# The Private Sector's Share in Peace: Education to provide social stability in conflict-affected societies

Julie A. French\*

<sup>\*</sup> Julie French has worked in education as a secondary school teacher and later Head of Department since 1997. Her work has included designing curricula for Peace Education. In 2003 she worked as a Research Assistant at The United Nations Institute for Disarmament Research where she undertook research into the role of the Private Sector in Conflict Prevention.

## **INTRODUCTION**

Economic Forum in Davos, Switzerland 2003.

It is becoming companies' business to play a role in promoting stability and preventing violent conflict in the countries in which they operate. From a business perspective, social stability and the prevention of instability are of obvious importance. A PricewaterhouseCoopers' survey of global executives reveals that 48% of Chief Executive Officers (CEOs) believe that terrorism and global war represent significant threats to their companies' growth prospects. Some international organisations, such as The United Nations, the European Union and The Organisation for Economic Co-operation and Development (OECD), amongst others, recognise the benefits of a cross-sector approach for which they seek increased cooperation with the private sector.

This paper aims to examine 1) the relationship between a lack of human development and conflict and 2) the role of the private sector in promoting stability through education/training packages within the framework of Corporate Social Responsibility Programmes in conflict-affected societies.<sup>3</sup> This will include an exploration as to how the socio-economic outcomes of education contribute to human development and to peace.

This paper will be divided into four main sections: *Human development and conflict* examines, in relation to conflict, the four main areas which measure human development, namely access to

<sup>1</sup> McClenahen, J.S., & Purdum, T., 'CEO optimism and unease (Financial and Economic Trends)', *Industry Week*, 1 March 2003, reports on a PricewaterhouseCoopers' survey of nearly 1,000 global CEOs, released at January's World

<sup>&</sup>lt;sup>2</sup> The Report of the UN Secretary-General on *The Prevention of Armed Conflict*, June 2001, highlights that Member States, international, regional and sub-regional organisations, the private sector, non-governmental organisations, and other civil society actors also have very important roles to play in the field of conflict prevention. In *The EU Programme for the Prevention of Violent Conflicts*, endorsed by the Göteborg European Council, June 2001, p.11, it is stated that methods for EU cooperation with the private sector in the field of conflict prevention will be developed. The conflict prevention report from the Greek Presidency to the European Council, *The Implementation of the EU Programme for the Prevention of Violent Conflicts*, June 2003, p.10, highlights the fulfilment of this goal through the establishment of the European Multi-Stakeholder Forum on Corporate Social Responsibility, launched in October 2002. This Forum brings together European representative organisations, business networks, trade unions and NGOs.

Likewise, The OECD Development Assistance Committee (DAC), *Guidelines on Helping Prevent Violent Conflict*, October 2002, p.9, highlights the importance of the private sector in conflict prevention.

<sup>&</sup>lt;sup>3</sup> Conflict-affected countries are split into three categories: those that are conflict-prone, those in active conflict and those in transition from conflict. Under the term 'corporate', 'company' or 'business' the author refers to Multinational Corporations and Small to Medium Businesses. A Multinational Corporation is defined by the United Nations as 'a firm with a significant interest in the assets of at least one foreign company or affiliate.' Another term often used but possibly defined differently is Multinational Enterprise (MNE). A MNE is defined by the ILO as 'enterprises, whether they are public, mixed or private ownership, which own or control production, distribution, services or other facilities outside the country in which they are based.'

resources for a decent standard of living, knowledge, participation in community life and longevity.

The role of the private sector in contributing to peace through education initiatives aims to answer the question as to why companies should specifically choose education programmes. To this end, this paper will examine how the potential socio-economic outcomes of education contribute to human development and the extent to which they contribute to building peace. These socio-economic outcomes are I) economic growth II) development of human capital III) democratisation and IV) the promotion of tolerance and trust. A critical examination of private sector contributions to peace examines if, why and how the private sector should be charged with building peace in conflict-affected societies. Finally, the author's recommendations suggest how this involvement can be maximised to improve the relationship between corporate education initiatives and peace, including practical ideas.

## 1. Human Development and Conflict

This paper will examine the four main areas which measure human development and the extent to which a lack of human development may lead to conflict. Human development is calculated using The Human Development Index. This index measures four main areas to determine human development: I) access to the resources needed for a decent standard of living, II) knowledge (adult literacy rate and combined gross enrolment ratio for primary, secondary and tertiary schools), III) participation in community life and IV) longevity.<sup>4</sup>

# A. Access to resources for a decent standard of living

This measurement of human development considers both economic factors and issues of fair access to resources.

With regard to economic factors, research suggests a link between economic deprivation and a propensity for violent conflict. According to the World Bank, in 2002 there were 37 conflict-

<sup>&</sup>lt;sup>4</sup> Combined gross enrolment rate is defined as 'The number of students enrolled in primary, secondary and tertiary levels of education, regardless of age, as a percentage of the population of official school age for the three levels'. The United Nations Development Programme, *Human Development Report 2004*, (New York, 2004), p.127, p.270.

affected countries; in 2003 this had risen to 41. Of these 41 countries 32 are low-income countries.

During the past 15 years some 15 of the 20 poorest countries have had violent conflicts.<sup>5</sup> This research predominantly pertains to civil conflict rather than conflict between States. The current nature of conflict is civil conflict. Today more than 90 percent of armed conflict takes place within, rather than between States and up to 90 percent of the victims are civilians rather than combatants.<sup>6</sup> The question can be asked why economic deprivation should lead predominantly to civil conflict and not to conflict between States. Other factors thereby must currently play a significant role in increasing the propensity for civil conflict. These factors may not cause conflict between States or other factors may prevent conflict between States. It is therefore questionable that purely an economic solution is sufficient in building peace.

An economic solution may, however, make a contribution to peace as, according to Motivational theories, there are Basic Human Needs which need to be satisfied before Higher Level Needs may be met. If these needs are not satisfied, desperate behaviour may occur, including aggression. Aggression may lead to conflict. These Basic Needs are: Biological Needs, Safety Needs, Attachment Needs and Esteem Needs. Higher Level Needs are described as: Cognitive Needs, Aesthetic Needs, Self-actualisation Needs and Transcendence and Spiritual Needs.<sup>7</sup> Biological Needs for food, water and oxygen are the most basic needs. It can be argued, therefore, that an economic solution must be the first step in meeting human development needs. However, social stability does not just comprise of the absence of aggression and conflict. Stable societies address the root causes of aggression and conflict by promoting rights, law and social justice.<sup>8</sup> An economic solution may address issues of social justice if conducted fairly.

With regard to fair access to resources, some research proposes basic needs or fundamental requirements for human development as including: the need for security, identity, recognition of

62

<sup>&</sup>lt;sup>5</sup> The World Bank, Conflict-affected countries. A Comprehensive Development Framework Approach. Lessons from a Roundtable Discussion, (Geneva, September 2003), p.2.

<sup>&</sup>lt;sup>6</sup> Wenger, Andreas, & Möckli, Daniel, *Conflict Prevention. The Untapped Potential of the Business Sector* (Lynne Rienner Publishers Inc., Colorado 2003), p.3.

<sup>&</sup>lt;sup>7</sup> Opotow, Susan, 'Aggression and Violence' in *The Handbook of Conflict Resolution Theory & Practice*, edited by Morton, Deutsch, Coleman, Peter T., (San Francisco, 2000), p.409.

<sup>&</sup>lt;sup>8</sup> Opotow, Susan, op. cit. p.424.

French, Julie, A., "The Private Sector's Share in Peace: Education to provide social stability in conflict-affected societies", Peace, Conflict and Development: An Interdisciplinary Journal, Vol. 7, July 2005, available from <a href="http://www.peacestudiesjournal.org.uk">http://www.peacestudiesjournal.org.uk</a>. identity, freedom, distributive justice and participation. These needs are primarily sought to be

identity, freedom, distributive justice and participation. These needs are primarily sought to be satisfied through identity groups. If the needs of a group are not met, frustration may occur and inter group conflict may arise. Economic deprivation may cause aggression and conflict if basic needs are not met, but when combined with unfair access to resources, particularly over group lines, such as racial, ethnic, religious and cultural, this conflict may become intractable as social injustice is a root cause of conflict. Research shows that societies in which a group dominates politically and controls access to wealth, education and status may well suffer from increased vulnerability to violent civil conflict. Groups within communities where corporations operate may be formed, such as local employees of the corporation and local residents who are not employed by the corporation. Likewise conflict may occur between these groups.

Access to resources for a decent standard of living is a human development need. The fulfillment of this need to a degree whereby biological needs can be met may prevent aggression and conflict. This need must be met before other needs can be addressed. However, denial of this biological need may not result in intractable conflict. If, however, there are resources for this need to be met but access to these resources is unfair, especially along group lines, this may result in protracted conflict. However, inter group relations are complex and other factors are at work in causing and intensifying conflict between groups apart from access to resources. The role of inter group relations in conflict will be discussed further later in this paper.

## B. Knowledge

A lack of knowledge (knowledge is measured by adult literacy rate and combined gross enrolment ratio for primary, secondary and tertiary schools) may cause conflict. The acquisition of knowledge addresses Cognitive Needs and potentially Self-actualisation Needs for fulfilling ones own potential, although this acquisition need not be limited to a formal setting. It can be argued

<sup>&</sup>lt;sup>9</sup> Fisher, Ronald J., 'Intergroup Conflict' in *The Handbook of Conflict Resolution Theory & Practice*, edited by Morton, Deutsch, Coleman, Peter T., (2000), p.170.

