

# **E-Conference on Business, Peace and Democracy**

October 7–November 1, 2002

*Edited by*

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Jointly sponsored by the World Bank Institute and  
the University of Michigan Business School

## PREFACE TO THE REPORT

Today's international situation has only emphasized the need to address issues of peace and democracy in all frameworks, including an assessment of the role of business. Many businesses have to operate in the context of conflict and the struggle for democracy around the world. It is important that we explore the positive contributions corporations can make to society through socially responsible corporate activity. These include the way corporations are governed and how that impacts the development of the infrastructure necessary to combat poverty and to institutionalize democracy. This e-conference introduces the argument that businesses may have significant contributions to make towards sustainable peace.

This report aims to outline the proceedings, findings and recommendations of the e-conference "**Business, Peace & Democracy**" held from October 2 – November 1, 2002<sup>1</sup>. The e-conference provided an opportunity for participants from all over the world to exchange their views on various issues related to the interplay of the corporate world in conflict and the building of democracy.

The continuing importance of sustainable and more equitable development underscores the need for a better understanding of the role of business in relation to peace and democracy. There is a clear need for companies to integrate consideration of such issues into their business strategy as part of their commitment to business ethics and corporate social responsibility (CSR). However, CSR is a complex issue, with many players, definitions, and interpretations. Instead of focusing on finding "correct" answers to often ill-defined questions, the real challenge is managing the dialogue between various stakeholder groups, building coalitions for action and creating additional learning opportunities through implementation of sustainable action plans.

In addition to the participants, who through their written contributions had a critical impact on the overall success and quality of the dialogue, expert moderators also played a key role by providing background readings and guidance, thus maximizing knowledge transfer opportunities.

Special mention has to be made of Tim Fort, University of Michigan Business School for his assistance in coordinating the global e-conference and summarizing the findings. Michael Jarvis assisted in the preparation and writing of this report.

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<sup>1</sup> Unless expressly stated otherwise, the findings, interpretations, and conclusions expressed in the materials in this publication are those of the various authors of the work and are not necessarily those of the World Bank Group Boards of Executive Directors or the countries they represent.

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## **Introduction**

This report provides an overview of the main themes and results of the interactive “E-conference on Business, Democracy and Peace”. The four week long global e-conference ran from October 7 – November 1, 2002. The e-conference was jointly sponsored by the World Bank Institute (WBI) and the University of Michigan Business School, continuing an important partnership between the two organizations.

The main objectives of the e-conference were to enhance participants’ knowledge of social responsibility issues in relation to the themes of peace and democracy, and to foster a dialogue with respect to the positive contributions corporations can make towards peaceful and democratic societies through responsible corporate activity. The e-conference addressed the way corporations are governed and how that impacts the development of the infrastructure necessary to combat poverty and to institutionalize democracy. This e-conference introduces the argument that businesses may have significant contributions to offer towards the goal of sustainable peace.

Guided by Professor Timothy Fort, (Associate Professor, University of Michigan Business School) each week's topic was moderated by a well-known and widely respected external expert in that area. Furthermore, these moderators were joined by commentators who have been selected based on their experience and expertise in the relevant area. In the first three weeks short readings were made available to participants as a means to raise questions pertaining to the dialogue and to facilitate an informed and lively debate. The final week was a more open session with participants bringing additional questions to the dialogue and proposing specific ideas for action at the institutional and country level.

## **E-Conference Participation**

This was a truly international e-conference. Over 150 individuals participated from over thirty countries, spanning all continents. There were representatives from Africa - 5 countries; Asia - 6 countries; the Middle East - 4 countries; Western Europe – 5 countries; Latin America – 3 countries; Eastern Europe and the Former Soviet Union - 6 countries; as well as from the United States, Canada and Australia.

The participants also represented a broad spectrum of organizations and interests: 22 individuals came from the private sector, 19 from non-profit institutions, 14 from the public sector, 13 from national banks and multilateral institutions, such as the World Bank Group and United Nations, and 84 from universities, schools and research institutes. Five people did not indicate their affiliation.

## **Responses to Topics**

The e-conference generated numerous responses to the weekly topics raised. Detailed analysis indicates that participants raised a variety of interesting questions and suggestions relating to business, peace and democracy as framed by the questions of the week. The following list suggests the scope and breadth of the substantive issues raised:

### Some of the key questions/themes:

- Is there any place for business in resolving conflict?
  - Are there specific actions that companies can take in conflict afflicted societies that are beneficial?
  - How do companies get involved in any actions that could be seen as political without arousing resentment and claims of infringing sovereignty?
- The role of corporations in creating the kinds of societies associated with sustainable peace:
  - Linking to issues of rule of law, transparency, etc.
  - Can one expect a corporation to change a corrupt culture of government?
  - Is there too much of an expectation by society and business to leave issues related to peace and democracy to the government? Or is it inappropriate for business to be involved in conflict issues?
- The influence of MNCS over governments:
  - Is it real?
  - Is it used to facilitate or prevent conflict?
- A framework of responsibility for corporations:
  - Are laws and litigation the best way to regulate corporate action?
  - Can we move to global standards? How does one balance discrepancies between laws in home country and countries of operations?
  - How to enforce mandates on companies in the global economy, especially in countries with limited rule of law or malfunctioning judicial systems?
  - Need for performance measurement. Can local actors be involved in the auditing of corporate and even multilateral organizations performance?
  - Role of world opinion
- The linkages between business and democracy:
  - Can businesses reflect a democratic framework in the way they operate?
  - Do businesses promote an open society?
- Is Business fundamentally invested in long term stability, and hence in democracy and peace?
  - Is there a role then for the private sector in encouraging democratic institutions and, if so, how?
- The importance of a holistic ethics based approach:
  - Enforcing compliance is not enough?
  - How can companies internalize changes in practice?

## Summaries of Each Week's Discussion

To read the complete discussion, visit:

<http://vx.worldbank.org/cgi-bin/lyris.pl?visit=bdpcourse>

### ***Week I. Introduction to Dialogue: Beginning Premises***

#### **Co Moderators and Co-Commentators:**

Juliette Bennett, President, International Peace Forum

Timothy Fort, Associate Professor, University of Michigan Business School.

#### **Background readings:**

Fort "**Does Business Impact Peace**" at <http://www.fathom.com/feature/122640> (focusing on initial premises) CD Rom Presentation

Bennett: "**Multinational Corporations, Social Responsibility and Conflict**"<sup>2</sup>

#### **Key Questions Asked of Participants:**

- 1) How do you compare the role of business with that of other actors in reducing the likelihood of conflict?
- 2) Which of the premises are most and least compelling? What's missing?
- 3) Begin to think about which companies in your country do their work in a way that is likely to lead to sustainable peace or is likely to sow the seeds for violence.

**Summary:** The framing questions posed by moderator Professor Tim Fort sparked a lively and wide ranging initial debate to launch the e-conference. Discussion soon exposed linkages between the seemingly distinct subjects of business, peace and democracy, beginning with the question of whether business can foster peace and democracy. The emerging consensus suggested that business may not do so directly, but that business can have a role in fostering conditions favorable to those goals. This view builds on suggestions in the background readings that corporations can both augment the positive contributions they may be able to make while simultaneously mitigating the potential negative perceptions they could engender. It was argued that business does have influence in many environments and that they should not be afraid to use it; to be "connectors" not "dividers."

