



# TrustWorks Global

## Including Business in Peace - An Agenda for Action

### Summary

Business actors play an important role in conflict management, and the majority have an interest in peace. And yet, engaging with business actors in peace, security and stability is an under-explored area for the international community as a whole, and for the United Nations (UN) in particular. The lack of engagement with business actors is not only a missed opportunity but may be actively undermining prospects for sustainable peace. It deserves a real Agenda for Action.

In recognition of this gap and in light of its extensive work with business actors in fragile states and supporting Member States to engage them for peace, TrustWorks Global (TrustWorks) seeks to raise awareness of this issue and to propose practical ways forward. This Agenda for Action, therefore, builds upon and combines insights from prior initiatives led by TrustWorks in this domain with research conducted by the authors of this paper<sup>1</sup> in order to present a clear set of recommendations regarding how the UN and Member States can foster sustainable peace through the inclusion of business actors.

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## Background

Conflicts over the past decade have increased in intensity, complexity and scope: for the first time since the end of the Cold War, the number of civil wars has almost tripled, with a six-fold increase in battle-related deaths since 2011 - peaking in 2016 with 53 countries experiencing conflict. <sup>ii</sup>

Facing these mounting challenges to the international peace and security architecture, UN Secretary-General Guterres has stated unequivocally: "I recognise that it is our responsibility to try to identify and seize upon any possible window of opportunity for mediation in order to prevent or manage violent conflict and, eventually, build and sustain peace." <sup>iii</sup>

One such window of opportunity - which has yet to be seized - lies in the power of engaging with business actors as agents of peace, security and stability. Conceived of by the UN as being one of three vital components of society - along with government and civil society<sup>iv</sup> - business actors have, nonetheless, been consistently marginalised and/or excluded from the analyses and strategies of peacekeepers, peacemakers and peacebuilders.

Indeed, while the UN has developed extensive policy

frameworks and practices for engaging with civil society, women, youth and even Non-State Armed Groups, it has a 'blind spot' when it comes to the negative and positive impacts (and potential) of business actors - whether international/local, public/private, formal/informal, or licit/illicit. As a result, business actors do not feature in, nor benefit from, conflict analyses or strategies of actors in the peace and security architecture despite the roles they play as peace and conflict actors in fragile contexts.

While there is no efficient way to 'measure' the extent to which business actors are included and/or excluded in peace, using business-relevant provisions as a proxy for their engagement, research conducted at the University of Oxford<sup>v</sup> demonstrates that since 1990 only: 13.3 per cent of peace agreements reference at least one 'licit' business actor; 4.4 per cent reference 'illicit' business actors; and, only 2.5 per cent of peace agreements reference both 'licit' and 'illicit' business actors - 22 peace agreements out of 889 in 30 years. This blind spot is undermining prospects for peace. <sup>vi</sup>

Over the past five or so years, a plethora of international agendas opened windows of opportunity for meaningful inclusion of business actors, and the terrain is now ripe for a more pro-active engagement with business actors. Whether





from the perspective of business actors and SDG 16, the UN at 75 and 'inclusive multilateralism', the UN-World Bank initiative on 'Pathways for Peace' or – from the Africa 'angle' - Agenda 2063 and efforts towards the 'continental free trade area', it is increasingly evident that the blind-spot on the part of international peace and security actors towards businesses can no longer be sustained or justified.

## Why have business actors been excluded from peace?

The exclusion of business actors can be understood as a symptom of a broader failure on the part of peace and security actors to analyse and engage meaningfully with local power dynamics; it represents further evidence that the international community has embraced "the language but rarely the spirit" of the local turn in peacebuilding.<sup>vii</sup> But there are five specific reasons which help explain the marginalisation and/or exclusion of business actors from peace mediation, peace operations and peacebuilding endeavours of actors within the peace and security architecture.<sup>viii</sup>

- **"Business actors are economic actors":** When the UN was founded in 1945, it was framed as the cornerstone "for international political cooperation"; the cornerstone for international economic cooperation was the Bretton Woods Institutions. This framing and division of what constitutes 'political' versus what is 'economic' has had enduring effects. As such, while peace is the prime domain of political actors whose goals are 'public' in nature, business actors are seen as economic entities whose private, money-oriented concerns have no place in the political domain of peace. There are several problems with this conceptualisation: first, it is vital to engage with business actors as both economic and political entities, which have economic and political effects; second, even if we accept business actors are only economic actors, economic issues are often driving the conflict and thus economic issues and actors must be considered as part of the solution; third, political actors are often economically motivated – understanding where politics and economics intersect is vital for long-term peace to emerge.
- **"Business actors are not interested in peace":** Many assumptions are made about business actors: 'Business

actors are only interested in profit!" or "business actors don't care about fluffy concepts like peace!" In reality, like other groups the peace and security architecture engage