<sup>&</sup>lt;sup>10</sup> OECD, The DAC Guidelines. Helping Prevent Violent Conflict, (2001), p.87.

that there are many peaceful societies who do not have a school-going culture. Informal knowledge is acquired through both the primary care givers and the community and the learning experience is generally positive. However, other factors may contribute to this stability such as a societal emphasis on rights, law and social justice. Crucially, the risk of instability and illiteracy and school attendance rates are linked. Data confirms that generally all countries, where a high percentage of the population is illiterate and primary and secondary enrolment rates are low, have a higher risk of political instability. 11 This could be due to a number of considerations, such as an uneducated and dissatisfied workforce, a high number of unemployed, including youth, thereby a lower standard of living and a possible increase in offending behaviour, a lack of interaction and social cohesion and a lack of knowledge of democratic principles, and thus a resulting under-representation at a political Further research maintains that there is a relationship between a lack of education and poverty. 12 In a study conducted by the African Development Bank regarding poverty in African countries, high illiteracy rates are cited alongside low levels of production technology, and underdeveloped rural infrastructure as being the main factors behind chronic poverty. <sup>13</sup> For example, high illiteracy rates can delay improvements in farming techniques, as farmers are unable to use improved agricultural technology. 14 Poverty may cause aggression and conflict as basic biological needs may not be met, however if social injustice is a factor, the likelihood of conflict increases.

A lack of knowledge may cause conflict yet knowledge itself can also be used as a tool to encourage conflict through a process of conscientisation. This process seeks to raise awareness of the nature of unequal relationships. Increased awareness leads to demands for change. As these

<sup>-</sup>

<sup>&</sup>lt;sup>11</sup> Appiah, Elizabeth N., & McMahon, Walter W., op.cit. p.44.

<sup>&</sup>lt;sup>12</sup> According to The World Bank, poverty alleviation also refers to access to clean water, health and education services and in addition, control over one's own destiny, representation and freedom.

<sup>&</sup>lt;sup>13</sup> The Literacy rate is the percentage of people ages 15 and above who can, with understanding, both read and write a short, simple statement related to their everyday life. This definition is taken from The United Nations Development Programme's *Human Development Report 2004*, (New York, 2004), p.272.

<sup>&</sup>lt;sup>14</sup> The African Development Bank, 'Gender, Poverty and Environmental Indicators in African Countries', *African Development Bank* 2002-2003, Volume III. Published by The Statistics Division. Development Research Department, Denmark, Ivory Coast, p.37.

demands typically go unheard then there is some form of confrontation. The conflict then comes to the surface.<sup>15</sup> The acquisition of this kind of knowledge, however, is not dependent on literacy.

A lack of knowledge or illiteracy may lead to an increased propensity for conflict. Knowledge may itself lead to conflict through awareness raising. Yet conflict may also be positive in initiating social change, dependent on the way in which the conflict is expressed.

## C. Participation in Community Life

Researchers have described participation, identity, recognition of identity and social belonging or Attachment Needs (as described in Motivational theories) as fundamental needs for human development. If these fundamental needs are frustrated, aggression and conflict may occur. As discussed later in this paper, if participation in public affairs, especially of minority groups, is denied then this can lead to conflict.

Participation and the outcomes of participation in community life consider issues of 1) social cohesion, 2) trust and 3) inter group relations. A lack of participation in community life will impact upon these issues. Hence, these will be examined as to their relationship to conflict.

#### 1) Social cohesion

Jenson (1998) defines social cohesion as "the shared values and commitment to a community." Five important dimensions of social cohesion have been identified. These are: belonging; inclusion; participation; recognition; and legitimacy. <sup>16</sup> If social cohesion is achieved this addresses some of the fundamental needs for human development and thus potentially lessens the propensity for conflict. Social cohesion has an especially important role to play in the instance that the community comprises of different groups, such as racial, ethnic, religious and cultural and in the instance that inter-group relations have been or are fragile. This will be examined under point 3.

### 2) Trust

<sup>15</sup> Lederach, John Paul, *Building Peace*. *Sustainable Reconciliation in Divided Societies*, (United States Institute of Peace Press, 1999), p.64.

<sup>&</sup>lt;sup>16</sup> OECD Centre for Educational Research and Innovation, *The Well-being of Nations*. *The Role of Human and Social Capital*, (2001), p.13.

French, Julie, A., "The Private Sector's Share in Peace: Education to provide social stability in conflict-affected societies", Peace, Conflict and Development: An Interdisciplinary Journal, Vol. 7, July 2005, available from <a href="http://www.peacestudiesjournal.org.uk">http://www.peacestudiesjournal.org.uk</a>.

Trust represents a key component of social cohesion. Tommunities in which there is trust present

Trust represents a key component of social cohesion. Communities in which there is trust present can generally work through conflict fairly easily, although there are important group factors to consider. The development of trust can be dependent on several factors.

- Ethnicity: A body of research maintains that ethnic diversity tends to reduce public sector performance, increase patronage and to have a negative effect on trust. Similarly, ethnic homogeneity is seen to raise trust. This is reinforced by 'Hamilton's Rule', a term taken from evolutionary biology which describes the desire to protect one's (extended) family. Where genetic and social ties are weak, cheating is more likely to occur.
- Psychological orientation: Deutsch (1985) suggests that individuals establish and maintain relationships partly on the basis of interrelated cognitive motivational and moral orientations. Namely, individuals may choose relationships which are congruent with their own psyche.<sup>21</sup> Given this is the case, individuals may be more inclined to trust those whom they perceive as similar.
- Personal predisposition: Research shows that individuals differ in their willingness to trust others.<sup>22</sup>
- Reputations and stereotypes. These play a role in encouraging trust or arousing suspicion and
- Actual experience: Experiences within a relationship over time shape whether an individual generalises the relationship to be one of trust.<sup>23</sup> In addition, the influence of past trusting behaviour on current trusting behaviour may play a role. In areas where there has been a history of violent

<sup>&</sup>lt;sup>17</sup> Fukuyama defines trust as 'the expectation that arises within a community of regular, honest, and cooperative behaviour, based on commonly shared norms, on the part of other members of that community', in Fukuyama, *Trust:* the social virtues and the creation of prosperity, (Free Press, New York 1995), p.26.

<sup>&</sup>lt;sup>18</sup> Collier, Paul, *The Political Economy of Ethnicity*, paper prepared for the Annual World Bank Conference on Development Economics, April 1998, Introduction.

<sup>&</sup>lt;sup>19</sup> Easterly, William, 'Can Institutions Resolve Ethnic Conflict', *Economic Development and Cultural Change*, Volume 49 (4), July 2001, p.687.

<sup>&</sup>lt;sup>20</sup> Zak, Paul J., & Knack, Stephen, 'Trust and Growth', *The Economic Journal*, Volume 111 (470), (April 2001), p.299. <sup>21</sup> Deutsch, Morton, 'Interdependence and Psychological Orientation' in *Distributive Justice*. *A Social Psychological* 

Perspective, (New Haven: Yale University Press 1985), p.94.

<sup>22</sup> Rotter, J.B. 'Generalized Expectations for Interpersonal Trust'. American Psychologist, (1971), 26, pp.443-452.

<sup>&</sup>lt;sup>23</sup> Lewicki, Roy J. & Wiethoff, Carolyn, 'Trust, Trust Development, and Trust Repair' in *The Handbook of Conflict Resolution Theory & Practice*, edited by Morton, Deutsch, Coleman, Peter T., (San Francisco, 2000), p.92.

conflict between groups the progression towards achieving trust between these groups will be more difficult.

In addition to the positive effect on social cohesion, research also demonstrates that trust of the other positively affects the level of economic success, which may decrease the propensity for conflict.<sup>24</sup> Although it is difficult to quantify trust various studies have been undertaken in this field. One such study questioned individuals in rural Tanzania as to their trust in various institutions and the level and characteristics of their engagement in community group activities.<sup>25</sup> This data was then matched with data concerning household income. It was discovered that social bonding and trust are associated with household income.

## 3) Inter group relations

It can be argued that the most protracted conflicts have occurred between identity groups (racial, ethnic, religious and cultural). The primary drivers of inter group conflict have been proposed as economic, value (what groups believe in) and power differences. Needs conflict can be added to this, namely the extent to which basic needs are frustrated or satisfied.<sup>26</sup> Due to the nature of identity groups can social cohesion really exist between such diverse groups? The theory of Ethnocentrism pertains that identity groups tend to be ethnically focused and accept those who are alike and discriminate against or reject those who are not alike. Realistic group conflict theory suggests that ethnocentrism is a result of conflicts of interest and competitive interactions by groups. This suggests that a perceived threat to the group strengthens inner group solidarity bonds whilst simultaneously causing hostility towards the other group, especially if there has been a negative history between them.<sup>27</sup> The Social Identity theory, however, maintains that

<sup>&</sup>lt;sup>24</sup> Glaeser, Edward L., & Laibson, David I., & Scheinkman, José A., & Soutter, Christine L., 'Measuring Trust', *Quarterly Journal of Economics*, Volume 115 (3), (August 2000), p. 811. For example, Arrow (1972) and Fukuyama (1995) maintain that the level of trust strongly predicts a society's economic success.