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<sup>2</sup> Reproduced by permission of the Journal of International Affairs from an article that appeared in the Vol. 55, No.2, Spring 2002, issue of the Journal of International Affairs.

The contemporary world is marked by the increasing importance of powerful institutions other than the nation-state and it is commonly noted that corporations exercise increasing levels of power on the international stage. Business can find itself in the position of being accused of having too much influence and of not doing enough to develop positive societal change – the difficulty is finding a balance. The results of this global e-conference suggest that business can bring together civil society, multilateral organizations, and government in ways that might prove useful in conflict prevention, notably in addressing abusive conditions that often feed internal conflicts.

One of the key themes of the week focused on the relations between business and local communities, assessing in part the extent to which firms can impact sustainable peace in the places where they do business. While the debate varied on whether business has any place in conflict to start with, there was some consensus on the importance of businesses acting constructively with the local population. Participants suggested that corporate partnerships engaging local populations and upholding socially responsible values could provide a good example to government and so foster wider change. While a few sectors, notably the arms trade and mercenaries are entwined actively in conflict, most business benefits from creating conditions of long term stability that favor both the corporate sector and society in general. Corporations may have a positive influence on sustainable peace because of their capacity to provide economic development, to encourage cooperative behavior even across borders, and to encourage differing ethnic groups to work together under the umbrella of the corporation. They can take a lead in striving for such valuable goals as greater transparency, combating corruption, and building rule of law and prosperity.

However, it is interesting to consider what practices are considered exemplary, as attitudes to corporate actors vary greatly in different settings even though the practices could be identical in all regions. Corporations may sow the seeds for resentment if their activities are viewed as exploitative. One participation from the Russian Federation noted that the range of attitudes towards business practices within transitional economies, in particular, may reflect the varying degrees of familiarity with modern global capitalism. He cites in the case of the Russian Federation that:

*“From my personal experience: the same foreign mining company working in roughly the same region of Russia (namely, the Ural Mountains) was viewed in different towns at different times as: a fraud or a scheme to steal the money/the resources/the secrets from Russia, a saviour (or, .. a panacea), a potential rival/partner to deal with. In my understanding, the economic situation in all these locations did not differ very much. Nor did any friendly or hostile gestures of the company really change anything.”* (Dmitry, Russian Federation)

One possible way for business to address local concerns is through a responsible business model, including transparency and possible spillover effects such as democratic practices. While accepting that businesses are not run as democracies, participants suggest that businesses can engage in a participatory model, encouraging employee input and involving

all stakeholders. As such they may be examples and possible sources of wider democratic impulses.

One thread of the discussions concentrated on situations where businesses do become entangled in conflict zones. Should businesses continue to operate in such situations? Can they be a positive presence, not merely in conflict prevention, but resolution? Participants viewed variations for different types of business, noting, for instance, the exceptional circumstances facing extractive industries –

*“An apparel company, if there is instability can just find another factory in another region, but it is not so easy to find another mine!”* (Juliette, USA).

Are voluntary codes of corporations sufficient in these situations in preventing the fueling of conflict, or is it necessary to have legal enforcement of business in such situations? Participants noted that there are more enforceable legal instruments relating to environmental norms than to social and human rights, and that more needs to be done to translate standards governing business conduct into normative business practice. The consensus was that government should be able to intervene to prevent irresponsibility, but there was less agreement regarding adoption of negotiated standards. Some expressed fears that such standards might not reflect the realities of business enterprises and might set a ceiling for social requirements rather than a floor to be built upon.

Yet without standards, how do we encourage active assertions of responsibility, and make companies go that extra step beyond compliance? One participant made clear that too often current business actions for sustainability are simply win-win propositions – the “low hanging fruit” – such as energy efficiency or vocational training. Hard decisions, for example to push to prevent community disenfranchisement, taken more rarely. Are there potential partnerships that can be developed both among businesses and between businesses, NGO’s and governments? One potential model identified by participants was that of the US-UK Voluntary Principles on Security and Human Rights. These were drafted by NGO’s, companies and governments and are considered by a variety of stakeholders to be practical guidelines.

Participants suggested a need for greater stakeholder engagement, and participants noted the potential for the international media to expose irresponsibility and so encourage more socially responsible practices. Overall there was recognition of a problem of collective action, whereby the size of the problems daunt any individual sector into believing that nothing can be done to tackle them. The e-conference participants argued that too often we search for the “silver bullet” to solve the problem. Some suggested instead that this is a systemic issue with no easy single solutions, for example:

*I trained 20 people from Eastern Europe and Central Asia for eight weeks this summer in business ethics. I came away with a strong sense that what we needed to develop globally was less standards than dialogue. To use your terms, we need to define the role of business with as wide a light as possible (which includes maximum stakeholder engagement), but with a firm recognition of the realities in the specific environment that specific enterprises are going to serve. That is why*

*these e-conferences are valuable, but bother me considerably when I begin to hear how the solution is that we find the right set of standards and enforce them. I don't think that approach will serve the developing countries, small to medium enterprises, consumers, or workers well in the long run.” (Ken, USA)*

### **Recommendations of Participants:**

- Consider legal incentives, not just negative penalties, for business to act in ways conducive to peace and democracy.
- Find ways to incorporate broad international standards governing business conduct into actual normative corporate conduct, building on the example of the US-UK Voluntary Principles on Security and Human Rights .
- Educate with a holistic picture on the issue, in addition to providing detailed scenarios.
- Initiate further research to distinguish key attributes of business that are more susceptible to conflict linkages than others, providing “an organizational analysis of how these linkages might occur.”
- Encourage multilateral organizations to set up an environmental and social audit scheme for projects through partnerships with local universities, with students completing audits as part of their apprenticeship. This would serve the dual purpose of building educational capacity and providing a form of quasi-enforcement of business-multilateral partnerships.

## **Week 2: *Business and Peace* (Oct. 14 - 18, 2002)**

**Moderator:** Jonas Moberg, Operations Policy Manager, The Prince of Wales Business Leaders Forum

**Commentator:** Jordana Friedman, Director, Burson-Marsteller

### **Background readings:**

Executive Summary of **The Business of Peace** (Prince of Wales Business Leadership Forum) at <http://www.csrforum.com/csr/csrwebassist.nsf/content/fl1d2a3a4b5.html>. (Chapters 1-3 of the book are also recommended).

### **Key Questions Asked of Participants:**

- 1) What do you think of the principles for corporate engagement?
- 2) Why should corporations go beyond compliance to risk reduction and even further to value creation? How would you convince an executive to do this?
- 3) How would you prioritize among the "key management challenges in conflict zones?" Are there others?

