How Businesses Can Be Effective Local Peacebuilders – Evidence from Colombia

Companies can help build local peace in several concrete ways, improving their impact on peace and development in fragile and conflict-affected regions

Analysis of the Footprints of Peace (FOP) project by the Federación Nacional de Cafeteros in Colombia shows how business-led peacebuilding initiatives can improve local economic and societal development. The FOP case supports several existing business-peace claims, and sheds light upon three new business-peace research gaps. It also provides avenues for how policymakers can support future development-business collaborations and local peacebuilding efforts by business under certain targeted circumstances. These findings can help guide firms considering similar initiatives, take the business-peace research agenda forward, and potentially improve the likelihood of success for such initiatives in fragile and conflict-affected regions.

Brief Points

- Businesses can indeed help build peace and local development under certain specific circumstances.
- Local community participation is essential to the success of business-peace ventures.
- Business-development partnerships for peacebuilding are promising new avenues to explore.
- A firm's local reputation and access are keys to successful implementation of business-peace activities.

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Businesses are increasing their efforts to build local peace and development (business-peace), but we still have significant knowledge gaps on effectiveness and efficiency – or in other words, on '*what works, how does it work, and why does it work?*' Research into the Federación Nacional de Cafeteros (FNC) coffee guild in Colombia has provided new insights into answering these questions, through analysis of its internationally funded 'Footprints of Peace' (Huellas de Paz, or FOP) project from 2011 to 2015, which tried to build local peace in some of Colombia's most violent areas. Many of FNC's 500,000 members have worked and lived in many of the most violent conflict zones between the Government of Colombia and the *Fuerzas Armadas Revolucionarias de Colombia* (FARC), with over 160,000 FNC members killed or displaced since the conflict began in 1966.

Colombia has also been a leading locale for business-peace activity, with firms arguing that biodiversity and conservation programs, professional skills training, and increased corporate engagement with stakeholders are all forms of local corporate peacemaking. Colombian firms have attempted to positively influence the peace process through local peacebuilding. For example, in the 1990s, some business leaders supported peace negotiations in the hopes of bringing a 'peace dividend' to the country, while others actively undermined negotiations for personal gain or due to their allegiance to paramilitaries. More recently, 100 businesses started the *SoyCapaz* peace campaign in 2014, former president of the National Association of Business Leaders Luis Carlos Villegas was a member of the 2012 negotiation team in peace talks with FARC, and the Bogotá Chamber of Commerce has expanded collaboration with the UN Global Compact and instituted a new Peacebuilding Director to leverage growing local interest in business-peace ties.

These activities highlight emerging opportunities for businesses in conflict reduction and peacebuilding. Firms have begun to employ internationalized conflict-sensitive business practices, like adhering to the UN Global Compact guidelines and the voluntary principles on business and human rights, and implementing multi-faceted strategies that assign value to stability, philanthropy and profit. These advances mirror calls for more engaged private sector involvement and partnerships in the pursuit of peace and development such as under UN Sustainable Development Goal #16: Peace, Justice and Strong Institutions. Both trends complement external and internal pushes for firms to increase their ethical footprint in operational areas

through social integration. FOP encapsulated all of these trends: international-national business and aid cooperation, the inter-linkages of peace and sustainable development, varied effectiveness and efficiency in different implementation areas, the value of business participation in peace projects, and the role that such projects can play in local community peacebuilding over time.

This policy brief gives a short presentation of the FOP case, and then reflects upon its policy and practical value through comparative analysis of five existing business-peace claims. The brief then shows how FOP sheds light upon three new business-peace research gaps. These findings can help guide firms considering similar initiatives, take the business-peace research agenda forward, and potentially improve the likelihood of success for business-peace initiatives in fragile and conflict-affected regions.

The FNC's 'Footprints of Peace' Peacebuilding Project

As FNC became more active in international peacebuilding cooperations, they joined the Spanish Agency for International Development Cooperation (AECID) and Spanish NGO *Humanismo y Democracia* (H+D) for several small-scale collaborations on local development and environment issues. By 2008, this team sought to leverage lessons learned and scale up their joint development initiatives, bolstered by the FNC's interest in applying 'Triple Bottom Line' and other best-practice corporate goals to the community level. These discussions became the *Huellas de Paz* (Footprints of Peace) project. From 2011 to 2015, this $9 million USD initiative, conceived by FNC and H+D and financed by AECID, aimed to assist 50,000 people in disadvantaged ethnic groups suffering from conflict-related grievances.