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with – including governments, armed groups, women and youth, for example – business actors are not 'homogenous' and there are no simple answers to what motivates a particular group or entity. What motivates a business actor in any given context will depend on a wide variety of factors. While many business actors have an interest in stability, others may be politically aligned with a particular faction of the conflict and, therefore, have a vested interest in a particular type of 'peace'; some may be benefiting from the conflict and others actively fuelling it; some may be concerned for the fate of their business operations, others for the future of their children. Many business actors have multiple interests, which may even appear at cross purposes. Even if we assume that business actors have no interest in peace, if they are undermining peace and/or creating conflict, this assumption should be an imperative to act, not to ignore or marginalise them.

- **"Business actors' role is limited to providing jobs during post-conflict reconstruction":** Business actors are perceived mainly through the prism of 'jobs': through this lens, the most important contribution that business actors can make to peace is through employment, understood as a 'peace dividend' during the phase of post-conflict reconstruction. This conceptualisation is both reductive and problematic. Business actors contribute – both positively and negatively – to so much more than jobs, and the nature of this contribution depends on their sector, the size of their operations, the nature of the workforce, their value chains, the relationships with government actors and other parts of the society, to name only a few elements to consider. Jobs are, quite simply, one of two dozen factors that affect peace and conflict dynamics. However, let's assume that business actors' most important role is during the post-conflict reconstruction phase: wouldn't it be more effective to include such actors in the process of defining the role expected of them and, therefore, in the diverse





peacemaking and peacebuilding processes? Moreover, it is vital to consider that war economies do not simply disappear because a peace agreement has been signed: what role for the illicit and informal economy during post-conflict reconstruction is a question that must be considered if peace is to be sustained.

- **“Business actors are not natural partners for the UN”:** The UN is used to working with Member States and therefore governments are their natural interlocutors, along with those who actively contest and/or seek political power. It took the UN fifty-years to formally recognise the role of women in peace and security (UNSC 1325/2000) and sixty-nine years to formally accept the role of civil society in matters of peace and security (UNSC 2171/2014). Without

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concerted efforts on the part of Member States, business actors are likely to remain outside the formal efforts of the Council for several years still, for several reasons: first, there is a certain cultural ‘discomfort’ amongst UN representatives with engaging with profit-seeking entities; second, the ‘cash cow’ lens dominates i.e. business actors are viewed through the lens of what they can pay the UN to do rather than for the strategic value they offer to peace and security affairs; and, third, the main way in which business actors are brought into the peace and security realm is through the sanctions regime, which pre-conditions to a large extent the way in which the UN thinks about and engages with business actors in conflict contexts.

- **“Business actor engagement requires a particular skill-set/know-how”:** Since the main interlocutors of the UN Secretariat are governments, many presume that the UN lacks the right skill-set, know-how and tools to be able to engage with business actors. Moreover, most within the UN Secretariat are political scientists or lawyers and few have a business/private sector background. The need for a specific skill-set, however, has not prevented the UN from engaging with other actors, including women, youth and armed groups; for each of these stakeholders there now

exist a whole host of tools, guidance notes, policy briefs and expertise available to those working on peace processes. It is now time to develop the same level of expertise for engaging with business actors.

## What role for business actors in peace and conflict dynamics?

Business actors – whether local/international, public/private, formal/informal or licit/illicit – play diverse roles as peace and conflict actors. The specific nature of these roles are shaped by the vertical and horizontal relationships they hold, the specific sector they work in, the nature of their operations, their supply and value chains, workplace dynamics as well as history, culture and behaviours of the entity in question, and the business leaders or CEOs in charge. Indeed, the context matters and without an analysis of a specific country-business dynamics in question, it is impossible to understand how to engage business in peace.