**Summary:** As guided by the moderator and commentators, the second week of the e-conference sought to examine more closely consideration of *how* business might theoretically have an impact on sustainable peace. Taking the examples in the background reading for reference, the e-conference participants considered possible practices for making these ideas a reality. Thus, while the first week's materials discussed the normative and conceptual issues, this second week focused on potential implementation strategies. Participants made clear the need to emphasize the business case for corporate engagement on a pragmatic level, examining motivations and means for business to work with society for conditions that lessen conflict and may promote democratic societies. It was pointed out that, as "money talks", we should emphasize that democracy and peace help to lower average operating costs and business risk. Discussion agreed on the potential value of scenario analysis that emphasizes this broader picture as opposed to short term risk analysis. As one participant noted:

*Taking a systemic view of society, and business place in society, it seems only rational that promoting the public good has long term benefit for society. This is reasonably easy for an organization to do, especially if its contribution to the public good is within easy reach (both operationally and financially). It also helps when the organization in question is conducting business in bullish times. What happens, though, when bearish times set in? Value creation must be undertaken with a long term view – it must be sustainable. (Alan, USA)*

A varied discussion followed. One participant set out the importance of carefully sequencing the involvement of international corporations in a local society, although ideas were more barren on procedures for existing local firms. There were calls to make full use of pilot projects and so to “teach via action,” in addition to setting out principles for corporate engagements, such as strategic commitment, dialogue and consultations, and partnerships. One example cited came from Azerbaijan where NGO’s and foreign oil companies have worked together to foster multi-sectoral dialogue and practical cooperation in such as areas as local business development in an effort to address the wider social, political and economic challenges that can lead to conflict. This in turn led to e-conference debate on the motivation of business in terms of acting for broader social goals – should it be out of duty or fulfilling an aspirational role? Regardless of motivation, there remains the question as to whether businesses should consider contribution to peace a goal and, if they do, what their contribution might then look like

Linking to these issues, one topic of discussion was whether business has a direct or indirect impact on conflict and forms of governance. Consensus converged on indirect effects, with the suggestion, too, that companies are more likely to shoulder the burden and take action if acting in a more indirect guise.

Building on emails in Week One that discussed whether businesses offer up a democratic model, participants examined the role of employee voice, and the possibility that introducing work practices that provide mechanisms for employee voice may have implications for sustainable peace. Questions raised included: “Does it help to offer all employees a forum for expressing their views on a business and to interact with senior management?” and “Does having such a voice actually bring influence with it?” As Gretchen (USA) asked, *“If employees get a taste of what it means to have voice in their work organizations will that spill over in terms of seeking opportunities for voice in governmental matters and hence contribute to peace.”* Does a business model encourage self-governance and individual responsibilities?

### **Recommendations of Participants:**

- Seek to disseminate the business case for greater corporate responsibility below the boardroom level of multinationals (where the case is more often understood), to the management and boards of smaller corporations, subsidiaries and local enterprises, where the message is often lost in translation or never passed. Focus on such issues as encouraging peace and democratization.
- Develop an index for local populations to articulate a sense of how justly they feel that they are treated by business and provide that information to business itself as a tool of management. Management might then build on the information and improve relations where necessary.
- Consider drafting a document assessing the emerging consensus on environmental and social rights and responsibilities of business, governments and affected communities.

- Encourage companies in zones of conflict to devote time to talking about the conflict and encouraging mutual understanding between local groups, and building local skills of self-governance.

## **Week 3: *The Global Compact (Oct. 21 - 25, 2002)***

### **Co-Moderators and Co-commentators:**

Matthias Stausberg, Communications Specialist, UN Global Compact Office, New York

Timothy Fort, Associate Professor, University of Michigan Business School

### **Background readings:**

Read Global Compact at <http://65.214.34.30/un/gc/unweb.nsf/>

In particular, refer to the section on [Zones of Conflict](#) (in the 'Dialogue' section of the website.)

### **Key Questions Asked of Participants:**

- 1) How would you compare the Nine Principles with other things we have seen in the course or with other kinds of statements you may know from other sources?
- 2) Why kinds of challenges are present in any transnational attempt to provide standards for global business behavior?
- 3) After reading one of the papers that you will find in the Zones of Conflict section, present some feedback on the paper. Summarize it briefly, in case one of your "classmates" reads another paper and then provide some analysis of it.

**Summary:** The third week of this global e-conference concentrated on the role of the UN Global Compact and its Nine Principles. The United Nations introduced its Global Compact as an effort to integrate business organizations in the work of providing for a more just and secure world. Its Nine Principles are voluntarily adopted by participating corporations in the running of their affairs.

Is the Global Compact an example of increasing democratization of global governance, including that of the corporate world? If so, several participants questioned the effectiveness of this partnership approach and suggested the need for at least a measure of efficacy. Certainly the reliance on volunteerism is very apparent in the Global Compact framework – as a result, can it be an effective driver of change? To some the broadness of the principles are a plus, encouraging business participation, while others wonder if there might be better alternatives, and question whether the Nine Principles “*are really at all appropriate except as broad banners under which we act.*” (Alan, USA) Should there be a more formal set of standards for global behavior imposed on business? Some felt that this would only engender mute compliance rather than active engagement in working towards peaceful and democratic societies. Participants also argued that if codes of conduct are to be developed they should apply as much to governments as private actors.

The e-conference participants did welcome the UN Global Compact as a building block in terms of beginning dialogue between international organizations, governments and business, and as a forum to potentially help governments and business identify mutual opportunities for development and to support peace and democracy. There emerged a consensus that dialogue may be one vital way to forge a vital internalization of corporate responsibilities on these issues, and should be encouraged. Birgitte (USA), representing LUCIT, a smaller company, and enthusiastic member of the UN Global Compact, laid out the tension between external and internal motivation:

*“External motivation refers to one entity suggesting to or requesting of another to do certain things, to respond to certain things, or to behave in a certain way. No matter how glorious the philosophy may be, the motivation, or primary motivating impulse, is still coming from an external source. This is the case with the UN Global Compact (UN GC) principles. This is neither good nor bad, I am not placing a value on it. It is simply what it is.*

*Internal motivation comes directly from within the enterprise. Either from the top executive levels, from management or even employees. Something -- be it experience, a threat, an insight, a desire to improve and advance -- drives or motivates the enterprise to fulfill the given principle or ideal.... In my experience, it is internal motivation/learning that is more powerful than the external, because, it is closer, more a part of the entity in question.”*

Aside from the possible source of motivation, the conference participants viewed transparency as being vital in corporate actions and business links with other stakeholders, particularly when operating in “zones of conflict.” This prompted consideration of whether effective transparency is only possible where there is a free and active media, or whether auditing procedures, including those of multilaterals, such as the World Bank, are sufficient on their own to ensure transparent behavior. Is effective transparency only found in democratic societies? Ideally, multiple stakeholders should play a role in a more democratic governance system, but as Johan (South Africa) argued this requires that all decision-makers have sufficient information for this task.

### **Recommendations of Participants:**

- Consider ways to measure the efficacy of initiatives such as the Global Compact.
- Ensure that those who are involved in assessment and given a voice regarding corporate roles have the information to make informed judgments.
- Develop internal motivations for corporate actors to work towards peaceful and democratic societies.
- Encouragement of transparency on the part of all stakeholders.

## **Week 4: Open Forum (Oct. 28 - Nov. 1, 2002)**

### **Moderator:**

Timothy L. Fort, Associate Professor, University of Michigan Business School

**Summary:** This last session was designed to be an open forum to discuss the contributions to the E-Conference. Participants were first asked the following: Given the dialogue we have had to date, what action plans would you recommend for a corporation you work for or work with in order to enhance that corporation's contribution to sustainable peace? Throughout the e-conference, voices reiterated the need to illustrate ideas with actual examples. Taking that a step further, the call in the final week was for suggestions for concrete actions.