FOP was designed more to break down societal and inter-personal barriers (e.g. gender, class, age, and domestic violence) than to reduce conflict violence. This family-level and village-level focus let FOP sidestep complex conflict equations to maintain a veil of neutrality in a highly politicized conflict environment, and allowed FOP trainers and beneficiaries to personalize peace lessons in a way that would likely have been less successful had it been focused on efforts to reduce violence between the FARC and government, or between paramilitaries and the community. FOP was in essence a post-conflict peacebuilding initiative framed as community reconstruction.

Our research studied how FOP's business-peace actions influenced vulnerable coffee growers in conflict-affected regions of Colombia. We conducted 70 semi-structured interviews with farmers, conflict victims, government officials, FOP project principals, conflict actors, and other relevant stakeholders. Through metaphors, drawings and games based on everyday life situations, FOP trainers taught FOP beneficiaries to unlearn violence, reconstruct their local societies through peacebuilding and economic growth, and learn more peaceful personal interaction and forgiveness.

Beneficiaries largely felt that FNC's positive reputation before the project began was key to its success. FNC was already a trusted member of the community, so participants were willing to try the new initiative, and many felt privileged to be selected for participation. This was important in FARC-controlled areas, where violence was common against actors perceived to have allegiances with the government or paramilitaries. FNC's long-established pro-poor reputation meant that FARC commanders trusted that FOP would indeed improve the lives of the local poor without also bringing in other hidden motives.

FOP also tried to build local peace by reducing social cleavages at the communal level, particularly in areas of high conflict. Reconciliation was perceived as an individual act of resilience not just for conflict situations but also for social community issues, and peace was conceived as an internal and individual phenomenon more than a national absence of violent political conflict. 64% of respondents said that FOP resulted in direct improvement of local social fabrics (including increased dialogue, social cohesion, integration, communication and brotherhood), and 80% said that FOP generated at least one concrete positive economic outcome in the local community.

Respondents offered three main narratives about FOP's impact upon local peace and development. First, FOP offered conflict victims an actionable toolkit for how to personally move beyond painful conflict experiences, and also offered trusted guidance for how to employ these tools in the form of local trainers. Given local variances in how individuals and communities are affected by conflict, it is challenging to make large programs standardized enough to be coherent but specific enough to be useful. Interviewees noted that community rebuilding after conflict is as much about forgiveness and reconciliation as peacebuilding is about confessions, concessions and other measures related to corrective

justice. With few respondents untouched by conflict, FOP's lessons were welcomed enthusiastically.

Second, as is typical in communities attempting to rebuild from conflict, the government was mostly absent as a source of local grievance resolution or protection, and was often viewed instead as a malevolent conflict actor that targeted citizens. However, none of the trainers or farmers that we spoke with said that government actors impeded FOP, perhaps as a result of FNC's unique institutional and reputational status. In fact, at the end of the project many FOP trainers sought to engage with local government in the form of roundtables in order to disseminate knowledge and findings. But despite integration efforts, most local government actors (including mayors and local politicians) remained unengaged.

Third, FOP successfully merged the bookend goals of peace and development in areas where trainers were active, but this dual pillar strategy was less successful where trainers were less engaged. This breakdown of implementation to local end users is explained by the fact that the last stage of direct FNC engagement was at the trainer or municipal representative level. This structure empowered trainers through skills and support networks, but at times end-line beneficiaries did not see results. An issue common to large development aid projects, FOP's leaders and beneficiaries had too many layers of staffing between them to ensure success across all project municipalities. As a result, in some places FOP's peace and development promises went unfulfilled, adding to a sense of disillusionment about such projects. However, these feelings did not carry over into negative impressions about the FNC as it was still seen as a business first and foremost.

