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978-1-107-03708-3 - Regulating Business for Peace: The United Nations, the Private Sector,
and Post-Conflict Recovery

Jolyon Ford

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REGULATING BUSINESS FOR PEACE

This book addresses gaps in thinking and practice on how the private sector can both help and hinder the process of building peace after armed conflict. It argues that weak governance in fragile and conflict-affected societies creates a special interim duty on international authorities to coordinate regulating the social impact of business activity in these places. Policy making should seek appropriate opportunities to engage with business while harnessing its positive contributions to sustainable peace. However, scholars have not offered frameworks for what is ‘appropriate’ engagement, nor have they offered properly theorized techniques for how best to influence responsible business conduct.

United Nations peace operations are peak symbols of international regulatory responsibilities in conflict settings. As debate grows on the private sector’s role in development generally, this book is the first to study how peace operations have engaged with business to influence its peacebuilding impact.

Dr Jolyon Ford is an associate of the Global Economic Governance Program, University of Oxford. His research focuses on the regulation of investor and business activity in fragile, transitional and conflict-affected states, policy and regulatory options for fostering responsible and conflict-sensitive business practices, and wider public policy on the private sector’s role in meeting development goals. He blogs on these issues as ‘Private Sector – Public World’.

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Regulating Business for Peace

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SECTOR, AND POST-CONFLICT
RECOVERY

JOLYON FORD

Global Economic Governance Program, University of Oxford



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Preface

A short note is required as this book draws on research originally undertaken pursuant to doctoral studies completed in 2011. In all relevant respects (in particular, the mandates and periodic reports of UN peace operations) the work is current to 31 March 2014. That end date is not of particular relevance given the strength of the enduring trend identified in this book: a gap in policy and practice in relation to regulating business for peace. At the time of completing the doctoral work, I recorded a finding that with one (fairly minor) exception, there was no reference in any past peace operation mandate to engaging with the private sector, let alone to influencing its impact on post-conflict peacebuilding; the role of this vital social actor and stakeholder in peace went largely unconsidered in UN reports of peace operations; interviews largely yielded an absence of ‘data’, because peacebuilders had generally not interpreted their role to include promoting and ensuring conflict-sensitive business practices. After 2011, that situation changed in a material way, as this book now records. An advisor on engaging the private sector was appointed to the UN Peacebuilding Support Office, and in 2012 the UN Secretary-General’s annual report on post-conflict peacebuilding for the first time made explicit mention of the need to engage business in the process of building sustainable peace. The book explains this development, which is promising for its proposed approach yet, if anything, highlights the prevailing gap.

As the book also observes, the mere presence or absence of express references to business in formal mandates and official reports is not necessarily synonymous with action or inaction. Research for this book, however, establishes that the noticeable omission of business actors in the mandates and reports of peace operations also reflects a gap in the mindset of those involved in planning and conducting such operations. Although that gap may have begun narrowing, it nevertheless persists. In helping societies to recover from serious

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conflict, the stakes are so high that all available policy options must be considered. This includes a preparedness to think differently about the private sector's role in securing the ultimate public good: peace. This book is intended to contribute to determining what an appropriate role might entail, and how policy makers should enable this.

“The threats to peace are often greatest during [the] early phase, but so too are opportunities to set virtuous cycles in motion from the start.”

(United Nations Secretary-General ‘Peacebuilding in the Aftermath of Conflict’ A/63/881-S/2009/304, 11 June 2009, para [2])

“[T]he social responsibility of regulators, in the end, must be not simply to impose controls, but to activate and draw upon the conscience and the talents of those they seek to regulate.”

(Bardach, E., and Kagan, R., *Going by the Book: The Problem of Regulatory Unreasonableness* (Temple, Philadelphia, 1982), 321)

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Acronyms

ACC	UN Administrative Committee on Coordination
BBC	British Broadcasting Corporation
CAVR	Commission for Reception, Truth, and Reconciliation in East Timor
CSR	Corporate Social Responsibility
DAC	Development Assistance Committee (of the OECD)
DDR	Disarmament, Demobilisation, and Reintegration
DFS	UN Department of Field Support (Peacekeeping)
DPA	UN Department of Political Affairs
DPKO	UN Department of Peacekeeping Operations
DRC	Democratic Republic of Congo
ECOMOG	ECOWAS Monitoring Group
ECOSOC	UN Economic and Social Council
ECOWAS	Economic Community of West African States
EITI	Extractive Industries Transparency Initiative
FCRC	Forest Concession Review Committee (Liberia)
FCV	Fragility, Conflict, Violence (cross-cutting World Bank theme)
FDA	Forestry Development Authority (Liberia)
GEMAP	Governance and Economic Management Assistance Program (Liberia)
GIHL	Global Infrastructure Holdings Limited (Liberia)
HRC	UN Human Rights Council
HRU	Human Rights Unit (UNMIL)
IFC	International Finance Corporation of the World Bank Group
IFI	International Financial Institutions