Participants offered some excellent specific proposals and resulting discussions drew upon individuals' experiences from around the world. Alan (USA) emphasized the importance of job creation as a means to ease and prevent conflict, adopting recruitment and retention strategies that reflect organizational commitment to peaceful settlements of conflicts. Such moves can help to get young males off the streets, while the hiring of former combatants reintegrates a high risk group off the battlefield. Specific examples of business roles in easing conflict were offered by participants, such as corporate assistance for retrieving weapons caches in Mozambique, and business assistance for landmine removal in several countries. Such examples reflect corporate roles in post-conflict recovery, but rarely in direct conflict resolution.

One theme arising during this final week of the global e-conference was that of the link between business and the promotion of open societies. Successful businesses often tend to maintain open structures internally and this can lead to encouragement of such openness in wider society. One suggestion was for business to participate in peace building workshops and to *"encourage cross corporate dialogues linking conflict affected employees with others from adjacent companies."* (Alan USA.) However, there was some caution concerning business and open societies. Some participants felt that states can suppress such initiatives and that companies in some sectors may willingly seek a cover of secrecy, such as in the diamond trade (although that industry is reforming).

How much can a business be expected to change its host society, or at least its host government? At the start of the e-conference, the participants pointed to growing influence of multinational corporations with governments. While these corporations may use that influence to force positive changes in terms of societal stability and development, Akapunko (Nigeria) argued that it is government that has to be responsible for fundamental change – *"The fight must begin with the host."* This e-conference discourse suggested that business is no substitute for effective government in this regard, but that business can have an important indirect effect for change.

The consensus view expressed this week was that government, too, then has a role to play in influencing business and preventing irresponsibility that might threaten peace and/or

democracy. However, some participants questioned whether detailed government rules are the best way to regulate business as again they may encourage mere compliance rather than creative thinking and action.

Focusing instead upon internal corporate structures, Maria Cristina (Brazil) suggested key elements for a corporate governance framework that might begin to promote peace, to embody fairness, disclosure, accountability and compliance. E-conference participants agreed that such a framework involves a convergence of the economic, political, moral, and legal; one cannot rely on just one element. For example, one might have a strong legal monitoring of business roles re conflict on paper but no credible means of enforcement, or there may be no laws on the books at all. Then participants argued that one reflexively falls back upon encouragement of an ethical and moral stance, as well as a business case that is better suited to peaceful and democratic society.

### **Recommendations of Participants:**

- Develop recruitment and retention strategies that reflect an organizational commitment to peaceful settlements of conflicts; for example, encouraging the hiring of former combatants.
- Encourage development of business performance criteria that foster peace building.
- Fund local grassroots peace building networks and seek business participation in peace building workshops as a group (business people have an interest in conflict, whether they are SME's or MNC's).
- Examine ways in which company boards can establish a corporate governance framework in tune with the promotion of peace and democracy.

## **Selection of E-mails from Participants in the E-Conference**

The emails aim to provide a direct insight into participant views. Please note that we reserve the right to edit emails for spelling and grammar, and to excerpt emails where necessary for reasons of space only.

### ***Week I. Introduction to Dialogue: Beginning Premises***

I think that participants in this World Bank e-conference must strive to distinguish the key attributes of specific businesses that might make them more susceptible to conflict-linkages than others.

My own research is in the mining sector and unfortunately there has been a tendency to either abhor all such enterprises or to consider them a panacea for development. I think that there are certain attributes of the way mining companies have operated that may provide a case example for how conflict linkages might develop in businesses and hence be prevented.

There are indeed some success stories such as Botswana, but we must try and understand what has led to failures in other cases such as Sierra Leone or Congo. The debate in much of the economic literature has focused on macroeconomic indicators (Dutch Disease hypothesis) and I would be very interested in learning more on organizational analysis of how these linkages might occur from the business researchers. For example, management strategies at Shell Nigeria versus DeBeers in Botswana?

Saleem (USA)

My name is Johan Theron and I am a Project Manager in a military related private company in South Africa. My interest is therefore to find a balance between what is realistic and the perceived wonderland in which I myself and my children would like to live.

In answer to the questions; the following:

1. Business role comparison with "others" towards reducing conflict? The historic reason for conflict was to obtain land. Presently that is not the issue anymore. Business is nowadays the target, i.e. oil in the Gulf and minerals in the Congo. It is my perception that business actually CAUSES conflict and that it is better NOT to be involved in politics. This leads on the real problem, which is that politicians are not CAPABLE anymore and RELY on business people to guide them, thus opening the door for corruption. Business's role should therefore be reduced and the politician's role should be returned to what it was.

2. Most and least compelling premises? The most compelling premise provided by Fort is that Corporations should conduct themselves in a way perceived to be "constructive", by the surrounding population.

The least compelling premise is that non-government agencies should

"operate" to bring the two sides together, so to speak. In light of the above, this is an abdication of responsibilities. It is time that politicians face up to their responsibilities. And likewise business should carry on the business of business.

What is missing can be described as follows:

2.a. Human or group conflict caused by ethnicity (Rwanda, Somalia, Bosnia) as well as personal conflict due to the "rat race" as experienced in family murders and Mafia type organizations.

2.b. Political conflict caused by conflicting viewpoints such as religious orientation, heroin drug lords promoting the right to reign by drug trafficking.

3. In South Africa the steel and electricity manufacturers are causing what seems to be the highest air and soil pollution the world. Providing iron and light to Africa may reduce conflict in the short term, but then only until the time they have to pay. By that time our own people will have died and legal conflict will be the order of the day.

Summary:

Business should stay out of conflict, pass the ball to the people responsible for it, concentrate on the local environments and people and work for long term benefits. THAT will promote peace.

Johan (South Africa)

Internal or civil conflict within countries is frequently the result of failed governance, including the lack of the rule of law and disregard for fundamental international human rights norms. It is well documented that many failed governments are rich in natural resources, and exploit these resources to remain in power in ways that inevitably implicate directly or indirectly the private sector. Consequently, there is increased attention on the role of the private sector in conflict, and ways business can prevent conflict or promote peace by working with governments, ngo's and multilateral organizations to address the abusive conditions that often feed internal conflicts. Land is still a key factor in conflict in countries rich in natural resources, since disputes frequently involve issues such as control over natural resources and sharing of revenue produced by natural resource extraction. Oil and mining companies potentially caught in the middle in these conflicts have a powerful interest in avoiding them by working with local communities and central governments to ensure that the benefits of resource extraction are equitably shared via trusts, community projects and transparency.

Juliette (USA)

I am not all that concerned about whether there would be a backlash against local government if a foreign corporation did something that was good. Yes, it is possible that there could be an argument against the government, but I'm not sure it would be violent. To the extent there was

a protest against the government that forced the government to be more responsive, I think that would be a good thing, provided that it was not violent.

But I think there is a deeper issue here that goes to another of the questions relating to delegating violence-related issues to governmental parties. If one is going to promote democracy, which has been positively correlated with peace, then one needs an infrastructure of civil society. In civil society, organizations take voluntary actions that solve public issues. Civil society does not rely upon a bifurcated society of government vs. business, which often seems to be the description of political economies. Instead, civil society is comprised of many mediating institutions that seek to foster not only their own well-being, but that of the common good. Thus, as Benjamin Barber writes, this civil society is "public" without the coercive elements of government. At the same time, these institutions are not really private either, because they attempt to solve public problems.