<sup>&</sup>lt;sup>25</sup> The Tanzania Social Capital and Poverty Survey was conducted by Narayan and Pritchett in 1997 and the findings are referred to in The World Bank Group web site – http://www.worldbank.org - Social Capital, Overview - *How is Social Capital measured?* p.1.

<sup>&</sup>lt;sup>26</sup> Fisher, Ronald J., 'Intergroup Conflict' in *The Handbook of Conflict Resolution Theory & Practice*, edited by Morton, Deutsch, Coleman, Peter T., (2000), p.169.

<sup>&</sup>lt;sup>27</sup> Fisher, Ronald J., 'Intergroup Conflict' in *The Handbook of Conflict Resolution Theory & Practice*, edited by Morton, Deutsch, Coleman, Peter T., (2000), p.171.

discrimination between groups may occur without conflict of interests or competitive interactions.

The basis for this is favouring the group.

The Ethnocentrism and the Social Identity theories suggest that social cohesion between groups is difficult due to the nature of groups. The Realistic group conflict theory, however, suggests that social cohesion may in fact be possible between groups if there is no large conflict of interests or competitive interactions.

Social cohesion may be lacking or weakened if there is a lack of participation in community life. If this human development need is not met, there may be aggression and conflict. If participation is denied on the basis of identity group this may lead to intense conflict. In addition, if there is no participation in community life then this also has implications for the development of social cohesion. A lack of social cohesion may not directly cause conflict but it is an important tool that can be used positively within the context of conflict.

## D. Longevity

Longevity may result due to better health. Better health may occur through an improved economic situation, increased access to doctors and medicine or through education and training (such as on HIV/AIDS and information concerning nutrition which lowers infant mortality rates (Frank and Mustard 1994)). Health for the individual and for family members is important, emotionally and for economic reasons. These factors relate to basic human needs. Conflict may be especially likely if health-related resources, including knowledge, are distributed unfairly.

## 2. The Private Sector's Role

Within this section this paper will seek to explore the private sector's role in overcoming conflict through education/training packages as part of Corporate Social Responsibility Programmes. The question 'Why education programmes?' will be addressed by examining the relationship between the socio-economic outcomes of education, human development and peace. The socio-economic

outcomes of education are I) economic growth II) development of human capital III) democratisation IV) the promotion of tolerance and trust.

#### A. Towards Economic Growth

The socio-economic outcome of education examined in this section is the economic benefit of increased income. This relates to the human development need of access to resources for a decent standard of living.

Comparative studies regarding the relationship between education and income are predominantly conducted in high- or middle-income countries. Such a study by the OECD, 'The OECD Growth Project', found that education and earnings are positively linked. In the OECD countries people with below upper secondary education tend to earn 60 to 90% of upper secondary and post-secondary non-tertiary graduates.<sup>28</sup> Such comparative studies in low-income countries are less common. An analysis of development in Ethiopia pertains that, as a general feature, the percent of economically inactive persons diminishes as the level of education increases.<sup>29</sup>

Given the link between education and improved income, education may provide for human development; however conflict may arise if access to opportunities for economic growth through education is unfair. Issues such as gender and economic factors require attention when companies develop programmes so as to create projects that are fair and inclusive. Programmes should address quality of education in order to maximise economic benefits.

Economic benefits and fair access to these benefits may decrease propensity for conflict, yet does this socio-economic outcome of education actively engender peace? An example from Prima Woods Limited illustrates the potential of education as a crosscutting tool; important in increasing economic benefits and in developing good community relations.

<sup>&</sup>lt;sup>28</sup> OECD, *Education at a Glance, OECD Indicators*, (Paris 2003), p.156. The OECD countries are: Australia, Austria, Belgium, Canada, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Japan, Korea, Luxembourg, Mexico, Netherlands, New Zealand, Norway, Poland, Portugal, Slovak Republic, Spain, Sweden, Switzerland, Turkey, The United Kingdom and The United States.

<sup>&</sup>lt;sup>29</sup> Ahmed Jelaludin, & Angeli Aurora, & Biru Alemtsehay, & Salvini Silvana, *Gender Issues, Population and Development in Ethiopia – In-Depth Analysis from the 1994 Population and Housing Census of Ethiopia*, (Addis Ababa, Rome, October 2001), p.35.

Prima Woods Limited, a logging company operating in Ghana aimed to help combat the problem of a school dropout rate of one in ten in the Mehami community. Mehami is a farming community in the Brong-Ahafo region with a population of approximately 2,000. This dropout rate was considered to be the highest in the country and was due to the poor financial status of parents. The company established a scholarship scheme; annually the company offers scholarships to two talented junior secondary school students. At the close of 2002, eight students had benefited from this scheme. An internal evaluation of the scheme has shown that dropout rates have been reduced; however, quality of education has not been improved. In an external evaluation of the preintervention and post-intervention status of Mehami residents state that during the twelve years Prima Woods have been in the community, conditions have been stable. Moreover, it is clearly expressed that Prima Woods has engendered a significant improvement in health and education conditions. To improve quality of education Prima Woods Limited is directly involving its employees in mentoring initiatives.<sup>30</sup>

This example does not prove that this education initiative actively engendered peace or social stability through improving economic factors. In fact, the residents claim that social stability in the community prior to Prima Woods was compromised by the lack of a police station. This was rectified by a separate CSR programme. In addition, Prima Woods still has security concerns, such as trespassing, unauthorised entry, theft, burglary, vandalism and sabotage which are linked to disgruntled community members who may perceive Prima Woods as irresponsible.<sup>31</sup> Although the managing director of Prima Woods maintains that these CSR programmes are their contribution to improving the living conditions of inhabitants of deprived communities, external evaluators have reported that Prima Woods have realised that for financial and staff security reasons they need to address the root causes of security threats. Thus they have concluded that maintaining good

<sup>&</sup>lt;sup>30</sup> Information taken from a *Prima Woods Limited* Case Study as part of a 'Enhancing Business-Community Relations' project in Ghana, a joint initiative between United Nations Volunteers and The New Academy of Business, October 2003.
31 Op.cit. p.5.

community relations may protect them from negative behaviour.<sup>32</sup> In such an economically deprived community, a programme that lessens economic deprivation and simultaneously aims to widen access to education in a fair manner strengthens community relations and thereby contributes to social stability to a certain extent.

# B. Development of Human Capital

Development of human capital relates to the human development need for knowledge and has an effect on poverty alleviation, economic growth, and human development.<sup>33</sup> Projects that translate wealth into human development are important as can be seen in the example of Vietnam and Pakistan. Vietnam has approximately the same income as Pakistan but a much higher Human Development Index, due to its higher life expectancy and literacy rates.<sup>34</sup>

In order to maximise the economic benefits of education, namely poverty alleviation and investment in human capital, education must be of a good quality. Although the quality of education may not directly relate to increased stability, it can give rise to increased economic benefits. The relationship between economic benefits and peace has been discussed above. Moreover, quality of education requires urgent attention. The evidence that exists from data available concerning student knowledge in developing countries indicates that the performance level of these pupils is very low, with regard to both global and national standards. For example, as part of the Monitoring Learning Achievement project, researchers tested literacy, numeracy and life skills of 4<sup>th</sup> grade children (aged 9-10) in Nigeria. The average percentage in numeracy was 32, in literacy 25 and in life skills 33. When asked to copy a five-line passage into a given space, only 8%

<sup>&</sup>lt;sup>32</sup> Information taken from a *Prima Woods Limited* Case Study as part of a 'Enhancing Business-Community Relations' project in Ghana, a joint initiative between United Nations Volunteers and The New Academy of Business, October 2003. p.6.

<sup>&</sup>lt;sup>33</sup> Human capital has been defined by the OECD as 'The knowledge, skills, competencies and attributes embodied in individuals that facilitate the creation of personal, social and economic well-being.'

<sup>&</sup>lt;sup>34</sup> The United Nations Development Programme, *Human Development Report* 2004, (New York, 2004), p.128.

of children could do this accurately whereas 40% were unable to copy a single word or punctuation mark.<sup>35</sup>

Quality of education can also be measured through teacher to pupil ratio, as well as teacher qualification and expenditure on education. On the whole it is assumed that lower pupil/teacher ratios, higher teacher qualifications and higher public expenditure result in higher quality of education. It has been shown, however, that these connections are not so simple. The PISA study 2000 concluded that a positive association exists between spending per student and student performance but explains that spending alone is not sufficient in achieving quality.<sup>36</sup> Other factors aside from spending come into play, such as how resources are invested, the level of teacher salary and teacher motivation.

The private sector can contribute to and benefit from investment in quality education. Corporations, can engage in initiatives to motivate teachers. These initiatives should subsequently positively affect the quality of education. Programmes include teacher training, employee participation in educational projects, and financial or resource donations. Projects specifically related to science, engineering and Information and Communication Technology (ICT) may offer an investment in human capital in an area very positively linked to economic growth. In the innovative fields, such as science, engineering and ICT, the investment in human capital has engendered increased growth. During the 1990's in most OECD countries, the rise in the number of workers in these fields accounted for nearly 30 percent of employment gains during this period.<sup>37</sup> For example, Engen Petroleum in South Africa cites education as being the most critical concept of nation building in South Africa and accordingly allocates 60% of its Social Investment budget to

\_

<sup>&</sup>lt;sup>35</sup> Published by UNESCO for The International Consultative Forum on Education For All, *Status and Trends* 2000. *Assessing learning achievement*, (Paris 2000), p.34.

