

# CDE4Peace

## Business Brief no.1

# Peace in business terms

by Nikolay Pavlov | February 2022, Vienna



A lot has been said and sung about political cabals and the military-industrial process making gains from wars. This intrinsic link between war and politics is famously described in Black Sabbath's classic 1970 song 'War pigs', where 'politicians started the war..., poisoning their brainwashed minds'. War has often been described in business terms, as a specific enterprise with strong political and economic motivations, while peace has usually been presented in idealistic and liberal (or post-liberal) terms. To put it crudely, war is 'a bad thing', and peace is 'a good thing'. In this context the objective of this CDE4Peace Business Brief is to analyse peace from a business perspective, going beyond good and evil. More specifically, it will seek to give answer to the following questions:

***Could peace be a source of profits and gains for political actors?***



***Is there a peace-building business?***



***What is the role of European actors in this business?***



## Peace as a source of profit for political actors



It is a truism that peaceful countries are much more developed, rich and economically strong compared with conflict-stricken countries. Obviously, there is a link between peace and prosperity. Nation states that are neutral and have specialised in peace-mediation and peace-building such as Switzerland and Austria are also highly prosperous. Having specialised in international mediation and peace-building these countries can make direct and indirect profits from peace on the international arena. This 'business approach' to peace is however an example of state foreign policy which has been developed over the years with great efforts under specific historical and political conditions. Neutrality from military pacts in international relations is hard to achieve but it pays off in multiple ways as demonstrated by Switzerland, Austria, Finland, Israel, Sweden and others. Some of these military neutral states have put peace in the centre of their foreign and security policies and, consequently made considerable gains and political capital. Is this business model a good fit for nation states only, or it could be applied by other actors as well?

The peace-building practice of the United Nations (UN), the European Union (EU) and the Organisation for Security and Cooperation in Europe (OSCE) clearly shows that international organisations are also very active in the peace-building area. Despite all existing shortcomings and critique the modern international system is hardly imaginable without these international organisations and the diverse peace-building operations they produce. Over the last 20 years the EU only has conducted over 35 civilian, military and civil-military missions and operations

with predominantly peace-building mandates. Building peace is one of the five 'core' norms in the EU's normative basis, providing argument for conceptualising the EU as a normative power in world politics (Manners, 2002, p. 242). Tellingly, in 2012 the Nobel peace prize was awarded to the EU for 'over six decades contributed to the advancement of peace and reconciliation, democracy and human rights in Europe'.

Nations and international organisations produce peace as a public good but also can profit from peace, directly or indirectly. In some cases, as in the case of the UN, peace-building and peace-keeping are among the main reasons justifying the organisation's mere existence, or *raison d'être*. Despite being political in nature these national and international public actors are all well aware of the business implications of peace and the many ways peace can serve as a source of profits and political capital. Some nations and international organisations feed off peace. Take for example the advantages of hosting peace-building international organisations, conferences and projects, the indirect income from a favourable peace-related image of the respective country and the higher inflow of foreign investment. As noted in Megadeth's 1986 track: 'Peace sells, but who's buying?'



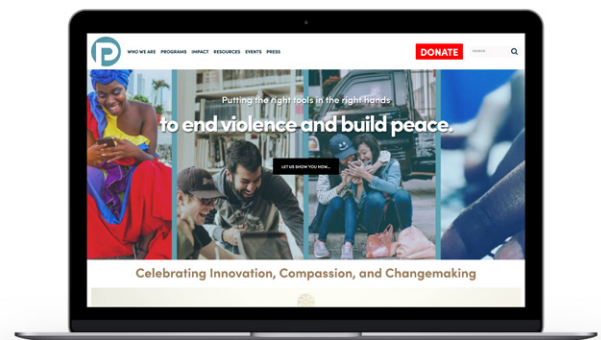
# A peace-building business?



Apart from being a public good, peace-building is also produced as a private good. Globally, there are many examples of the booming peace-building business in the private sector. A recent study on the peace-building potential of medium, small and micro enterprises provides a sound basis for linking the private sector and the peace and conflict fields (Kruckow and Servaes, 2021). Businesses are fundamentally embedded in the complex social systems of conflict-stricken countries; they have good local knowledge and are attuned to the conflict dynamics in which they operate. They have access to varied networks and players in the local conflict, including armed groups and shadow authorities. However, they do not automatically lend themselves to peace-building. The 'business for peace' concept is not meant to encompass the entire business sector – not everyone is for peace and not every activity is for profit. One of the challenges in this respect is to identify the right business sectors that benefit from peace. First, these are businesses which regard the peace business as prestigious. Secondly, these are businesses that enable and promote peace supportive value chains in highly volatile settings. The tourist sector, for example, is naturally peace-oriented as it is fully dependent on the stability and lack of conflicts and violence in the host country. Other peace-oriented business sectors are commercial trade, consulting, investment and banking. Overall, business interaction is supportive to peace-building by connecting people and markets across divides.