The question is whether businesses are private institutions only. I do not think they are. It is only in the contemporary, market-driven sense that they are private institutions. But there is little reason to believe that this is set in stone. Instead, businesses can act as citizens with a commitment to the common good. Yes, they should stay out of conflict as much as they can, but what businesses really can do is to be part of civil society and to voluntarily contribute to that society. In doing so, they join with other organizations that try to solve public issues.

Perhaps a better way to phrase my own argument is that businesses should not try to create peace - that's a rather ambitious task. Instead, what businesses should do is to try to build the kinds of societies that have been linked to sustainable peace. Those kinds of democratic societies that feature reduced corruption, rule of law, transparency, economic development, and civil society can be benefited by corporate citizenship. Thus, rather than the huge goal of corporations doing something for peace, perhaps the idea should be corporations contributing to the societies that in turn are linked to peace.

Will this cause some backlash? Perhaps, but I am not convinced that the backlash is likely to be violent. I could be wrong about that, but I have hopes that this would be the case.

Tim (USA)

From my personal experience: the same foreign mining company working in roughly the same region of Russia (namely, the Ural Mountains) was viewed in different towns at different times as: a fraud or a scheme to steal the money/the resources/the secrets from Russia, a saviour (or ... a panacea), a potential rival/partner to deal with.

In my understanding, the economic situation in all these locations did not differ very much. Nor did any friendly or hostile gestures of the company really change anything. The only plausible explanation I can think of is that the general attitude towards foreigners was slowly changing from Cold War suspicions, then to "New Capitalism" euphoria, and then to more or less realistic perception. Accordingly, it turned out

impossible to work in the first case, very difficult in the second, and OK in the third.

To sum it up: IMHO, business is really influenced by the political situation in the world in general and it's the attitude of local workers (in other cases - consumers?) that translates hostility/friendship in international relations into cooperation/sabotage on the local level.

Dmitry (Russian Federation)

There are situations where conflicts may be a bit more latent, in which businesses can contribute to the development of civil society as I mentioned earlier. Although a significant portion of business benefits from war because of supplying weapons, etc., most businesses do better in stable conditions. There are several studies that show that democratic countries do not go to war with each other (they do go to war with non-democratic countries) and there are other studies that show that where there is corruption and autocracy, there is more likelihood of violence. Thus, there is a business rationale to have stable conditions and those stable conditions might be gained through encouragement of democratic institutions. I don't want to be perceived as naive here; I fully realize that descriptively, businesses often do not show an interest in these issues, but the normative question is whether they should. And if they should, how could they?

One final note, I agree completely that businesses are not democracies. At least most of the time. However, it is also important to bear in mind that different companies utilize different management structures and techniques. Many contemporary structures tend to avoid the "command and control" model in favor of a more participatory model. Those management structures offer a template for the "could" of the above paragraph. But I fully agree with the reality that businesses often don't consider any of these things. I am hopeful, however, that alternative models might be developed that could change the way businesses think, particularly if one could demonstrate that businesses really could do something. One of the reasons they don't is because they believe it isn't their responsibility.

Tim (USA)

Much of the discussion has focused on voluntary practices that a company (MNC) can take with respect to human rights and promoting peace in a conflict zone... I understand that law is only one possible tool of many with respect to MNC's - My question for the group is: Are there situations where companies should be legally responsible if their conduct facilitates conflict? Alternatively, should law or litigation be used as a tool for deterring certain MNC behaviors?

Anita (USA)

Last fall, I organized a conference on the topic of this World Bank theme: business and peace. One of the interesting things we found is

that every sector - NGO, Corporate, Government - said, "There really isn't much that we can do. Someone else (they all disagreed who that someone else would be) really is the sector that has the power."

This is a classic problem of collective action and also of modernity: how to convince any one corporation or person to take the lead on initiating change, particularly on a topic as huge as sustainable peace.

My sense is that getting movement in this direction requires efforts on multiple fronts; some flexibility with respect to the best methods will be called for.

Tim (USA)

The basic question for me is who do we consider to be the major actor - a sovereign state or MNC's. In Russia ... the sovereign state is the major, moreover, almost the only actor; origins of any MNC can be traced back to a certain country. Any involvement of a foreign company into anything even remotely resembling politics is seen as interfering into internal affairs of a sovereign state. From this viewpoint, the only thing a business is allowed to do in a foreign country is to mind its own business, if you'd forgive the tautology.

My question is, if such people tend to see any moves of a foreign company in their country as a threat to their national security/encroachment upon their sovereignty, what would you consider a better tactic to make them more involved into international business network?

Dmitry (Russian Federation)

The paradox of democracy and civil society is that they don't conform to a "control" mechanism but in doing so, they are more likely to control problematic things such as violence. What civil society does well is provide ways for people to identify with ways of approaching public goods. By doing that, they provide individuals with multiple, cross-cutting identifications. Thus, I am a member of a church, but also of a university that may be comprised of people outside of my church, as well as a softball league with yet another set of memberships.

This does a couple of things. First, it makes it harder to create an "other" that can be hated. Second, it ironically causes conflict because there are conflicts among these various institutions. But if civil society is robust, then the means to resolve disputes - particularly if there is not the hated "other" - more typically comes from negotiation and compromise rather than by coercive control. Gandhi, for instance, noted that that any kind of coercion had an element of violence to it. Thus, the paradox of civil society is that the lack of control helps to "control" violent behavior....

There is still a question as to why a business should undertake a more active role in civil society and what civil society can do about it. The Dalai Lama talks about the need to clearly identify consequences of actions. The more transparent the consequences are of one's actions,

particularly if there is a violent end to them, the more likely (most) human beings are to try to avoid undertaking such actions. Thus, the best thing I think civil society can do is to determine if there is a link between certain kinds of business behavior and violence. It is unlikely, I think, that one will be able to demonstrate a causal connection, but I think correlative connections have already been demonstrated.

If civil society can do this, and the proof has to be done first (it can't simply be an ideological wish) then I think it will be easier for government to undertake regulation and I think it is more likely to stimulate the conscience in corporate leaders. It is one thing to believe that corporate actions have few social consequences. It is another if there might be a link between such actions and bloodshed. I know there are good and bad sides of human nature, but I think you'd find thoughtful reactions from executives if they really were convinced that their actions would make a difference in terms of reducing bloodshed.

Tim (USA)

My sense is that the role of business in conflict is a systemic issue, not amenable to easy solution.

This is my third e-conference sponsored by the World Bank. There is a definite thread among many participants that there is someone, somewhere who really does have all the answers as to what constitutes a responsible business. If that person or entity will just speak up and have his or her or its way, then business will be reformed, with no loss of productivity, and the world will be a better place. I think these sorts of dialogue are most valuable, but I think we tend to try to find the 'silver bullet' that is going to make business responsible. I think that is a futile, even counterproductive search.

In my view, all of us need to take a more systemic view of life. Know what goods and services we really have to have for a good life - and limit our trade to them. Know who is providing these goods and services - and how they delivered them. Know at whose cost these goods and services are delivered. Reward the responsible businesses with our trade, even if it is more expensive. Vote with our feet against those who abuse others or the environment to deliver our desired goods and services.