It is possible, however, to outline four extremely broad categories of roles that business actors play – or have the potential to play - as critical power-holders in war to peace transitions, often transitioning from one role to another, or playing different roles simultaneously.<sup>ix</sup> These categories can support reflection about, where and when to engage with business actors, depending on the peace-related processes underway; what is evident is that these roles are not categorically ‘positive’ or ‘negative’ from the perspective of peace, their effects and impacts will depend on the context in question:

- **Benefactors** - supporters and/or humanitarian aid providers. These business actors – from both the licit and illicit sectors – provide key support to government, civil society and local populations, offering a life-line to struggling populations and/or providing critical support to the warring factions, without which their continued activities would not be possible. This support can be material, financial, or in-kind, and may either support or undermine peace. The support may be part of their ‘usual’ services or form charitable and/or CSR-like endeavours.
- **Profiteers** - beneficiaries of the government and the war economy. These business actors are actively benefiting





from the conflict and have a vested interest in violence and conflict continuing. These licit and illicit actors have either benefited from the turmoil or have business interests that have emerged as a result of the turmoil and the flourishing war economy. As a result, these business actors fuel the conflict through their activities – directly or indirectly – ensuring the black market in goods and services is intimately intertwined with the dynamics of conflict.

- **Intermediaries** - mediators and peacemakers. These actors have a vested interest in peace and/or may have benefited from the prior status quo. These actors may find themselves penalised by the dynamics of conflict at both professional and personal levels, their operations maybe targeted and/or undermined. They seek to find active ways to resolve the conflict, often behind the scenes, passing messages, serving as insider mediators, forming mediation committees and seeking to use their power and influence to prevent and/or resolve conflict. Their interests in stability may prevent or work against change that is being demanded by those take up arms.
- **Agitators** - conflict actors or spoilers. These actors are actively party to the conflict and have a vested interest in the outcome of the conflict. These business actors take 'sides' and will deliberately take actions in support of one party in the conflict to the detriment of the other. Whereas profiteers seek to gain financially from the violence, agitators are party to the conflict itself. Agitators may also be business people themselves who are within government and/or who have taken up arms against the government and who use their business interests to further their personal and/or political goals.

## How to engage business actors in peace-related processes?

These roles demonstrate that businesses are both economic and political actors, with economic and political motivations, and certainly with both economic and political effects. A close analysis of the manners in which business actors, at different moments in time, play these roles sheds light how to include them in peace and security processes. There are three key 'moments' in which business actors can be included in peace: <sup>x</sup>

- **Strategy and/or process design:** Business actors can be engaged to influence the parties, mobilise support for certain actions and use their leverage both in terms of national-level and local-level 'bottom-up' processes; business actors can also help bridge divided between political actors (including non-state armed groups) and increase their stakes in a sustainable peace. Tailored strategies must also be designed to mitigate and/or marginalise the effects of business actors behaving as 'spoilers'. Peace and security actors can leverage the diverse relationships business actors hold with government actors, political parties, parliamentary members, armed groups, 'pariah groups' and other critical social actors to work towards peace. In addition to the bilateral linkages business actors may have with these particular groups - and given the nature of markets to 'cross' political lines - many business actors are inherently well-placed to move vertically and horizontally across the conflict landscape, an ability which can be used to the benefit peace through roles as 'insider mediators'.
- **Substance for ceasefire and comprehensive peace negotiations/agreements:** Business actors have in-depth knowledge of the relationships between licit and illicit economies which must be brought to bear on the content of negotiations. Ignoring these dynamics or expecting the emergence of post-conflict 'peace' to make them magically disappear is highly detrimental to the prospects for sustainable peace: state-society-market relations must be part of the dialogue and there is no reason to distinguish illicit business actors/criminal groups from the host of other 'difficult actors' international mediators engage with, and 'include'. The inclusion of business actors can help ensure that peace agreements contain locally-relevant economic





provisions and economically-sensitive political provisions – vital since “provisions determine the conditions for post-conflict peace.”<sup>xi</sup> Agreements can, and should, serve as tools for post-conflict peacebuilding<sup>xii</sup>, which requires moving the issue of ‘war economies’ more ‘upstream’ into the peace agreement.<sup>xiii</sup>

- **Structure of peace processes:** Business actors can serve as vital entry-points and/or ‘bridges’ for overcoming two of the key challenges with how peace processes are currently “structured.” The first concerns the relatively siloed approaches to peacemaking on the one hand and post-conflict reconstruction on the other – often conducted by completely different institutions.<sup>xiv</sup> By including local business actors in peace, the linkage between these two

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isolated endeavours can better resemble a continuum, where the requirements of development from an economic perspective are informed by the realities of the (post-) conflict context from a ‘peace’ perspective. Second, the inclusion of business actors can help address the dichotomy between economic and political issues and, therefore, economic and political actors. These divides manifest themselves in particular through the stabilization model/ structural adjustment programmes pursued by International Financial Institutions (IFIs), which are often in direct “conflict with the goals of social peace and reconciliation.”<sup>xv</sup> The inclusion of business actors in peace can serve as an entry-point and a catalyst for greater collaboration between international political and economic actors.