So What Works, Why and How? Community Peacebuilding by Business

How has FOP helped us answer 'What works, how does it work, and why does it work' for business-peace initiatives? Our case study provides positive support for the following five business-peace claims:

1. Businesses can help build peace

Our findings support the argument that businesses can indeed help to build peace and local development under certain circumstances. While this statement is a truism amongst many in business and management communities, many scholars are more skeptical. The FOP case shows that documented positive change is possible in business-peace projects, and

may be replicable. This positive impact was primarily due to specific characteristics of implementation, project design and business reputation that created a platform for potential success. FNC was willing to leverage the legitimacy of its formidable long-time brand to build local peace by taking calculated reputational risks, but more importantly at the managerial level it looked beyond risk to see how FOP could offer reputational rewards, similar to how some government entities see peacebuilding activities.

2. Local community participation is essential

The degree of investment by the local community correlated positively with the degree of success across FOP field sites. Critics of international peacebuilding often call for more local ownership of project design and implementation to increase accountability, and indeed local trainers were a major factor in FOP's success. FNC was also prepared to provide targeted goods and services tailored to what local communities really needed. The FNC had the benefit of 80 years of local knowledge and engagement, but even FOP occasionally drifted from core local needs in the interest of casting a broad net of economic and societal development improvements in addition to peacebuilding, blemishing what was otherwise a well-planned program in the eyes of some farmers. But even where FOP was ineffective, it did not diminish FNC's overall local reputation.

3. Business-development partnerships for peacebuilding are promising new avenues

Formal cooperations and partnerships between businesses and international development agencies can succeed under the right conditions. FOP showed the importance of extensive community-business relationships and project implementation as a partnership amongst equals. However, FOP was unlikely to have existed without foreign funding. H+D's design assistance incentivized local involvement in a way that was complementary to FNC's aims. The fact that it was not an organic, locally developed project by a business was irrelevant, and the two international partners each contributed value-added elements, implemented on a merit and need basis as guided by local communities. As many unsuccessful business-peace ventures have been unilateral activities by firms in conflict-affected areas of operation, the value of this cooperation bears notice. Further, the FNC's role as a *conduit* for successful implementation of a foreign peacebuilding and development initiative could provide structural guidance for future business-peace collaborations between firms and development agencies.

4. A firm's local reputation and access can be keys to business-peace success

FNC's established relationship with the government and local power structures guided positive project implementation. Local connections and national support were equally important in maintaining access during the project period in varied conflict settings. The FNC's relationship with FARC is instructive, as FOP did not formally engage with conflict actors, but no respondents were targeted as a result of FOP involvement, nor did conflict actors see FOP itself as a threat. In fact, FARC leaders saw the FNC as providing a positive role in local communities through FOP – a luxury unlikely to be afforded to a traditional corporation, or even to an international aid or development organization working on local governance or empowerment initiatives. FOP staff recognized the necessity of obtaining local permission from conflict actors to operate safely, and obtained this permission with FARC in such areas. Further, FOP architect Carols Ariel Rodriguez believes that any business or international organization could run a FOP-like program if they have the institutional will and long-term capacity to do so.

5. Businesses can directly work to constrain conflict drivers

FOP showed how firms can constrain some drivers of conflict through community development, economic engagement and reconciliation-based peacebuilding. Importantly, FNC did not envision FOP as a CSR or corporate peacebuilding side project, but as an initiative integrated within local operations designed to support constituents and their communities. FNC had a reason to be in these specific communities and a reason to be invested in peace, and this engagement solidified their local legitimacy as a peace broker. However, FNC's business benefits as a local peacebuilder are tempered by the increased risks of being seen as potentially providing material support to conflict actors (funding for access, food, skills, etc.), especially if another cycle of conflict erupts.

What We Still Need to Learn about Business-Peace

The FOP case also exposed several new business-peace knowledge gaps. First, we know little about how a firm's national mechanics influence the efficiency and success of its business-peace actions, most notably those of pre-existing reputation and size. What additional considerations are at play when a firm is perceived as benevolent (or perhaps more often malevolent) before project inception,

and how should this factor into project design? While FOP lends support to the argument that firms with positive local standings are more likely to implement positive business-peace initiatives, more comparative work is needed as there were no other international agencies or large businesses operating in these regions to provide a more concrete picture, and firms with worse reputations have not attempted anything this expansive in Colombia.