I am coming to think that there is a "global paradox" at play here. For business to meet the urgent, often dire needs of expanding populations, we need to permit all the innovation, imagination, and independent thinking that characterize successful businesses everywhere. But we also need to agreed upon a solid foundation of norms, values, and standards that provide the starting pint for deciding whether a business is or is not responsible. We need to dialogue intensely into the issues of what standards should apply, but, beyond a healthy regard for global standards of responsibility, we should be careful not to stifle the talents of the men and women who are "business."

Ken (USA)

This was indeed an extremely stimulating first week discussion. I am really happy to have signed on for this. I have a few reactions to the exchanges thus far:

a) I would add one more item to the list of proposed seven actions that companies can take... It is respect for the environment. In many developing countries nowadays the lack of respect for the environment is a source of conflict. There are many examples of international firms that inflict environmental offenses in host countries that would not dare to do the same in their home countries. And this is not a matter of legislation or capacity to enforce by the host government. Why should the principles of corporate environmental responsibility change with the location?

b) As the objective of firms is to maximize profit, the incentive would be to do only the minimum required and enforceable by the host government to maintain a friendly image and a favorable business environment as far as it is profitable for the firm to stay in that country. The question is: what sorts of incentives have influenced "good citizen firms" to go the extra mile in doing the kind of things you recommend beyond and above merely meeting the local minimum requirements? We know of examples of firms that even bribe local officials to tolerate the firm not meeting the minimum requirements of the country. Is there any analysis of these incentives?

c) Would it be feasible to promote a plan for transnational firms to agree to publicly post as a principle of corporate behavior that they would observe in host countries at least the same social and environmental responsibility standards required in their home countries? For example, that [the firms] would state that they would not produce and sell products that are prohibited in their home countries (i.e. the case of medicines and pesticides)?

d) The discussion seems to be focused on transnational firms. How could it be adapted to national firms?

I am sure that many of these points will become clearer as we move on with the exchange of views.

Alfonso (Colombia)

## ***Week 2: Business and Peace (Oct. 14 - 18, 2002)***

Thank you for identifying that conflict, and therefore peace, is not really the issue, because I was continuously looking for the definition of those terms. What does seem to be the issue is that democracy allows the pursuance of low(er) risk business. For example, imagine that debt can build up to such an extent (due to conflict) that you cannot get your money back! To reduce that debt the simple solution is to "democratize" those countries prone to "this type of conflict". How to do this, that is the question.

First of all - the political angle is working too slowly, because the

united nations just accept the sovereignty of those undemocratic countries which virtually perpetuates this unbearable situation. That leaves the "business" sector as the rescuing hero. But what this hero needs is a plan and the plan is based on the simple technique that the "Apartheid government" in South Africa wanted to implement. Now don't switch off, because this may get interesting.

Research has shown that the method to be employed in order to democratize an independent country is sequentially as follows:

1. Identify and train infrastructure (administrative) pivot points.
2. Implement media access.
3. Implement communications access. (not like in Nigeria)
4. Implement electrical power access.
5. Implement transport capability (not like in Nigeria)
6. Implement financial system
7. Implement educational system
8. Implement small enterprises
9. Implement primary sector (mining, etc.)
10. Implement secondary sector (factories)

Once this phased approach is understood then companies operating in different markets should get involved at the appropriate times, with the appropriate people and in the appropriate way. If you watch/listen to the news and you concentrate on South African foreign policy then you will be surprised how well the sequence above will coincide with the reality of African politics today, i.e. Africa is doing the democratization themselves while using businesses as a means and not as the end. (Which is why I said - be careful of politicians).

However, peace should eventually come to Africa in the next 20 years, but that should not discourage businesses from encouraging the above behavior because long term benefits may be gained. However - and this is where Corporate governance comes into it - the WAY in which a connection is established should be such that long term benefits are maximized. What I said above is not new, but it may be relevant now.

Johan (South Africa)

In the interesting debate about the voice of employees there has been a call for examples. Briefly I can think of two quite similar ones:

- 1) The workplace in Northern Ireland where the employees ran a scheme of discussing the ongoing conflict and religious divide.
- 2) The banana plantation in the Philippines where, again, breaks were used to discuss how the tensions between Muslims and Christians amongst the staff and in the area could be tackled.

This is not much by way of evidence. Still is it not always good to talk? Although the voice of the employees will probably not be the same in different cultures, the concept of employee voice is surely transportable?

Jonas (Sweden)

In response to your question concerning how to convince an executive to move to risk minimization and value creation, I would state the following:

a. Risk Minimization: In the current climate of increased scrutiny by NGOs and members of the public to corporate behavior, it is in the interest of companies to ensure that they minimize negative social and environmental impacts that may lead to conflict with local communities, government or other stakeholders. Alleged or actual complicity in human rights abuses or environmental damage will harm a company's reputation, disadvantage it vis-à-vis its peers and competitors, threaten its "licence to operate" in a given locale and place it at risk of legal action (as in the case of Nike, Shell, etc.) Although, implication in a human rights or environmental incident will not necessarily affect a company's share price in the long term, its reputation and the value of its brand could be diminished irrevocably. The costs of not engaging in risk mitigation strategies related to human rights, community engagement, environmental policies, etc., are not only the intangible costs to reputation and brand but might also include tangible costs such as material losses (destruction of property by disgruntled and marginalized communities); opportunity costs (from disruption or suspension of production); personnel costs (related to security, stress, loss of productivity); and litigation costs. Minimizing risks and harm in one's own backyard makes sound business sense.

b. Value Creation: Fundamentally, a company that seeks to contribute in a constructive way to helping create the conditions for a just, peaceful, stable and economically-robust society also establishes the conditions for successful business. The process of building healthy market economies leads to more customers, employees, local suppliers and investors for such companies. In peaceful and stable conditions, operational conditions are also likely to decrease (due to lower security and insurance costs) and national and international funds designated for peacekeeping and other conflict-related purposes are more likely to be targeted toward such business-friendly ventures as infrastructure development and education and training.

Jordana (USA)

As a quality award assessor, I have assessed a company where the General Manager (GM) answered unanimous questions on the intranet system weekly. The system was arranged in a way that everyone participates in the Question Time session without knowing who asks the question, sees the GM's response. All conversation was reviewed, actions taken -if possible- by the GM, and saved in files for future use. Of course, in order not to weaken the effectiveness in time, management must reinforce the fact that their interest in hearing employee voice through such means is sincere, not just window dressing. I think such creativity is needed to enable employee involvement.

Semra (Turkey)

Given the future projected cost and benefit analysis, a CEO can be convinced of [the value of contributing] to societal developments, for the firm and for the peace of the society. This will include the tangible and intangible, monetary, and non-monetary benefit and the future expansion and cooperation, coupled with enhanced and conducive internal and external environments.

Akpanuko (Nigeria)

"It is clear that the companies that represent the vanguard in corporate social responsibility (in this case, in the areas of human rights and conflict prevention) are operating with a long term, sustainable view. In particular, this is true of companies in the extractive industries since they are usually making a long-term business investment of 40 or more years in a given country. They do not expect to make short-term financial gains in a business in which exploration and development take decades. Therefore, they are often committed to supporting social, economic (and even sometimes political) development over the long-term."