The development of peace products is a highly sophisticated, creative and intellectual process. As every other economic activity, it may not be profitable from an economic point of view, especially at the outset. Peace-supportive companies could produce traditional products which are enhanced with a peace-related functionality. Peace-tech is a case in point. Peace-tech uses the power of

technology, data and media to save lives and promote peace (<https://www.peacetechlab.org/>). Basically, every technology (e.g., a smartphone, or app.) that can be used for peace purposes is peace-tech.



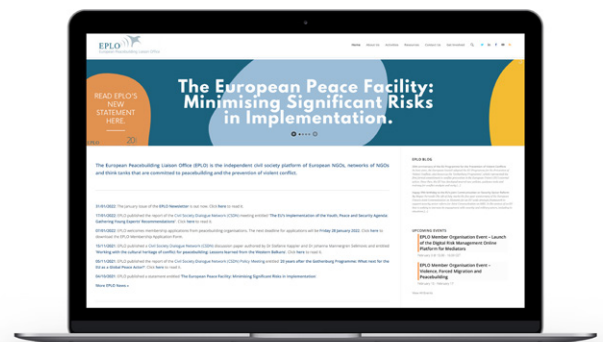
The engagement of business in peace-building has been addressed at the global level by the UN Business for Peace (B4P) initiative launched in 2013 under the UN Global Compact. B4P tries to harness the pre-existing role of business in fragile and conflict-affected states to expand and deepen private sector action in support of peace. B4P is the most visible public symbol of the broader effort by the private sector to become peace-builders. Recent studies have analysed the corporate impact of business engagement on peace in conflict-affected countries (Miklian, et. al, 2018). As noted in the report some of the peace and development initiatives by business have made a measurable, positive impact for peace. But most have had little real influence, and some have even made certain conflicts worse. Of course, businesses can also contribute to peace but there is no 'one size fits all' approach to peacebuilding by business. Overpromising positive impact by business may risk a boomerang effect, with local populations disillusioned by a business community that promised to cure societal ails.

# What is the role of European actors in the peace-building business?

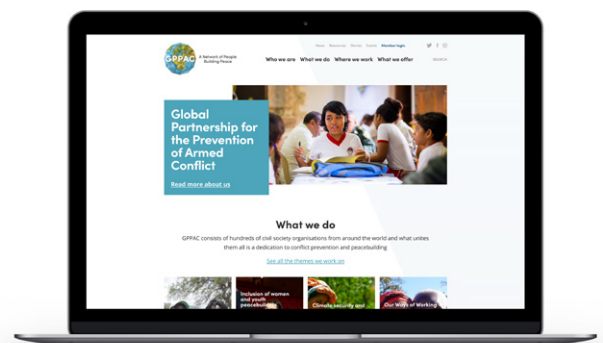


Presently European non-governmental organisations (NGOs) appear to be more active in the developing global peace-building business compared with European companies. Two major NGO networks based in Europe should be mentioned in this respect. The European Peacebuilding Liaison Office (EPLO) is an independent civil society platform of European NGOs, NGO networks and think tanks that are committed to peacebuilding and the prevention of violent conflict (<https://eplo.org/>). EPLO's declared mission is to influence European policy-makers to take a more active and effective approach in securing peace and nonviolent forms of conflict resolution in all regions of the world. EPLO has 45 member organisations from 17 European countries.

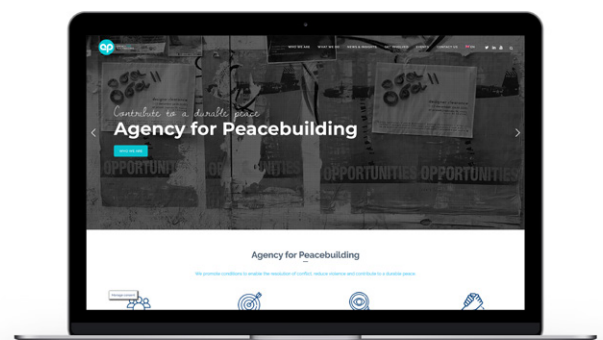
peace and security; on the other, it highlights experiences, capacities and resources specific to the Italian system, which can contribute to the resolution of violent conflict.



Another important European peace-building network is the Global Partnership for the Prevention of Armed Conflict (GPPAC). GPPAC is a Europe-based global network led by civil society organisations (CSOs) actively working to prevent violent conflict and build more peaceful societies (<https://www.gppac.net/>). The network consists of 15 regional networks, with priorities and agendas specific to their environment. GPPAC seeks a world where violence and armed conflicts are prevented and resolved by peaceful means based on justice, gender equity, sustainable development and human security for all.