<sup>&</sup>lt;sup>36</sup> The Programme For International Student Assessment (PISA) is a joint effort by the OECD countries to measure the ability of 15 year olds to use their skills in reading, maths and science to meet real-life challenges. The PISA 2000 study focused on reading literacy; 265,000 students from 32 countries took part. The results are reported in *Knowledge and Skills for Life: First Results from PISA 2000*, OECD, (Paris 2001b). Likewise, in the OECD Centre for Educational Research and Innovation publication, *The Well being of Nations. The Role of Human and Social Capital*, (2001), p.22, It is stated that evidence shows that spending on education does matter but to a limited degree.

<sup>&</sup>lt;sup>37</sup> OECD, Education at a Glance, OECD Indicators, (Paris 2003), p.175.

educational projects. Special emphasis has been placed on improving the quality of teaching through teacher training and promoting the importance of maths, science and technology.<sup>38</sup>

The development of human capital through education does not solely increase economic benefits, but also crucially addresses cognitive needs and self- actualisation needs and can arm individuals with the tools that they need to secure the future that they would like.

# C. Fostering Democracy

The third socio-economic outcome of education examined is democratisation. The human development need of participation in community life relates to democracy, when participation within public/political affairs is referred to. Data supports a positive relationship between democracy and peace between States. Democracies are less likely to wage war against one another and are less likely to be targeted for military intervention, including by non-democracies.<sup>39</sup> Within States, democracy is the form of governance that is most likely to facilitate peace as it provides opportunity for accountability through voter power and the representation of minority groups.<sup>40</sup> This gathers increasing importance when seen in the context of an ethnically diverse society. In a system that gives all groups the possibility of representation in public affairs the likelihood of peaceful interaction between these groups is considerably higher than if certain groups are excluded.

However, an alternative view maintains that peace does not necessarily stem from democracy. Rather, it has been suggested that the peaceful international order has enabled democracies to

<sup>&</sup>lt;sup>38</sup> Statistics taken from a recently produced *Engen* training video. In October 2002 *Engen Petroleum* of South Africa partnered with Somerset Educational and the National Business Initiative to establish the 'Microscience Project' designed to address the lack of experimental work being done in science in schools in South Africa. This programme was launched by the National Minister of Education. 92 secondary schools and 111 primary schools in nine provinces were and are being provided with micro-science and technology kits, a range of practical equipment for chemistry, physics, biology and environmental science. Teacher training in the use of the micro-kits is being provided. Higher pass rates and an increased interest in science has been reported. This initiative has also benefited parents economically as in Atlantis, in the Western Cape, unemployment levels stand at 65% resulting in a lack of funds to pay annual school fees. Intangible benefits include the likely increase in teacher motivation, which has a positive effect on education quality, thereby increasing human capital. Engen's role in the project is financial.

Peck, Connie, Sustainable peace. The Role of the UN and Regional Organizations in Preventing Conflict for The Carneige Commission on Preventing Deadly Conflict, (1998), p. 205. The author refers to the research of Hermann and Kegley, 1996 who maintain that democracies convey the expectation that they value negotiation, mediation, compromise and consensus over the use of force.

<sup>&</sup>lt;sup>40</sup> Peck, Connie, op.cit. p.205.

flourish in States where violence and instability have previously hampered the development of free institutions. Only states which are relatively secure - politically, militarily, economically - can afford to have free, pluralistic societies. If States lack this security, they are much more likely to adopt, maintain, or revert to centralised, coercive authority structures.<sup>41</sup> A body of research suggests that this democratisation in itself is not a guarantee of the avoidance of war. Israel, the only internally democratic state in the Middle East, has also been the most belligerent. War still may be used by both democratic and military governments (if it can be kept limited and relatively cost-free), as a means of increasing popularity.<sup>42</sup>

Despite the contested link between democracy and peace, arguably initiatives that promote democratic principles, namely the principles of social equality and respect for the individual within a community, are beneficial in increasing the likelihood of stability. Education can be used as a tool to promote democratic principles, including conflict resolution skills development, through citizenship education and conflict resolution training, and for the specialised teaching of democratic governance. Currently, some businesses promote democratic principles within the concept of 'Life Skills'. This concept promotes learning to apply knowledge rather than 'learning to know'. Although there is debate on the actual definition of 'Life Skills' the term is often used to describe skills, such as teamwork, cooperation with other groups, communication and networking, and skills needed in daily life which are strongly associated with a certain context, for example livelihood, health, gender and family life, and environment. The Make a Connection Programme', a global initiative of the International Youth Foundation and Nokia, improves young people's educational opportunities and gives them the tools to make a positive contribution to society. It teaches them

-

<sup>&</sup>lt;sup>41</sup> Pietrzyk, Mark E., 'International Order and Individual Liberty: Effects of War and Peace on the Development of Governments', (2002).

<sup>&</sup>lt;sup>42</sup> Shaw, Martin, 'Democracy and peace in the global revolution', Draft for Tarak Barkawi and Mark Laffey, eds., *Making Global Spaces* (Lynne Rienner Critical Security Studies series, Boulder 2000).

<sup>&</sup>lt;sup>43</sup> As described by the Delors Commission, UNESCO 1996.

<sup>&</sup>lt;sup>44</sup> Published by UNESCO, The Education Sector, Education For All Monitoring Report 2003/4, (Paris), p.85.

and rising youth unemployment.<sup>45</sup> These skills range from conflict management and teamwork to computer literacy. For maximum effect the focus in such programmes should be placed upon youth as protagonists in bringing about social change, and upon encouraging leadership.

In addition, there are some examples of companies becoming involved in the specialist teaching of democratic governance.

The BP Exploration Company (BPXC), which has been operating in the Department of Casanare in northeast Colombia since 1987, established within a multi-sector partnership framework 'The School for Leadership and Governance Programme' in 1999 so as to address the institutional and governance weaknesses in the Department and to encourage civil leaders to take a more assertive role in political activism. The first group of leadership trainees came from government agencies, civil society organisations, BPXC, and the teaching profession (secondary school teachers). The modules taught included ethics and leadership, instruments of law for public participation, social justice and conflict resolution.<sup>46</sup> UNITROPICO, the local university, has provided administration services and educational orientation.<sup>47</sup>

External evaluators remark that representatives appreciate BP's efforts to develop capacity, help diversify the economy, encourage tolerance, and improve access to justice. However, the utility of tools acquired in the School for Leadership Programme will remain limited if the underlying obstacles, such as the strong presence of the paramilitary groups in the region, are not also addressed.<sup>48</sup> Arguably, this is not the role of BP. It does, however, show that tools useful for democratic governance are limited if there is no space for them to be wielded due to issues of

<sup>&</sup>lt;sup>45</sup> Reese, William S., & Thorup, Cathryn L., & Gerson, Timothy K., *What Works in Public/Private Partnering: Building Alliances for Youth Development*, International Youth Foundation, (2002), p.27. The Make a Connection Programme has led to the establishment of a youth-managed global website, YouthActionNet, which encourages and celebrates youth leadership and engagement in bringing about social change – http://www.youthactionnet.org.

<sup>&</sup>lt;sup>46</sup> Prepared by Warner, Michael based on information provided by Larralde, Edgardo Garcia/Sullivan, Rory, for the Business Partners for Development, *Oil Production and Long-term Regional Development, Case Study 10*, p.iv.

<sup>&</sup>lt;sup>47</sup> Information acquired through the author's correspondence with Octavio Duque, BP Colombia, December 2003.

<sup>&</sup>lt;sup>48</sup> Corporate Engagement Project, 'Field Visit Report. Looking at the Principles behind the Practices: BP Operations in Casanare Department, Colombia'. Field Visit: March 1-19, 2004, p11.

violence and conflict. This relates to the research, as stated above, that it is the peaceful international order that has enabled democracies to flourish.

Education can be used extremely effectively as a tool to promote democratic principles. This can alter approaches regarding how to treat others and how to resolve personal conflicts. However, on a larger scale, specialised teaching of democratic governance may not be effective if this knowledge can not be put to use due to violence and conflict.

## D. Building and Rebuilding Trust

Trust as a component of social cohesion relates to participation in community life. As previously discussed, aside from providing economic benefits, trust between groups is fundamental to social cohesion which may increase social stability. The actual impact of education on trust is difficult to measure as is the quality of trust achieved. Education can contribute to building trust principally by providing the opportunity to regularly bring together different groups and by actively promoting tolerance and understanding of the other. Regular opportunities to come together can increase 'Actual experience' time. This does not necessarily conclude that the result will be positive. However, a body of research shows that there is a positive relationship between the length of time spent together and the development of trust by means of the reevaluation of stereotypes. The 'contact hypothesis theory', a social psychological theory states that under certain conditions, which include equal power relations and cooperative interdependence between groups, contact between groups can help reduce negative stereotypes and prejudices.<sup>49</sup>

Arguably, any forum which encourages the bringing together of groups can achieve this aim. A neutral context, such as a common training can be an effective tactic in which to initiate this bringing together of groups and encourage relationship building, whilst developing human capital. Other factors, however, do contribute to the development of these relationships, such as social

<sup>&</sup>lt;sup>49</sup> Klang-Ma'oz, Ifat, 'A decade of structured educational encounters between Jews and Arabs in Israel' in *To Live Together: Shaping New Attitudes to Peace Through Education*, (The International Bureau of Education, Paris 1997), pp.48-52. The 'contact hypothesis theory' is a highly researched psychological principle; researchers include Allport, 1954 and Amir, 1969.

similarities. An example of the development of a greater sense of security through company employee training and employment policy can be seen in the 'Peace Informatech' project. It provides vocational training for Palestinian and Israeli software engineers. The programme offers new opportunities for employment and develops cooperation between Israelis and Palestinians in the ICT sector.<sup>50</sup>

Ideally, education should promote tolerance and understanding of the other through the curriculum. In many countries this is sadly not the case. However, in an area where different groups are present, it is arguably more effective to create schools which comprise of a mix of these groups. The establishment of a multi-ethnic medical high school in the former crisis area of Gostivar in Macedonia with 730 pupils aged between 14 and 18 of Macedonian, Albanian and Turkish nationality provides a good example of the potential of education to encourage positive relationships across ethnic and cultural divides.<sup>51</sup> Community involvement and ownership of such a project is crucial to its success.