I agree with the logic of this - and also note the inherent contradictions:-

- a) ultimately these industries cannot be "sustainable" in the true sense of the word - as they rely on "using-up finite resources" to survive in the long term i.e. as a business.
- b) the negative impact their \$\$\$ influence can have on government policy e.g. as with regard to the movement toward sustainable/renewable energy sources.

I do however feel these issues can be overcome via the way one structures the entry of these players into the marketplace. A profitable/equitable business structure can exist for renewable and non-renewable proponents, and values can be incorporated into that structure - thereby utilizing preventative measures at conception to create the desired outcome.

Michele (Australia)

Moral relativism is fine to a certain extent but there is clearly a need to push the envelope further. We have enough of a repertoire of academic studies to posit a theoretical case for environmental and social justice, as well as empirical evidence on the value of instituting such rights to justify an emerging normative position. Of course further studies can always reinforce this.

Could the organizers of this event perhaps develop a document which has some points on the emerging consensus on environmental and social rights and responsibilities of business, governments and affected communities? We should clarify the areas that are open to moral relativism and those which are now beginning to trump state sovereignty.

Even in China, there is now an emerging feeling that environmental and social rights are a universal baseline in many areas. My conversation with the Chinese Academy of Sciences and other institutions reveal a

willingness to embrace some more radical levels of reform. I really feel that, we in academia, are specially obligated to take risks in being more normative in our tone, so long as we can back our views with evidence, which I think we have done quite well thus far in this forum.

One possible venue for the next steps might be to approach ISO, to work on more specific standards beyond 14000. I also made a comment earlier, on a proposal to institute an environmental and social audit program for businesses in collaboration with local universities, so that students can act as quasi-enforcers while learning how to conduct environmental and social audits.

Many thanks for this opportunity to share some thoughts.

Saleem (USA)

Briefly in response to Johan's questions regarding solutions and priorities for future efforts. I imagine that, as so often, it is largely a question of continuously moving "from theory to practise". We need to do what we talk about. We need to be on the ground in conflict zones or in unstable societies. We need to link up with companies, create partnerships, try to catalyze creative thinking and new approaches by companies to conduct business and at the same time contribute towards stability/peace.

Jonas (Sweden)

I'm in total agreement with your comment [re moving from] theory to practice on the ground in conflict zones or in unstable societies. You've just described the business environment in my homeland (Cambodia) and my question is: how can any of these concepts/solutions be promulgated in the real world in Cambodia where the consumer/worker policymaker is weak, but the private sector politically (though not necessarily professionally) strong?

Cam (Cambodia)

I have been very impressed by the conference and my main impression is how the various comments reflect the multiple dimensions in the question of whether there are links between business activities and peace. With that in mind, I'd like to suggest two different characterizations of what we have been doing. Each one of those characterizations have three elements...

The first characterization is with respect to the levels of ways in which economics and peace might intersect. It seems that there are large globalization issues about what it means to have global markets. There is a second level about the relative economic and political power that exists within a country and how businesses are dependent upon political regimes, fostering violence (Michele's point on the military subsidiaries of companies), or more generally not making a contribution to make justice a focus of business affairs. One dimension of that, which I

suppose could be a separate category is what, if anything, business can do in zones of conflict. Both Juliette's work and the Prince of Wales Business of Peace work are particularly relevant here. The third level is how businesses themselves might be organizations that "incorporate" notions of justice that have been linked to peaceful societies. The discussion of voice have been particularly relevant to this.

All of these are important dimensions. My own work focuses on the last of these and looks at what non-military businesses might be able to do. Because of that focus, my work primarily considers the indirect impact businesses might have because it seems to me that, in this area, business are actors in civil society where they could be teaching skills associated with democracy (which has been linked to peace), economic development, dispute resolution, and transparency. I think the direct vs. indirect distinction is helpful here because I think that if businesses think of their contribution in this area as one that would have a direct outcome, they may be disillusioned if they don't see direct outcomes. And if they don't, then I would be concerned that they may not want to try. Thus, what I would like to do is 1) to show that these indirect contributions could play a role in developing peaceful societies and (2) to see if one could develop a measurement of how fairly stakeholders believe they are being treated by a company, because that measurement could be a quantitative tool for management to see how "just" they are. My biases are along the lines mentioned above - justice comprised as participation in economic development, voice, democracy, dispute resolution, etc. But I think it is important to design a system whereby people affected by the corporate action can speak (in their own voice) to how they are being justly treated or not. Thus, I agree completely with Saleem that we ought to be in a position to describe justice more confidently (particularly in societal terms), but at the same time, I am trying to think of tools that might be developed for businesses where they could find approximations and measurements for justice itself. I also am uncomfortable with the designation of "just" and "unjust" and think it is important to recognize dimensions and levels of injustice (and justice) in all people and societies.

Tim (USA)

### ***Week 3: The Global Compact (Oct. 21 - 25, 2002)***

The Nine Principles [of the Global Compact] mentioned are certainly laudatory goals. I believe they are principles to which all companies ought to aspire. However, I wonder whether they will be followed - frankly I doubt it. It seems to me that to me that this approach to encouraging good 'citizenship' amongst corporations - like so many other efforts in the social responsibility area - often falls on deaf ears. The language and approach of this conference has been through the frame of social responsibility, and I wonder whether this is the only or even best frame.

Ultimately, the nine principles rely upon either volunteerism on the part of companies, or upon an active campaign by shareholders and others agitating for adherence to the principles. There are too many companies, with too many interests, for this to be effective in any long term sense.

I do not dispute that there have been many cases where multinationals have been persuaded to act in accordance with the principles of justice and a recognition of human rights. Yet, there are far more instances where multinationals behave in ways that are less than inspiring.

Therefore, I wonder whether these nine principles are really at all appropriate, except as broad banners under which we act. Practically speaking, I wonder if there are not other, and perhaps better ways of proceeding in trying to urge companies to behave in a way that encourages development and peace. (I truly do wonder, I don't have any concrete thoughts as yet.)

As an aside, I also wonder whether the social responsibility discourse is best suited when examining how companies contribute to conflict - the flip-side to peace.

Alan (USA)

I am a professor of law at the University of Ottawa, Canada. I am also an adviser to the Global Compact initiative of the United Nations and assisted in its development.

The purpose of the Global Compact is not to duplicate the hundreds, if not thousands of other Codes that exist. It is meant to be a platform of values on which MNC's, civil society, experts and governments can come together and develop practical ways to put a human face on globalization. As the UN Secretary General, Kofi Annan stated when he launched the Global Compact, it is in the interests of the MNC's to assist in the humanization of globalization if it is to be sustainable.

The Compact focuses on practical ways to achieve this such as through learning forums in which MNC's can learn from each other best practices, projects that make a difference to the lives of people around the world and dialogues with all stakeholders on critical issues. I had the privilege of co-chairing just such a dialogue on developing a Business Guide to Conflict Impact Risk Assessment and Management. The working group comprised of MNC's, NGOs, UN agencies and experts worked together to produce a document which will be rolled out to MNC's around the world and field tested. The document can be located at the web site of the Global Compact.

It is through practical projects, shared learning, leadership benchmarking and realistic dialogues that progress will be made in the quest for the human face of globalization.