ILO	International Labour Organisation
JAM	Joint Assessment Mission
JMAC	Joint Mission Analysis Cell (UNMIL)
KPCS	Kimberley Process Certification Scheme
LAMCO	Liberia American-Swedish Minerals Company
LCC	Liberian Chamber of Commerce
LEEP	Liberia Emergency Employment Programme (UNMIL)
LIBA	Liberian Business Association
LTA	Liberian Timber Association
LURD	Liberians United for the Restoration of Democracy
MODEL	Movement for Democracy in Liberia
NCP	National Contact Point
NGO	Non-governmental Organisation
NPFL	National Patriotic Front of Liberia
NTGL	National Transitional Government of Liberia
OECD	Organisation for Economic Cooperation and Development
OHCHR	UN Office of the High Commissioner for Human Rights
OSCE	Organisation for Security Cooperation in Europe
OSIWA	Open Society Institute West Africa
P5	The ‘Permanent Five’ Members of the UN Security Council
PBC	UN Peacebuilding Commission
PBSO	UN Peacebuilding Support Office (to the PBC)
PPCC	Public Procurement and Concessions Commission (Liberia)
PPD	Plantation Protection Department (Liberia)
PRI	UN-Sponsored Principles for Responsible Investment
PSC	Private Security Company (or Contractor)
RRT	Responsive Regulation Theory
SOE	State-Owned Enterprise
SRSG	Special Representative of the UNSG
TFC	Task Force Coordinator (UNMIL)
TPA	Transitional Provisional Authority (Iraq)
TRC	Truth and Reconciliation Commission
ULIMO	United Liberation Movement of Liberia for Democracy
UN	United Nations
UNCT	UN Country Team
UNDG	UN Development Group
UNDP	UN Development Programme

Acronyms

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UNEP	UN Environment Programme
UNIDO	UN Industrial Development Organisation
UNODC	UN Office on Drugs and Crime
UNSC	UN Security Council
UNSG	UN Secretary-General
USAID	United States Agency for International Development
USIP	United States Institute for Peace
WFP	World Food Programme

FULL TITLES FOR ACRONYMS OF UN PEACE OPERATIONS AND
SPECIAL POLITICAL MISSIONS

Only those referred to in the body of the book are listed.

Current Operations

MINURSO	UN Observer Mission in Western Sahara
MINUSCA	UN Mission in Central African Republic
MINUSMA	UN Mission in Mali
MINUSTAH	UN Stabilization Mission in Haiti
MONUSCO	UN Organization Stabilization Mission in the DRC
UNAMID	African Union–UN Hybrid Operation in Darfur
UNFICYP	UN Peacekeeping Force in Cyprus
UNISFA	UN Interim Force in Abyei (Sudans)
UNMIK	UN Interim Administration Mission in Kosovo
UNMIL	UN Mission in Liberia
UNMIS	UN Mission in Sudan
UNMISS	UN Mission in South Sudan
UNOCI	UN Operation in Côte d'Ivoire

Past Operations

MINURCA	United Nations Mission in the Central African Republic
MINURCAT	United Nations Mission in the Central African Republic and Chad
MONUC	United Nations Organization Mission in the DRC
ONUC	United Nations Operation in the Congo
UNAMET	United Nations Mission in East Timor
UNAMSIL	United Nations Mission in Sierra Leone

UNMIBH	United Nations Mission in Bosnia and Herzegovina
UNMISET	United Nations Mission of Support in East Timor
UNMIT	UN Integrated Mission in Timor-Leste
UNOMIL	United Nations Observer Mission in Liberia
UNOSOM	United Nations Operation in Somalia I
UNOSOM	United Nations Operation in Somalia II
UNTAC	United Nations Transitional Authority in Cambodia
UNTAES	UN Transitional Administration Eastern Slavonia, Baranja, and West Sirmium
UNTAET	United Nations Transitional Administration in East Timor

Special Political Missions

BINUCA	United Nations Integrated Peacebuilding Office in the Central African Republic
BNUB	United Nations Office in Burundi
UNAMA	UN Assistance Mission in Afghanistan
UNIOGBIS	United Nations Integrated Peacebuilding Office in Guinea-Bissau
UNIPSIL	United Nations Integrated Peacebuilding Office in Sierra Leone
UNOCA	United Nations Regional Office for Central Africa
UNOWA	United Nations Office for West Africa
UNRCCA	United Nations Regional Centre for Preventive Diplomacy for Central Asia

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Personal Note

I have dedicated this book to my wife Alexandra. It is also jointly dedicated to my parents David and Susan. This is a study of one way to help build more peaceful, inclusive, and prosperous societies. It is therefore fitting that the dedication record my parents' lifelong work in agricultural extension for peasant farmers and secondary education, respectively, first in Rhodesia and then in Zimbabwe. My interest in the subject matter of this book had its genesis in various personal and professional experiences and interests. My own earliest memories come from a transitional post-conflict setting, as Rhodesia became the independent Zimbabwe in 1979–80. My academic perspectives on peacebuilding are thus no doubt shaped by the strange but very palpable mix of optimism and uncertainty experienced growing up in Zimbabwe in the 1980s and later attending university in South Africa in the 1990s during its transition out of *apartheid*. From the outset my focus has been as much on stimulating and harnessing *positive* business contributions as on controlling for harmful negative impacts. I sought to reconcile two long-held sentiments. One is fidelity to an intuitive sense of injustice first sparked during a childhood class exercise about the Union Carbide Company's role in evading remedial measures for the 1984 Bhopal industrial disaster. The other is, by contrast, to reject the many advocates that would blindly condemn commercial actors as inherently socially indifferent or irresponsible. Thus the book may partly reflect long-held personal dilemmas: I grew up hearing my mother rightly praise the remarkable daring and industry of our pioneer forebears in Africa, mining gold and cultivating tobacco; yet I also came to be aware that these business adventures benefitted from a colonial system involving forced displacement and racial discrimination, and so were activities that were inextricably tied to the unnecessary civil war into which I was born, and whose legacy still affects Zimbabwe. This same dilemma is one theme of this book's study of how business activity in 'new' settings can be deeply problematic yet can also be empowering, protective, and constructive.