By promoting tolerance and understanding of the other education initiatives can actively contribute to building peace. Over the years, education as a tool for peace has seen many creative outlets. One such creative outlet is a children's learning magazine for peace. Such a magazine can convey a message of peace and encourage awareness of the other and respect for diversity through fun articles, quizzes and folklore. In Indonesia, Harmonis (meaning Harmony), a bi-monthly magazine, targets primary school children in North Maluku Province.<sup>52</sup> This is an initiative of World Vision. Harmonis aims to promote understanding of the other through articles and simple stories. An internal evaluation concluded that the magazine is popular and attractive to children

\_

<sup>&</sup>lt;sup>50</sup> The Institute for Multi-Track Diplomacy, *The Role of Business in Intractable Conflict: A Case Study of Israel/Palestine*, p.18.

The school has limited space. Funds have been raised by parents to expand the premises - an OSCE project in cooperation with the Turkish NGO, ADEKSAM (Association for Education, Culture and Art). Information taken from the OSCE Projects web site: http://www.osce.org/osceprojects

<sup>&</sup>lt;sup>52</sup> Information gained from the author's contact with Desty Ginting, Education Coordinator for World Vision. The conflict in North Maluku Province between 1999 and 2000 is often described as a religious conflict between Christians and Muslims. However, religion only became important in the later stages of the conflict. The initial violence was due to land ownership and control of natural resources issues violence continued.

because of the colours and simple stories. The magazine is sometimes used as a basis for discussion thus maximising its potential for promoting peace, yet a facilitator is essential.

The impact of programmes such as the Harmonis magazine on the behaviour and attitude towards conflict of the recipients is difficult to measure. Youth involvement in such initiatives, for example through competitions or 'have your say' articles can help to increase the positive impact as can a facilitator as discussion and focus can be placed squarely on exploring the issues of peace.

# 3) A critical examination of private sector contributions to peace

This section will explore if, why and how the private sector should be charged with building peace in conflict-affected societies. Three main issues will be examined. 1) Can the private sector really contribute to peace with its distinct agenda from that of third sector actors? 2) Why should the business sector engage in such programming? What are the ethical implications? Why shouldn't government or civil society actors from the conflict-affected societies lead in this endeavour? 3) How can the private sector support local initiatives? How do corporate education programmes interact with international non-governmental and governmental programming in conflict-affected societies?

#### A. Can the private sector really contribute to peace?

The business sector naturally has its own distinct agenda and reasons for carrying out CSR programmes rather than striving for peace out of purely philanthropic reasons. The business agenda focuses on I) employee safety II) increasing and safeguarding profits III) maintaining its license to operate IV) securing and maintaining its brand reputation V) employee recruitment and retention. In a survey developed by the World Economic Forum in partnership with the Prince of Wales International Business Leaders Forum, CEOs cited the three most important factors for making a business case for corporate citizenship activities. These are as follows: managing reputation and brand equity, attracting, motivating and retaining talented employees, and protecting the license to

operate. The latter is particularly important for companies operating in developing countries, who have a large on-the-ground presence and who are a focal point for civil society resistance.<sup>53</sup> Similarly, in the 2004 survey conducted by Hill & Knowlton in cooperation with The Economist Intelligence Unit, senior executives believe that the ability to recruit and retain employees is the most common benefit of building and maintaining corporate reputation. In fact, 59% cite employee recruitment and retention as a benefit.<sup>54</sup>

Interviews show that employee safety is of great importance. When considering operating in unstable areas the geographical location of the conflict is a deciding factor. If a conflict is contained, i.e. the government can contain the conflict within a certain marked area, multinational corporations (MNCs) are more likely to operate in the country concerned.<sup>55</sup> Therefore, if violent conflict is part of the area in which the company operates, there is clearly a greater need for the company to take action to create conditions that prevent violent conflict.<sup>56</sup> Violence and work stoppage decrease profits. Some corporations have realised the value of developing community relations in order to safeguard security. However, if this is the primary reason for developing these relations and coupled with its separate agenda, can the private sector really contribute to peace? Corporations can play a role in actively promoting peace but there are two crucial aspects 1) the kind of programmes undertaken and 2) partnerships. This paper has examined the potential of education as a tool for peace and as a forum for bringing groups together whilst offering concrete socio-economic benefits. It has also examined issues of fairness of access and issues of gender- and cultural- sensitivity. In addition, establishing partnerships and the types of partner is crucial in ensuring a balance of motivations so that programmes may be appropriate, sustainable and promote

\_

<sup>&</sup>lt;sup>53</sup> The World Economic Forum in partnership with the Prince of Wales International Business Leaders Forum, *Responding to the Leadership Challenge: Findings of a CEO Survey on Global Corporate Citizenship*, (2002), p.14.

In the 2004 Corporate Reputation Watch Hill & Knowlton Annual Global Survey of Senior Executive Opinions on Corporate Reputation Management conducted in cooperation with The Economist Intelligence Unit, 175 senior executives were surveyed globally. The survey is available at http://www.hillandknowlton.com/crw/index/survey

<sup>&</sup>lt;sup>55</sup> Berman, Jonathan, 'Corporations and Conflict: How Managers Think About War', *Harvard International Review*, (Autumn 2000), p.2. The interviews were conducted by Political & Economic Link Consulting in October-December 1999. 25 managers operating in conflict-affected areas were questioned.

<sup>&</sup>lt;sup>56</sup> Nelson, Jane, *The Business of Peace – the private sector as a partner in conflict prevention and resolution*, International Alert, Council on Economic Priorities, The Prince of Wales Business Leaders Forum, (London September 2000), p.48.

a just peace which concretely relates to the context and addresses community needs. Partnerships are beneficial in order to counteract the potential perception of the company buying peace. Generally, in the case of conflict, NGOs are regarded as impartial and wanting to do good and this initiatives.<sup>57</sup> makes them effective in as operating partners peace The involvement of Civil Society (CSO) is crucial for ensuring sustainability of programmes. The UNDP recognises that 'CSOs are not a substitute for government, but are central to sustainable governance.' Nowhere is this truer than in the search for sustainable peace.<sup>58</sup> Generally, CSO aims towards a just peace, which emphasises social justice, human rights and fair representation.

## B. Why should the private sector become involved in such programming?

There are strong ethical reasons as to why the private sector should become involved in such programming. Firstly, the presence of the business sector in a community can cause or exacerbate conflict, both inter group and between the company and community. The presence of corporations causes problems to arise, such as unfairness between groups, unrealistic expectations concerning the level of help that can be given by the corporation and subsequent disappointment, cultural and social impacts such as tension due to migration (between indigenous communities and outside groups), increased domestic violence and changed gender roles (empowerment of women through employment), cultural differences, and environmental and natural resource destruction. In addition, the positive economic impact of the creation of employment and above-average wages which contribute positively to the local economy, does, however draw away labour from other industries. In particular, the presence of local military or hired private armies to protect plants may result in a changing of the balance of power if the army expels unwanted armed illegal groups from the area of

<sup>&</sup>lt;sup>57</sup> Egeland, Jan, 'Peacemaking and the prevention of violence. The role of governments and NGOs' in *International Review of the Red Cross*, Nr 833, p. 73 – 83, p.78.

<sup>&</sup>lt;sup>58</sup> European Centre for Conflict Prevention, 'The Role of Civil Society in the Prevention of Armed Conflict, (Update January 2004), p.5.

operation and may lead to the perpetration of acts of violence and human rights abuses.<sup>59</sup> ExxonMobil in Aceh, Indonesia, whose gas extraction and liquification project has yielded a profit of 40 billion USD, is an example of such practices. In June 2001 The International Labour Rights Fund filed a law suit in the U.S. District Court on behalf of a human rights group seeking damages for alleged injuries inflicted by members of the Indonesian military against 11 Acehnese civilians.<sup>60</sup> ExxonMobil's primary defense appears to be that the human rights violations may very well be occurring, but the company did not specifically intend this result, and therefore cannot be held liable. A series of legal battles have been ongoing but the outcome still remains undecided.<sup>61</sup> Conflict may be further exacerbated if there is and a lack of opportunity for the community to voice their concerns other than through less peaceful means.