The FNC's size let FOP undertake an ambitious program to reduce underlying future conflict drivers like poverty, social divisions, and unemployment. However, business-peace initiatives may not enjoy economies of scale benefits. Locational elements play a significant role, evidenced by FOP's significant differences in scale and intent from conflict-affected areas to those that saw less violence. Isolated municipalities had a higher FARC presence and influenced which FOP activities were determined to be more urgent by the local community (e.g. peacebuilding) and which were abandoned altogether (e.g. environmentalism). The perception from FOP architects was that the deeper FOP tried to engage with less-accessible communities, the more resources were needed per person helped.

Second, we have little guidance about how to concretize gains *after* business-peace projects are completed. FOP laid a strong groundwork for how businesses can formalize local development and community-building projects into peacebuilding initiatives, but the project's abrupt end and lack of continued momentum has eroded FOP's most substantial value-added elements. FNC representatives tried to get local government actors more involved in FOP to bridge the post-project transition, but a lack of interest in social peacebuilding over infrastructure activities, high turnover in municipal positions, little value-added for their offices and a lack of funding meant that such efforts were unsuccessful. FOP leaders considered the inability to continue FOP's lessons after the project period to be their biggest failure. Incorporating transition models for successful projects remains understudied.

While project evaluation framework guidelines have proliferated in the NGO/development sector, problematizing residual impact and sustainability are less considered. This is magnified in peacebuilding projects, where baselines are hard to establish and backsliding into conflict is more worrying than gifted equipment rotting unused in fields. A blueprint for sustainable maintenance of valuable activities beyond the project period could be considered. Built-in from inception, such aspects would be integral to the implementation phase and not a final consideration when funding ends or the project is shelved, requiring the asking and answering of questions about project closure in the initial project plan. This is a common lament in the international development community. Extractive firms in particular may benefit, as they tend to have a stronger vested interest in a given community and are less able to shift operations based on risk/opportunity/need. One primary takeaway is that peacebuilding – like business itself – is unpredictable; it takes time, and it takes concerted effort that often has no established financial or risk incentive, at least as traditionally understood.

Third is the role that definitions play in business-peace discussions. A significant debate has formed over the nature of 'peace' for business and what 'peacebuilding by business' or 'sustainable development by business' can and should entail. However, FOP had no working definition of 'peace', and instead let beneficiaries discover their own interpretations and forward pathways for defining 'peace'. FOP focused on how to achieve a more sustainable, peaceful development, and incorporated social, cultural, political and economic markers into its operational framework of peacebuilding-based development. This allowed FOP to remain flexible enough to vary its local teachings at the municipality level, while retaining a sense of overall project coherence to enable comparative progress.

Further, defining peacebuilding success through efficiency is often too multi-faceted to comprehen-

sively grade results, and such questions need to be adjusted for comparative practical realties. Projects of FOP's scale and geographical diversity are rarely likely to help all intended beneficiaries, and the bigger the project, the harder it is to be efficient given the varied needs of local populations, especially in countries like Colombia where needs can vary dramatically. FOP also defined itself through working in conflict areas without engaging conflict actors directly. This unorthodox approach prioritized peace engagement with local communities at the village and family level, but had little effect upon immediate conflict dynamics. Interviewees felt that the focus on women as community implementing agents increased FOP's effectiveness, which correlates positively with other successful community projects in rural Colombia, but gender components of business-peace research also remain understudied.

Going Forward

The FNC's FOP peacebuilding project provided a window into the increasingly complex nature of contemporary business-peace activities, and the multi-faceted calculations that firms make when engaging in peacebuilding and development partnerships. This brief provides evidence for scholars to further refine business-peace research, and guidance for businesses, development practitioners and policymakers looking to better understand the purpose, consequences, and ultimate utility of business-peace ventures. Further study will improve our understandings of the roles that businesses can and should play in peacebuilding, ideally carving out an aspirational – but yet achievable – role for firms in helping contribute to durable peace. ◾

Notes

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BUSINESS AND PEACE

PRIO's Business and Peace Research Group examines the role and effectiveness of business stakeholders as peacebuilding actors. It focuses on better understanding how businesses can help to both build peace and limit their negative operational impacts.

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