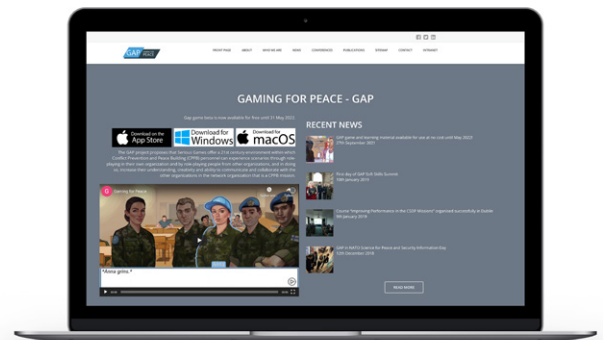
There are, of course, peace-building NGOs based in EU member states. For example, the Agency for peacebuilding is an Italian NGO specialized in peace-building. Its mission is to promote conditions to enable the resolution of conflict, reduce violence and contribute to a durable peace across Europe, its neighbouring countries and the world (<https://www.peaceagency.org/>). On the one hand, the Agency seeks to interpret and synthesize relevant topics for the benefit of Italian agencies and institutions working on



NGO peace-building has been analysed in the context of subcontracting peace (Carey, 2020). NGOs have emerged as crucial actors in peace-building processes in post-conflict zones, contributing to the liberal state-building project. NGOs, like any other organizations, have shown certain strengths and weaknesses, and face tradeoffs and contradictions in peacebuilding. Overall, NGO experience in peace-making and peace-building has a relatively positive record but it also has certain constraints, limitations, and sometimes contradictory impact.

The main peace-building products by European companies have been developed under the EU's research and innovation programme 'Horizon 2020'. An Irish company has developed a multiple-player online role-playing game for training peace-keepers in conflict zones under the H2020 project GAP 'Gaming for peace' (<https://gap-project.eu/>). Being a 'serious game' GAP offers an environment within which conflict prevention and peace building personnel can experience scenarios through role-playing in their own organization and by role-playing people from other organizations. An Austrian company has delivered a dedicated platform for peace-building training which includes a knowledge base, a database of training providers and training curricula for conflict prevention and peacebuilding personnel (<https://www.peacetraining.eu/>). The platform is open and free to academics and practitioners, individuals and organizations, to register accounts and advertise their training offers, but also to contribute content in the form of events, news, training materials and any other training-related works, including handbooks, ICT tools, case studies, guides, innovative training

methods and concepts. The two projects clearly demonstrate that the development of peace-training tools is very promising for European companies wishing to specialise in the peace-building business. Interestingly, both peace-building 'trailblazers' have been SMEs from smaller, military-neutral EU member states. The big European security and defence companies, traditionally oriented to the defence market have so far not demonstrated interest in the peace-building business.





## Conclusions

This Business Brief clearly demonstrates that peace can actually be profitable and can be exploited by diverse actors pursuing their own interests. Nations and international organisations produce peace as a public good but they can also profit from peace, making political capital and even justifying their existence by peace-related claims. In the private sector a peace-building business has been steadily evolving over the years at the global level to include companies from diverse sectors such as consulting, investment and banking. The UN has tried to streamline this process under the Business for Peace (B4P) initiative, with limited success.

In the EU non-governmental organisations (NGOs) have been more active in the emerging global peace-building business compared with European companies. Experience from the EU's research and innovation programme indicates that the development of peace-training tools is very promising for European companies wishing to specialise in the peace-building business. This business orientation chimes well with the EU's specialization as a civilian power in international peace-building and the overall zeitgeist of modern European societies that 'no more war pigs have the power'.

*Nikolay Pavlov is a Marie Curie Fellow at SYNYO GmbH within the frameworks of the CDE4Peace project.*

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**Disclaimer:** This article reflects only the author's view. The funding agency is not responsible for any use that may be made of the information it contains.



## About CDE4Peace

CDE4Peace is a Marie Curie project funded under the EU's Horizon 2020 Research and Innovation programme (GA no. 882055). The project's principal research objective is to explore the potential of Concept Development and Experimentation for enhancing the EU's conflict prevention and peace-building policy. The project's hypothesis is that Concept Development and Experimentation could serve as a tool for politically independent, unbiased

and safe experimentation of novel concepts and approaches in the field of EU conflict prevention and peace-building. The project's research and innovation objectives are closely related to the current developments in the EU's Common Security and Defence Policy (CSDP) which forms the political framework of EU conflict prevention and peace-building. The project is hosted by the Vienna-based research and innovation company SYNYO GmbH.





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