Some of these factors can be illustrated by the results of an external evaluation of the Elf Petroleum Nigeria Limited (EPNL) in the Niger Delta. The evaluation sought to address one main question posed by EPNL management: Why is it that the good intentions and the considerable resources allocated to establishing cordial relations with local communities and other stakeholders have not yielded the positive results the company had hoped for? The results show that contributing factors are: the company has a history perceived as "buying peace", there is a perceived favoring of some groups over others by EPNL, rapidly raising community expectations and oil politics.<sup>62</sup>

In addition, to this strong ethical reason for the business sector to become involved, a common ethical and practical reason exists, which can be summarised as shared responsibility. The Carnegie Commission has argued: 'The prevention of deadly conflict is, over the long term, too hard - intellectually, technically and politically – to be the responsibility of any single institution or

<sup>&</sup>lt;sup>59</sup> Collaborative Learning Projects, Corporate Engagement Project, 'Field Visit Report. Efforts to Operate Constructively in a Context of Conflict: Best Corporate Practices in Colombia.' Field Visit Colombia: March 1-19, 2004 and May 27 – June 4, 2004, p.6.

Alfredson, Kirsty, 'ExxonMobil rejects Aceh human rights abuse claims' for *CNN.com./World* (June 22, 2001).
 'ExxonMobil, Aceh and the Tsunami' for *Democracy Now!* at http://www.democracynow.org, (Tuesday 4<sup>th</sup> Jan 2005).

<sup>&</sup>lt;sup>62</sup> Collaborative Learning Projects, Corporate Engagement Project, 'Elf Petroleum Nigeria Limited (EPNL)'. Field Visit Nigeria: June 30-July 13, 2004, p.4.

government, no matter how powerful. Strengths must be pooled, burdens shared and labour divided among actors. This is a practical necessity.'63

Often the private sector is a leading force in initiatives. This is not to say, however, that the private sector should lead in such programming as its technical expertise rests elsewhere and not in building peace. Therefore, partnerships with (I)NGOs and other institutions within the peace building field are crucial. The United Nations (as seen above) and the European Union (EU) call for an integrated approach: In the Helsingborg Agenda the EU states: 'Our common ambition is to enhance our co-operation with NGOs, civil society, the business community and research institutions in the implementation of the conflict prevention agenda'.<sup>64</sup>

Within a partnership the various stakeholders inevitably have different strengths and weaknesses. Problems may arise, such as inequality of power within the relationship, inefficiency of a partner or difficulty in relating to the motivations and means of operation of a partner. Yet a relationship in which strengths are maximised and weaknesses are to some extent counteracted by the strengths of others, and in which all have a voice and a sense of ownership may result in a balanced and productive relationship.

C. How do corporate education programmes interact with international non-governmental and governmental programming in conflict-affected societies?

The current challenges of violence, complex emergencies and intra-State conflict have engendered new partnerships between intergovernmental organisations, individual governments and non-governmental organisations (NGOs). In contrast to much of the Cold War period, the new trend favours an integrated and holistic approach. This is born from the awareness that the causes

<sup>&</sup>lt;sup>63</sup> European Centre for Conflict Prevention, 'The Role of Civil Society in the Prevention of Armed Conflict, (Update January 2004), p.5.

<sup>&</sup>lt;sup>64</sup> European Centre for Conflict Prevention, 'The Role of Civil Society in the Prevention of Armed Conflict, (Update January 2004), p.5. The EU conference in Helsingborg in August 2002 defined an agenda - a common commitment - for common action based on common values. These common values, which are enshrined in international law, include norms on human rights and international humanitarian law, are matters of immediate and legitimate concern to all.

of violence and conflict are complex and a cooperative approach is needed.<sup>65</sup> This holistic approach increasingly seeks to involve the private sector.

As discussed above, corporations have a responsibility to do no harm; therefore, ethically they should contribute to endeavours to promote social stability, as their presence may be a significant contributing factor to conflict within their area of operation. However, does their involvement contribute to peace or to conflict? Strengths of the private sector may include efficiency, result-oriented motivation, creative ideas and financial input. Weaknesses may include their own agenda, rather than an agenda for peace, a perspective not in keeping with local culture and conditions, a desire to focus on specific groups such as company employees, a perception within the community of buying peace, and a focus on short-term results rather than sustainability. Expectations of corporate programmes in the eyes of the community may be unrealistically high and thus disappointed, or feelings of mistrust may be apparent depending on the general relationship with the community. If programmes are unsuitable, this can cause conflict or alternatively hinder efforts to achieve peace.

Many corporations do in fact undertake CSR programmes within a partnership framework. These partnerships are crucial in ensuring that appropriate, holistic and sustainable programmes are offered. Relating to youth, companies have formed partnerships such as the Global Partnership for Youth Development, co-convened by the Kellogg Company, The World Bank and The International Youth Foundation. <sup>66</sup> The National Business Initiative (NBI) in South Africa, in close collaboration with the National and Provincial Departments of Education has developed a national school development programme, the 'Educational Quality Improvement Programme' which focuses on addressing the quality of teaching and learning. Public-private sector partnerships are encouraged within this framework. Schools, including teachers, parents and pupils, are involved in the

\_

<sup>&</sup>lt;sup>65</sup> Egeland, Jan, 'Peacemaking and the prevention of violence. The role of governments and NGOs' in *International Review of the Red Cross*, Nr 833, p. 73 – 83, p.73.

<sup>&</sup>lt;sup>66</sup> The Global Partnership for Youth Development (GPYD) was launched in 1999 and brings together business, government and civil society to promote the positive development of children and youth. The GPYD works in the framework of The World Bank's Business Partners for Development Programme, which aims to identify and learn from partnerships and better understand the relationship between business needs and social and human development needs. Web site – http://www.bpdweb.org/gpyd/index.htm

consultative process and so have ownership of the scheme. School development initiatives include issues of infrastructure, training governing bodies and school management teams, and professional development. Under the 'Professional Development Programme' (PDP), educators and subject advisers are trained in maths and science with a view to improving the quality of teaching in these subjects. Engen Petroleum makes the PDP possible through a large sponsorship.<sup>67</sup> Ernst & Young have undertaken a participatory role within this Educational Quality Improvement Programme (EQUIP).

Ernst & Young in South Africa are committed to eight schools under the 'EQUIP'. The company wanted an involvement that went beyond financial assistance and that tied in with their expertise. Company volunteers acted as advisors in making financial statements and established a system of finances. In addition, Ernst & Young donated computers, aided with programmes on HIV/AIDS awareness and job fairs. The company regarded the project as worthwhile and is currently researching other projects and schools to assist.<sup>68</sup>

In addition, the private sector does undertake CSR Programmes which support local initiatives, either through a financial input or technical expertise. Local peacebuilding initiatives may come through CSO. If the role of the corporation includes employee participation this may increase the impact through relationship forming.

## 4) The Author's Recommendations

In this section the author offers an outline on how to improve the proposed positive relationship between corporate education initiatives and peace. This paper has already examined how CSR programmes can cause or exacerbate conflict. Programmes may cause division, result in unfairness, be culturally inappropriate, be unsuccessful due to non ownership of the parties concerned or

<sup>68</sup> Information acquired from the author's correspondence with Vuyi Moedi of Ernst & Young, South Africa.

<sup>&</sup>lt;sup>67</sup> Information taken from the National Business Initiative web site – http://www.nbi.org.za.

simply not realise their potential for building peace. Corporations need to make more use of the crosscutting benefits of education and target their programmes to ensure the maximum benefit is obtained. The author will recommend, firstly, strategies for maximising the potential for peace within such programmes. Secondly, the author will suggest the most appropriate level of education for specific outcomes related to contributing to peace. Thirdly, the author will give practical ideas of programmes to improve the relationship between corporate education initiatives and peace.

## A. Strategies for Peace

Strategies to maximise the potential for creating peace through education initiatives include: 1) involving parents and community in the ownership - Community involvement and ownership is essential to the success of any CSR programme and is crucial to not exacerbating conflict. Corporations should seek maximum local contact rather than minimise contact due to security concerns. Specifically, within education programmes parental and community involvement is also essential for reasons of family stability and effective learning. The direct interaction with youth from a different ethnic group, with a different cultural background and with a potential history of violent conflict with the home group, can increase the degree of alienation or generation gap between the child and the parent.<sup>69</sup> The role of the parent and the community in supporting learning is of crucial importance. In most cases, without parental support learning and productivity are lessened, not only in school but also throughout life.<sup>70</sup> Similarly, findings suggest that higher levels of social interaction seem to positively affect learning.<sup>71</sup> Parental and community involvement can be achieved formally through parent-teacher associations, or informally. 2) Including employee participation and involving employee participation as this addresses the issue of attracting and

<sup>-</sup>

<sup>&</sup>lt;sup>69</sup> Gradstein, Mark, & Justman, Moshe, 'Education, Social Cohesion, and Economic Growth', *The American Economic Review*, Volume 92 (4), (September 2002), p.1194.

<sup>&</sup>lt;sup>70</sup> OECD Centre for Educational Research and Innovation, *The Well-being of Nations. The Role of Human and Social Capital*, (2001), p.92. Review of studies by Henderson and Berla (1994).

<sup>&</sup>lt;sup>71</sup> Ibid. p.92. The author examines Putnam's (2000) review of the impact of social capital on education in the United States.

motivating talented employees. However, crucially, appropriate involvement of employees can increase relationship-building potential, which may contribute to social cohesion and stability. Important by-products of employee participation are: a potential increase in the quality of education, and employee well-being and loyalty towards the company. Education initiatives offer plentiful opportunity for staff involvement, including tutoring, mentoring and volunteering in schools. In particular, programmes centered on children and youth have an increased emotive factor, as some employees will themselves have children. This represents an added value that companies should not underestimate. 3) Forming partnerships to ensure appropriate, holistic and sustainable programmes (as discussed previously). Crucially, all of these strategies should maximise the opportunities for social interaction and dialogue between groups.

