August 2017   POLICY BRIEF

Driving the Global Business-Peace Agenda by Supporting SMEs

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Background

The Global Peace Index 2017, which ranks countries in terms of their level of conflict, highlights that very few countries are entirely free of conflict[2]. Conflict issues are directly or indirectly part of the daily lives of communities across the globe. Within these communities are businesses, which are mostly small and medium enterprises (SMEs), that struggle and cope with significant challenges and risks. However, there is limited external targeted support to SMEs though their resilience within these fragile contexts and promotion of peace is critical to ensure community resilience and sustain the global peace agenda.

The Problem

Until the turn of the century, there had been a lack of significant interest on how businesses can contribute to social transformation as it was assumed that links were non-existent or at best very minimal. When links were made, it was often suggested that businesses primarily contributed to social ills as the drive for profit making was synonymous with extractive exploitation of resource rich areas that fuelled conflict. In the last couple of decades, however, there has been a big shift with businesses, particularly large multinationals becoming more socially and environmentally conscious. Large gains have been seen with many companies adopting environmental and social safeguards. In parallel, an increasing number of development organisations, governments, business member organisations, and academics have encouraged large businesses to engage in conflict and post-conflict areas in more responsible manners. Several useful documents have been developed to drive the agenda forward.[3] While

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[2] Vision of Humanity (2017), *Global Peace Index*, http://visionofhumanity.org/indexes/global-peace-index/

[3] See for example, UN Global Compact (2010), *Guidance on Responsible Business in Conflict-Affected and High Risk Areas: A Resource for Companies and Investors*; ICMM, ICRC, IFC and IPIECA (2012), *Voluntary Principles on Security and Human Rights: Implementation Guidance Tools*; and International Dialogue on Peacebuilding and State-building (2015), *International Standards for Responsible Business in Conflict Affected and Fragile Environments.*

these documents have greatly assisted enterprises to meet their demand for guidelines, tools and services to manage risks and been pivotal in developing the foundation for the Business-Peace agenda, almost all support has gone to multinationals and large local companies. If the agenda is to be taken forward rapidly, a greater diversity of organisations and businesses need to be brought to the discussion table to provide broader perspectives, build the evidence base and develop forward thinking frameworks. In this regard, the needs and actions of SMEs are significant.

While many SMEs acknowledge that they are significantly affected by conflict and thus face substantial risks, they rarely acknowledge that their activities influence either conflict or peace and assume that their actions are neutral. Therefore, to further strengthen the global Business-Peace agenda, more needs to be done to support SMEs to understand how conflicts affect them and the roles they can play to support peace. As part of this support, a distinction needs to be made between SMEs that need to manage negative impacts of conflict and those that wish to address the root causes of conflict and contribute to peace. Many SMEs acknowledge that their key priority is the former suggesting that it is not possible for them to promote peace unless they are able to manage security and business risks.

The Solution

Change to the current gap in the Business-Peace agenda requires an approach that brings SMEs into the discussions on peace and a concerted effort to assist them to manage their operations while coping with multiple risks and addressing some of the root causes of conflict. Global tools and guiding documents specifically focusing on SMEs also need to be created and validated for their usefulness so that businesses can become more resilient. They must include frameworks for conceptualising the challenges faced by and roles of businesses in conflict contexts, risk management tools, and peace supporting principles. Thereafter, successful SMEs must be engaged, encouraged and supported within an overarching programmatic approach that brings together the interests of diverse stakeholders. If this is done in a collaborative and context specific manner, the global Business-Peace agenda will be significantly strengthened so that a wide range of businesses become more resilient in the face of conflict and contribute to peace.