Business actors – both licit and illicit – represent, in diverse ways, the epitome of actors willing and able to cross so many of the categorisations imposed on societies from the ‘outside’, and which are often so prevalent in countries in conflict. Whether these are lines: between local and international – since business actors are adept at connecting the two;

between ethnic, religious or political – since business actors are often more likely to cross these lines than any other actors through their connections with supply and demand chains and extensive business networks; or the lines of the everyday peace – encapsulated by the “routinized practices used by individuals and collectives as they navigate their way through life in a deeply divided society”<sup>xvi</sup> – and the more formal, top-down peace, as a result of their connections with local communities on the one hand, and elite political leaders on the other.

Indeed, more than many other societal actors, businesses can help provide vital linkages between the international and local peace processes. These are the attributes that make business leaders uniquely positioned to foster and sustain peace at Track 1, 2 and 3 levels, and between them. At a time when conflicts are increasingly internationalised, often freezing the Security Council or hampering top-down peace mediation efforts, the potential of such actors should be seized upon and explored more seriously by the UN and Member States.

## The UN, business and peace: Recommendations

It is time to bring business actors into the policy and practice of peacemaking, peacekeeping and peacebuilding. To do this, we have elaborated six key recommendations for the UN Secretariat and Member States:

1. **Conduct ‘business in peace impact analysis’:** Support key parts of the UN System in the field (across different configurations of peace mediation, peace operations and peacebuilding) to conduct in-depth analysis of the impact of business actors on the peace and security objectives of UN actors and their partners in-country.
2. **Elaborate ‘business in peace engagement strategies’:** Support the UN System across different configurations of peace mediation, peace operations and peacebuilding) to elaborate tailored engagement strategies to minimize the negative and maximise the positive impact of business actors on peace and security objectives.
3. **Mentor and accompany UN actors and key partners to implement business in peace engagement strategies:** Provide UN actors and key partners with tailored support





to be able to implement business in peace strategies in conflict-sensitive and risk informed ways, through the provision of expertise, tools and guidance.

- 4. Raise the visibility of the impact of business actors on peace:** Bring the issue of including business in peace onto the peace and security policy stage through the commissioning of research and the convening of round-table events and high-level conferences to explore the strategies for and implications of, including business actors in peace.
- 5. Equip headquarters with the policy and practice tools to support all UN actors to include business in peace:** Incorporate a business lens into guidance materials; elaborate a guidance note on 'engaging business actors in peace' for the peace and security architecture' and ensure training in risk management for engaging business actors in peace; develop policy papers and internal policy guidance.
- 6. Ensure business actors are acknowledged within high level policy-making bodies, including the Peacebuilding Commission and UN Security Council:** Ensure future peace mediation, peace operations and peace building

mandates reflect the role of business actors and the need to include them in strategies and processes for resolving peace. This can be achieved, for example, by re-activating the UN Working Group on business and peace (formed in 2004 but currently dormant), through Arria formula discussions, and PBC engagements.

## Conclusion

Businesses are not excluded from peace-related processes and considerations because they are irrelevant actors who have little bearing on the way in which conflicts erupt and evolve over time, nor as a result of their (in)capacity, resources or willingness to influence - positively and negatively - the effectiveness and sustainability of peace mediation. Business actors are currently excluded due to an endemic 'blind-spot' on the part of the actors within the peace and security architecture. As the world grapples with a resurgence of conflict and violence, it is time to overcome this blind-spot and engage business actors to foster more sustainable peace.



## About this paper

This paper is informed by several inputs. The first is the research conducted by TrustWorks' Director, Dr. Josie Lianna Kaye, at the University of Oxford on the role of licit and illicit business actors in peace mediation. The second is a study conducted by TrustWorks and commissioned by the Swiss Federal Department of Foreign Affairs in 2020 on the relationship between business actors and peace; this involved engagement with over 70 stakeholders including representatives from governments, the United Nations, business actors and regional institutions. Third, this work is informed broadly by the work of TrustWorks to support business contributions to peace in fragile states through engagement with both governments and business actors.