# B. The Levels of Education and their specific scope for Peace

Due to the strong link between the socio-economic outcomes of education and human development, using education as a tool offers crosscutting benefits which can directly or indirectly contribute to peace. A direct contribution consists of using education as a tool to discuss peace overtly, and encouraging the beneficiaries to take a leadership role as agents for peace. This is particularly productive A) if the individuals hold respect and position within the community, for example village leaders, teachers and religious leaders and B) youth. Peacebuilding activities for children and youth may be met with more tolerance. Youth can be wonderful agents for peace.

Each level of education may offer benefits in similar or differing areas. How each level relates to specific aspects of building peace will be examined. Levels include basic education, secondary education, tertiary education, adult vocational education/training, school- based vocational education and informal education.

## Basic Education – An Investment in the Future

There are several arguments in favour of engagement at primary level, which include (1) the effect on human development - basic education (primary and secondary) is generally regarded to have a larger impact on human development than tertiary education, especially in the early stages, 72 (2) the potential for encouraging a peaceful way of dealing with conflict issues, (3) the motivational impact on employees who participate in education initiatives at this level - this contributes to increased employee loyalty towards the company and more stable relations between businesses and the communities in which they are active.

The importance of primary education is underlined in the UN Millennium Development Goal of Universal Primary Education by 2015. Indeed, most governments of developing countries allocate between one-third and half of their education budget to the primary sector. This is a fundamental time in children's schooling and often the only schooling that they receive. By engaging in education initiatives at this level, companies can contribute to human capital development, and may contribute to building a peaceful generation as what is learned and experienced within these very formative years is of crucial importance.

## Secondary and Tertiary Education – The Rewards

A UNESCO/OECD study found that, investment in secondary and tertiary education, and not just primary education, can offer economic rewards.<sup>74</sup> These rewards may include the possibility of future good incomes, and increased industrial capacity due to higher skilled workers. Employee participation at this level is also beneficial. Employees can, for example, act as mentors or instructors in their area of expertise. This form of non-formal education provides benefits: an

<sup>&</sup>lt;sup>72</sup> Ranis, Gustav, & Stewart, Frances, & Ramirez, Alejandro, 'Economic Growth and Human Development', *World Development*, Volume 28 (2), (February 2000), p.199. The authors quote the first UNDP *Human Development Report* as defining human development as 'a process of enlarging people's choices', UNDP, (1990), p.10.

<sup>&</sup>lt;sup>73</sup> UNESCO, The Education Sector, *Education For All Global Monitoring Report 2003/4*, (Paris), p.101.

<sup>&</sup>lt;sup>74</sup> UNESCO/OECD, Financing Education – Investments and Returns, Analysis of the World Education Indicators 2002 Edition, (2003).

increase in educational opportunities, development of positive relationships, and the motivation of teachers, provided that initiatives are undertaken in a culture- and gender-sensitive manner.

At this level youth can be mobilised to act as agents of peace. Therefore, programmes that promote peace can be taken one step further, for example as in the Life Skills programme.

# Adult Vocational Education/Job Training

Adult vocational education/training can be a powerful tool in promoting peace by 1) bringing groups together, 2) strengthening human development and 3) increasing employee loyalty towards the company.

- 1) Adult education and training can provide the common, neutral context, which encourages interaction between people from different cultures or ethnic groups, whilst contributing to the development of human capital.
- 2) Adult learning benefits not only adults through better livelihoods, health and communication, but also family members, especially children, through better health and education.<sup>75</sup> This strengthens human development. The Seventh Survey of the International Labour Office 2001 concerning Multinational Enterprises and social policy indicates that overall Multinational Enterprises (MNEs) are seen to have played a positive role in strengthening human development and training policies and/or in the delivery of training.<sup>76</sup> 69% of these countries are developing countries.
- 3) The knowledge that one is actively participating in improving one's chances in life is generally of the utmost importance to an individual. The feeling of success and the experience of benefiting economically through this process of self-improvement and the resulting well-being may increase loyalty towards the company.

<sup>&</sup>lt;sup>75</sup> UNESCO, The Education Sector, Education For All Global Monitoring Report 2003/4, (Paris), p.95.

A Multinational Enterprise is defined by the ILO as 'enterprises, whether they are public, mixed or private ownership, which own or control production, distribution, services or other facilities outside the country in which they are based.' For this survey there were 115 respondents: 48 governments (G), 21 employees' organisations (E), 25 worker's organisations (W), and 21 respondents in tripartite replies.

## Vocational Education for Youth – Short-Term Returns on Investment in Human Capital

Vocational education at school or tertiary level can also offer similar human development benefits to adult vocational education/training. In addition, it can 1) reach an increasing and important sector of the population and 2) bring groups together.

According to the United Nations Population Database, the projected world growth rate for the age group 15 to 24 in 2005 compared with 2000 is as follows: In Africa: in the year 2000 20.4% of the population were between the ages 15 and 24. In 2005, this figure has increased to 20.8%. Likewise, in Asia: 2000 – 17.8%, 2005 – 18.2%, in Europe: 2000 – 13.9%, 2005 – 13.9%, in Northern America: 2000 – 13.7%, 2005 – 14.2%, in Latin America and the Caribbean, a decrease: 2000 – 19.5%, 2005 – 18.8%, and finally in Oceania: 2000 – 15.1%, 2005 – 15.5%. The general increase of this crucial age group constitutes a good opportunity to target a significant and important sector of the population in initiatives that promote peace. Data regarding participation in technical and vocational education is rather vague due to the range of providers (Ministries of Education, Labour, Health and Agriculture, as well as private authorities), which makes it more difficult to compose an accurate picture of the matter. Yet statistics show that in the more industrialised countries and in most of Central and Eastern Europe, enrolments in technical and vocational education are high - on average, one-quarter of total secondary enrolments. However, in many developing countries this figure is significantly lower.

2) Some analyses reveal that vocational education is largely ineffective and expensive, with skill preparation often failing to meet employer demands. Indeed, the specialised skills that are taught need to be utilised soon after due to the nature of a changing work climate. <sup>79</sup> However, vocational education provides employment opportunities and offers the possibility of partnerships between schools, parents and industry, thus bringing groups together. Parental involvement in education may be seen at school level, but perhaps less so at tertiary level.

<sup>&</sup>lt;sup>77</sup> United Nations Population Division World Population Prospects: The 2004 Revision Population Database.

<sup>&</sup>lt;sup>78</sup> UNESCO, The Education Sector, Education For All Global Monitoring Report 2003/4, (Paris), p.72.

<sup>&</sup>lt;sup>79</sup> Research conducted by Chapman 2002 as discussed in 'Key indicators of developing Asian and Pacific countries 2003. Education for Global Participation', *Asian Development Bank*, Volume 34, p.27.

## C. Practical Ideas

The author proposes four ideas of programmes which may improve the relationship between corporate education initiatives and peace. These are: 1) Peace Scholarships, 2) School Link Programmes, 3) Company Fun Days and 4) Modelling peaceful interaction through in-company practices.

## 1) Peace scholarships

Companies can offer scholarships to attend school based on a concrete expression of understanding of the nature of peace and how best to deal with day-to-day conflict. This concrete expression could be in the form of painting, poetry, an oral presentation, sculpture or dance. Scholarship holders could then be encouraged to initiate programmes and activities for peace in these schools. Preparation groups within the community for those wishing to apply could be established. Employees and community leaders could head such groups, which could act as a forum for the discussion of relevant issues related to peace whilst fostering interactions between different groups.

## 2) School Link Programme

A School Link Programme consists of a business forming a link with a nearby school. This offers excellent possibilities for interaction. One such interaction could be a guest speaker programme. Guest speakers are a common feature of career advising at secondary school level in industrialised societies. In less-industrialised or unstable societies, company employees, in the role of guest speakers, may be an excellent resource. The development of the attitudes of children and young people relies heavily on adults. Therefore, company employees can not only motivate and inform young people with regard to future job possibilities, but can also provide good role models other than the teacher. Issues such as teamwork, acceptance of diversity and conflict resolution can be treated within such interactions. Activities may include role-plays that simulate possible conflict

issues in the workplace, such as problems related specifically to business issues or cultural misunderstandings.

The School Link Programme could also include corporate involvement in extra-curricular activities, such as sport and theatre. Peace can be overtly discussed in any artistic form as a part of these extra-curricular programmes. Emphasis should be placed on the opinions, experiences and understanding of youth with regard to peace. Such programmes may also reinforce company-community relations and offer an arena for different schools in the community to come together. Employees who participate in any of these interactions should form a school link team. These teams, wherever possible, should consist of multi-ethnic and management and non-management employees. The school link team would need to discuss the issues in-house beforehand. This offers an opportunity for in-house positive relationship building. In turn, youth can form a school link team of their own and undertake initiatives in primary schools or non targeted secondary schools.

# 3) Company Fun Days

Companies could host Company Fun Days for young people with talks, interactive activities and competitions to test innovation. A Company Fun Day could include community participation, for example involving local businesses to sell food and drink. In addition, it can present an opportunity for awareness raising. Young people may produce and act a play on a subject such as HIV/AIDS after listening to information given or explore a common identity through recounting a common history. If groups are brought together opportunities can be given to explore 'the other' through conducting interviews with different groups and presenting the most interesting details as perceived by the children. Thereby, both young people and the audience can be reached.

