. CONCLUSIONS

During the lengthy writing process of this graduation thesis from 2013 to 2017, the Finnish government-funded development cooperation sphere has experienced a paradigm shift to an emphasis on private sector instruments and modalities for sustainable development. Meanwhile in some, perhaps modest way, global development challenges – climate change for example - and battling them with Finnish clean technologies have entered into the everyday strategic of Finnish businesses with African and Asians seen as peer consumers.

New community-based innovations and platform from Slush to peacetech applications and from integration of immigrants by start-up entrepreneurship to impact investing that are ultimately anchored on a cosmopolitan worldview have surfaced and are beginning to find a foothold in Finland. Sometimes one can hear sarcastic remarks that corporate sustainability is an issue fit for a bull market. Hopefully in the future, as the Finnish economy has turned around the corner during 2017, we will see new opportunities surfacing and heightened awareness for business-based peacebuilding among the private sector and other key actors in Finland.

Business-based peacebuilding is pragmatic and strategic private sector activity that is sensitive to the conflict context and integrated to the peace constituency but does not diverge from the core business practices and corporate mission of a company.

Business-based peacebuilding is pragmatic by nature in the sense that it is a present- and future-focused approach to conflict resolution and peacebuilding and that instead of fixing or removing causes it is oriented towards conditions and needs in the present as well as possibilities for the future.

Nobody in their right mind should endorse an conception of peacebuilding and conflict resolution in which it is the businesses primarily responsible of integrating the ‘conflict-as-startup condition’ and the ‘conflict-as-process’ what Sandole (1999) calls the two-culture problem. As stated, understanding and acknowledging the social, economic and political context of conflict is the sine qua non of outside involvement, according to which also private sector actors are to be held accountable for their engagement and the impact of their activities (ICRC 2000 in Nelson 2000, 35).

Ideally, business-based peacebuilding understands this issue of conflict ‘culture’ and the conflict context as above and in doing so can sew together the relational and content gap. This would amend the externality of business actors from the conflict which have to do with lack of shared definitions, scope and objectives in the conflict transformation efforts (Zandvliet 2011).

According to Sweetman (2009, 11) business-based peacebuilding is business-based in that the activities and programs are managed and implemented by business and commercial actors. There could be grounds to somewhat relax this assumption or at least supplement this. Essential element
of private sector participation is the ability to free ride on external, e.g. financial, resources (Rettberg 2004, 18).

Business-based peacebuilding can refer to unilaterally initiated company efforts. Four lines of company-initiated action can be discerned including, philanthropy and personal peacemaking, dialogue, social investment and core business practices. Business-based peacebuilding can also be implemented as a collective effort by business actors and as an initiative of NGOs and peace organizations.

Pragmatic business-based peacebuilding as managed and implemented by business and commercial actors in a sensitive and strategic way is then, from the corporate viewpoint, first and foremost, if not categorically, a by-product of doing business.

Companies see business-based peacebuilding in accordance with the experience they have in other areas, applying lessons from CSR and seeking to improve how they do their business highlighting the fact that business-based peacebuilding is not a transformative response to conflict. As a by-product, it is an extension of doing business by other means. (Sweetman 2009, 55-56.)

As stated earlier in urgency, tools for assessing business-based peacebuilding are necessary to advance and elevate its place in the domain of peace studies as well as economics. Business-based peacebuilding as a research program needs to concentrate on how the private sector and the market can be utilized for creating preconditions for sustainable peace, but also what benefits or advantages companies are able to develop thru their commitment to the peace effort and how could these benefits be metered and quantified for example as in risk management and appetite or sustainability and learning trajectories.

Finally, those who advocate a type of peacebuilding in which private sector resources and efforts are levered and utilised for building preconditions for peaceful change and development will indeed wear many different caps. The objective of this thesis was never to provide an all-encompassing or unitary account on the various different perspectives on the significance and role of business in peace and conflict. This work should be taken as a concrete academic bridgehead and contributor to the peace and conflict research in providing more understanding on business in peace and conflict in general and discovering potential entry points for Finnish private sector and peacebuilding practice to cooperate earnestly on a content-level and add value to peacebuilding programs and initiatives.
BIBLIOGRAPHY:

PRIMARY SOURCES

Interviews

Mekri, Maria (2016) Executive Director, Safer Globe Finland Ry. 19 August 2016.

Reports and forum addresses by business management and private sector leaders


SECONDARY SOURCES