## About TrustWorks

TrustWorks engages public and private actors to prevent conflict, promote peace and foster sustainability, using strategic approaches that cultivate trust, courage and creativity. We are a social enterprise that focuses on:

- Supporting local approaches to peace mediation through the inclusion of business actors, armed groups, religious and tribal leaders, and communities;
- Fostering innovative multi-sectoral collaboration to prevent or address complex crises related to natural resources, the environment and climate change; and,
- Equipping diverse organisations with analytical, risk and resilience capacities to address 21st century peace and human security challenges.
- Nurturing current and future leaders across sectors to be more able to respond to the world's most pressing challenges in an effective and compassionate way, particularly those working in fragile and conflict-affected states.

We believe that trust and courage are essential for generating and sustaining meaningful change; they enable creativity because a more sustainable, equitable and peaceful future requires different, sometimes innovative means.

TrustWorks' engagement is further based on a feminist ethos and its principles of respectful and honest collaboration, inclusivity and diversity; at the heart of this approach is the

notion of accountability – for our partners and ourselves. Drawing upon our extensive experience across different sectors, a range of perspectives from multinational, through government and to local community-based organizations, and access to diverse local and global networks, we want to work with diverse partners who exercise trust and courage in taking action for positive change.

## About the authors

**Josie Lianna Kaye**, Director of TrustWorks Global, is a peace and conflict expert with over 15 years of experience. She holds a PhD from the University of Oxford on the role of business actors in peace mediation. Since 2013, in her capacity at Director of Trustworks, she



has advised and supported business actors, governments and international organisations on process design, conflict prevention, conflict-sensitivity, multi-stakeholder dialogues and programmes through strategic support, including analysis, advice, training, mentoring and mediation. She brings to this role over ten years as an independent consultant with United Nations Secretariat, agencies, funds and programmes, working on conflict prevention and peacebuilding, particularly in Sub-Saharan Africa, the Middle East and North Africa. Josie began her career at Columbia University's Center for International Conflict Resolution – as an Associate Researcher and then Assistant Director - supporting and often leading diverse engagements at the intersection of research and practice. Josie has experience facilitating small and large groups in conflict, and has trained as a mediator both with the New York Peace Institute in Manhattan and with the Swiss Ministry of Foreign Affairs/Swisspeace - focusing on community mediation and peace mediation respectively.

**Gerald Pachoud** is a policy expert specialised in advising international organizations and governments on corporate responsibility and public policy for nearly 20 years. His experience includes working for ten years in high-level positions in the Executive Office of the UN Secretary General (EOSG) where Gerald formulated strategy, led policy development and advised the Assistant







Secretary-General for Peacebuilding and the Assistant Secretary-General Strategic Planning with a close focus on the private sector, conflict and human rights. From 2005 to 2011, Gerald served as the Special Adviser to the Secretary General's Special Representative on Business and Human Rights, Professor John Ruggie, where Gerald played an instrumental role in developing the pioneering United Nations Guiding Principles on Business and Human Rights (UNGPs). Gerald also has vast experience in the human security field creating and heading the business and human security desk at the Swiss Ministry of Foreign Affairs. The past five years he has been the managing partner of Pluto & Associates, a boutique advisory firm advising major companies, international organizations and governments on corporate responsibility and public policy, working with a network of public and private organizations.

**Arthur Boutellis** is a leading peace and security expert having been at the center of high-level policy research for over a decade; he has been involved in key positions in major UN peace and security missions. From 2015 to 2017 Arthur served as Director of the Brian Urquhart Center for Peace Operations at International Peace Institute (IPI), responsible for developing and managing IPI's programs and research agenda in the area of peace and security (Peace Operations, Peacebuilding/Sustaining Peace, Prevention, Mediation, and Preventing Violent Extremism); he continues to serve as an IPI non-resident Senior Adviser. In addition to his work at IPI he has been deeply involved with



the UN missions in Burundi (BINUB) as a Programme Officer, Chad and the Central African Republic (MINURCAT) as Special Assistant to the SRSG, Haiti (MINUSTAH) as a Programme Officer for the Rule of Law Coordinator's Office, and Mali (MINUSMA) where he supported the 2014-15 Mali peace negotiations as part of the UN Mediation Team. Arthur has published widely, regularly speaks at conferences and in the media, and teaches a graduate level seminar at Columbia University.

## Endnotes

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