Awareness raising can become a regular feature. Training company volunteers to lead in-house and community awareness raising programmes, and equipping them to train community members, including youth offers the dual benefit of employee motivation and personal interaction between groups

These activities should be designed with the idea of promoting interaction between groups not only for an educational purpose, but also for a recreational purpose. This addresses two key community issues. Namely, community concerns often relate to youth and education. In one community where members were interviewed, the different groups within the structure of the community were concerned that youth were engaging in negative activities due to not working or being educated. In other communities, markets, sporting events and other such informal gatherings where members of different groups, often in conflict with each other, can come together and interact informally with each other, were considered to be extremely important. A programme such as a Company Fun Day can attend to these two key issues by offering both education and recreation and a chance to listen to the opinions and thoughts of children and youth about their daily life and the current state of affairs.

# 4) Modelling peaceful interaction through in-company practices

A peaceful, fair mode of operation in-house can serve as a good model. Although ways of dealing with conflict are related to culture, ideas can be adapted. Once such idea which contributes to an in-house solidarity and fair practices is the establishment of working groups. Namely, groups that are composed of a variety of workers, multi-ethnic, of multi-employment level that are able to have some input in company issues that affect the workforce and are able to conduct community outreach activities. These groups may not only contribute to in-house stability and well-being, but also increase employee safety through the potential development of positive relationships with the community, achieved by means of outreach activities. Visteon Corporation has such Employee Resource Groups. These self-organised groups support networking, continuing education, social activities and community outreach. Although these groups are organised around certain group

\_

<sup>&</sup>lt;sup>80</sup> Collaborative for Development Action, Issue Paper, *Dividers and Connectors*, (February 2003), p.3. The paper refers to the Corporate Engagement Project (CEP), a learning project involving multinational corporations that operate in areas of tension or conflict. The results are gained from analysis based on visits to companies on the ground.

<sup>&</sup>lt;sup>81</sup> Collaborative for Development Action, Issue Paper, *Dividers and Connectors*, (February 2003), p.3.

lines, for example the African Ancestry Network, the Arab Resource Network and the Asian Indian Network, they have a multi-ethnic component.<sup>82</sup>

A further possibility for fostering in-house solidarity and peaceful interaction is the establishment of an in-house newsletter managed by employees. Such a newsletter could inform of business activities, activities of local interest and events relating to the different cultures represented within the company and the community. This could be an ideal forum for celebrating diversity and promoting democratic principles.

## Conclusion

This paper has established that there is a link between a lack of human development and conflict.

A lack of human development may increase the propensity for conflict in itself, yet the likelihood increases if factors of social injustice and group lines exist.

The socio-economic outcomes of education link to human development and in as far as human development contributes to stability, education can contribute to peace. Education may promote economic growth, development of human capital, democracy and trust. However, education can also be a wonderful tool in actively promoting peace. This can be achieved through active promotion of tolerance of the other and through providing a reason and a neutral context to bring together groups which may positively affect social cohesion.

The private sector has an ethical and a shared responsibility to aim to prevent conflict in the areas in which they operate. Partnerships with (I)NGOs, government and civil society should be formed in order to ensure programmes are appropriate, holistic, sustainable in nature and crucially can maximise the potential to create peace. Companies currently participate in or initiate schemes that involve school infrastructure construction, donations – financial or of goods, scholarships, mentoring and tutoring, and other, usually participatory projects, such as reading to children. In

-

<sup>&</sup>lt;sup>82</sup> Information taken from the Visteon web site – http://www.visteon.com.

order to maximise the potential for peace, initiatives should promote dialogue and interaction, require a high level of parental and community involvement, give a sense of ownership, include the participation of employees, and be ongoing. Such a foundation permits the development of intercommunity and company-community relations as well as employee loyalty towards the company. These can increase the likelihood of social stability.

Education initiatives are the way forward for Corporate Social Responsibility Programmes in conflict-affected areas. Corporations should increasingly make use of the powerful tool of education as its crosscutting nature enables all to profit in a variety of socio-economic areas as well as actively promoting peace, factors which contribute significantly to the desired outcome of a confidence- and security-building programme, namely stability.

#### References

#### **Periodical articles:**

McClenahen, J.S., Purdum, T. 2003. CEO optimism and unease (Financial and Economic Trends) *Industry Week.* 1 March 2003.

#### Journal articles:

The African Development Bank. 2002, 2003. Gender, Poverty and Environmental Indicators in African Countries. *African Development Bank*, Volume 3.

Appiah, E.N., McMahon, W.W. April 2002. The Social Outcomes of Education and Feedbacks on Growth in Africa. *Journal of Development Studies*, Volume 38(4): 27-63.

Easterly, W. 2001. Can Institutions Resolve Ethnic Conflict? *Economic Development and Cultural Change*, Volume 49 (4): 687-706.

Egeland, Jan. Peacemaking and the prevention of violence. The role of governments and NGOs. *International Review of the Red Cross*, Nr 833: 73 – 83.

Glaeser, E.L., Laibson, D. I., Scheinkman, J.A., Soutter, C.L. August 2000. Measuring Trust. Quarterly Journal of Economics, Volume 115 (3): 811-846.

Gradstein, M., Justman. M. September 2002. Education, Social Cohesion, and Economic Growth. *The American Economic Review*, Volume 92 (4): 1192-1204.

Ranis, G., Stewart, F., Ramirez, A. February 2000. Economic Growth and Human Development. *World Development*, Volume 28 (2): 197-219.

Rotter, J.B. Generalized Expectations for Interpersonal Trust. *American Psychologist*, (1971), Volume 26: 443-452.

Zak, P. J., Knack, S. April 2001. Trust and Growth. *The Economic Journal*, Volume 111 (470): 295-321.

#### **Books:**

Fukuyama. 1995. Trust: the social virtues and the creation of prosperity. Free Press, New York. Klang-Ma'oz, Ifat. 1997. A decade of structured educational encounters between Jews and Arabs in Israel in To Live Together: Shaping New Attitudes to Peace Through Education. Paris: The

International Bureau of Education.

Lederach, John Paul. 1999. Building Peace. Sustainable Reconciliation in Divided Societies.

United States Institute of Peace Press.

Edited by Morton, Deutsch, Coleman, Peter T., 2000. *The Handbook of Conflict Resolution Theory & Practice*.

Nelson, J. 2000. *The Business of Peace – the private sector as a partner in conflict prevention and resolution*. London: International Alert, Council on Economic Priorities, The Prince of Wales Business Leaders Forum.

Peck, Connie, 1998. Sustainable peace. The Role of the UN and Regional Organizations in Preventing Conflict for The Carneige Commission on Preventing Deadly Conflict.

Shaw, Martin, 'Democracy and peace in the global revolution'. 2000. Draft for Tarak Barkawi and Mark Laffey, eds., *Making Global Spaces*. Lynne Rienner Critical Security Studies series, Boulder. Wenger, A., Möckli, D. 2003. *Conflict Prevention. The Untapped Potential of the Business Sector*. Colorado: Lynne Rienner Publishers Inc. ok

## **Statistical reports:**

International Labour Office. *The Seventh Survey of the International Labour Office 2001*. Geneva 2001.

The Organisation for Economic Co-operation and Development (OECD). *Education at a Glance, OECD Indicators*. Paris 2003.

OECD. Knowledge and Skills for Life: First Results from PISA 2000. Paris 2001b.

The United Nations Educational, Scientific and Cultural Organization (UNESCO) The Education Sector. *Education For All Global Monitoring Report 2003/4*. Paris 2003/4.

UNESCO - The International Consultative Forum on Education For All. Status and Trends 2000.

Assessing learning achievement. Paris 2000.

UNESCO/OECD. Financing Education – Investments and Returns, Analysis of the World Education Indicators 2002 Edition. 2003.

The United Nations Development Programme. *Human Development Report 2004*. New York 2004.

## **Reports:**

Ahmed Jelaludin, Angeli Aurora, Biru Alemtsehay, Salvini Silvana. *Gender Issues, Population and Development in Ethiopia – In-Depth Analysis from the 1994 Population and Housing Census of Ethiopia*, Addis Ababa, Rome, October 2001.

European Centre for Conflict Prevention, 'The Role of Civil Society in the Prevention of Armed Conflict, (Update January 2004).

OECD, The DAC Guidelines. Helping Prevent Violent Conflict, 2001.

The World Bank, Conflict-affected countries. A Comprehensive Development Framework Approach. Lessons from a Roundtable Discussion, Geneva, September 2003.

#### **Research Papers:**

Berman, J. Corporations and Conflict: How Managers Think About War. Autumn 2000. *Harvard International Review*.

Collier, Paul. April 1998. *The Political Economy of Ethnicity*, paper prepared for the Annual World Bank Conference on Development Economics.

OECD Centre for Educational Research and Innovation. 2001. The Well-being of Nations. The Role of Human and Social Capital.

Pietrzyk, Mark E. 2002. 'International Order and Individual Liberty: Effects of War and Peace on the Development of Governments'.

Reese, W. S., Thorup, C.L., Gerson, T. K. 2002. What Works in Public/Private Partnering: Building Alliances for Youth Development. International Youth Foundation.