Errol (Canada)

I believe it is important to understand that voluntary and regulatory initiatives need to complement each other. Purely regulatory frameworks tend to force businesses into a compliance orientation that doesn't necessary foster real institutional learning. Both the public and civil society, however, expect companies to tackle the issues at hand on a much

broader level. True corporate social responsibility is therefore much more than just compliance with a set of standards. There can be no sustainable operationalization of the GC principles without their sincere internalization. And internalization requires dialogue.

This is where the Global Compact comes in. In drawing largely on the United Nations' core strengths, specifically the power to convene, the compact is capable of enabling an unprecedented dimension of multi-stakeholder dialogue. Gathering corporations and civil society organizations around the conference table is a massive leap forward. It helps to reduce prejudice and may in fact foster some unexpected synergies. There is an increasing notion that companies, civil society organizations and other stakeholders can benefit from each other rather than being adversaries. The business guide mentioned by Prof. Mendes is an excellent example of how a multi-stakeholder process, based on the sharing of experience and expertise, actually generates tangible products. As some uncredited source wisely put it, "there may be a clash of cultures, but there will be a meeting of the minds."

As the role of the GC as an enabler of multi-stakeholder dialogues has been the subject of an ongoing discussion among all of us here at the Global Compact office, I very much welcome your views on this.

Matthias (Germany)

The Transparency Working Group in their fourth recommendation posits that if transparency were increased, the funds paid by MNC's to national coffers in the way of rents, taxes and fees would more likely go towards improving social infrastructure. So, for example, in Indonesia money taken in as taxes and fees from mining interests would be more easily accounted for and seen to be used for social purposes. Without transparency money can be taken and misused to accumulate private wealth. Conflict becomes a way of improving private taking, in as much as conflict can help justify increasing rents and taxes to pay for the war.

I wonder, though, whether such transparency will work without an active and effective media sector. Transparency works by encouraging citizens to know what is happening to money. If money is misused, citizens may take action (petitions, protests, violence?). The international community can place pressure on corporate shareholders, international organizations can condemn actions, call for sanctions and so on. Yet, this may seem an inefficient way of equitably distributing funds. It may also appear to be a rather roundabout way of using transparency to hinder the emergence of conflict.

For transparency to be at all effective it seems to presume an effective media and some semblance of democratic participation. Neither of these are characteristics of conflicted areas. So, I wonder whether transparency is the best route for addressing this problem.

Alan (USA)

"For transparency to be at all effective it seems to presume an effective media and some semblance of democratic participation. Neither of these are characteristics of conflicted areas. So, I wonder whether transparency is the best route for addressing this problem."

While media most certainly plays a positive role I would disagree that it - i.e. transparency - specifically requires an "effective media" in the "conflict zone" for it to be 'effective'.

For example, the concept of "transparency" if applied pragmatically by the World Bank to project funding would mean that the onus would be on them - i.e. the World Bank - to regulate/enforce it - thereby eliminating the perceived problem of a lack of media in conflicted areas. In this instance the usage of media is most effective in the "non conflict zone" to ensure that what has been agreed at the highest levels of governance is actually taking place.

I do agree that "some semblance of democracy is required" - but what this comprises may be entirely different than our current perception.

Michele (Australia)

Much as I admire Kofi Annan's attempt to bring the private sector within the fold of the UN, I am unclear what the Global Compact will achieve on the ground. When companies sign on to this magna carta of social responsibility, all they are being asked to do is accumulate a set of examples of ostensibly worthwhile programs. Such an effort is more suitable for a business school case library. Who is to ascertain their efficacy? A Global Compact without any evaluative measures for performance will only serve to spur the cynicism in most NGO circles that the UN has been co-opted by business interests.

Saleem (USA)

I am particularly interested in transparency as secrecy provides the bed rock for perpetration of societal evil and unethical behaviors: I agree with the groups stands and postulation. [Some of these principles reflect the] Nigerian case with the extractive multinationals, hence the country is nose-diving into poverty amidst plenty. In their lines of action, the Nigerian case has not properly been addressed by these recommendations. The why of this view is that the actions can only be achieved if the populace is educated, but education is restricted; there is poor awareness and inability to perform these actions. The few educated ones exhibit double standards, enriching themselves and their families and in the process creating a niche to destroy -eliminate- any educated person fighting the courses of the action plans outlined by the group's recommendation.

Thus, the action lines lack the basic weapon:

- How will you build NGO's when it will not be registered?
- How will a corrupt Government in power strengthen transparency when she is surviving in secret?- Cocoa cola, Shell, BP, Exxon-Mobil etc. They

only tell the people what the people want to hear and do what they like and want.

- The Government, the MNC's do not encourage this drive, how well then could small businesses do?

- These recommendations address the symptoms and not the problems.

Akpanuko (Nigeria)

I wish to comment upon the question of the principles of the UN Global Compact, of which we are a member. I speak on behalf of LUCIT, a young company specializing in media content and tools that address and work in social responsibility (CSR, SRI, corporate governance, ethics), youth and innovative media-based educational projects.

Some have voiced some doubt regarding whether the principles will be followed. They ask whether these principles are at all appropriate, "except as broad banners under which we act", and whether there are not better ways of urging companies to behave in a way that encourages development and peace. There certainly are, but they need to be a great deal more intimate, and do not necessarily exclude the Global Compact. There are two primary challenges, in our view:

The first relates to external vs. internal motivation. External motivation refers to one entity suggesting to or requesting of another to do certain things, to respond to certain things, or to behave in a certain way. No matter how glorious the philosophy may be, the motivation, or primary motivating impulse, is still coming from an external source. This is the case with the UN GC principles. This is neither good nor bad, I am not placing a value on it. It is simply what it is.

Internal motivation comes directly from within the enterprise. Either from the top executive levels, from management or even employees. Something - be it experience, a threat, an insight, a desire to improve and advance - drives or motivates the enterprise to fulfill the given principle or ideal. This works also with people. What is the difference between your learning something from another person (teacher, parent, mentor, a colleague, a client, etc) and your learning it on your own, through your own reasoning or experience? In my experience, it is internal motivation/learning that is much more powerful than the external, because it is closer, more direct, more a part of the entity in question (whether it's a company or a person). I am much more likely to run a sound business if I've already been through the pains than if I am starting out for the first time and someone walks me through it. I haven't been there yet, I haven't faced the rejection of prospective clients, the difficulties of hiring the right people, the importance of timing, of making the right contacts, and so on and so forth.

Being socially responsible, or ethical, as a business, is so much an integral, intimate part of the everyday fabric of a company's existence and operations that it really does need to soak in, to be a second skin or perhaps better yet, even a first skin, to the enterprise, for it (the social responsibility) to really be effective. In other words, it can't be a program, initiative or agenda - at the end of the day. No software

tool, no program, no document can take the place of that first skin - but they can help it along. SR programs and initiatives are indeed needed, but they are likely to fail if their ultimate goal is not to ween the very client company off them at the end of their lifecycle. In other words, if the SR program proposed really is a way for the proposing consulting company to make money doing something good, and not to turn a corporation into a truly responsible one that needs no CSR, SR or other related programs, workshops or seminars, then it is not a true SR program -- and it is not itself responsible.

As importantly, the process of turning into a socially responsible business takes time. It takes time for a company that is not socially responsible (to any given degree, because we all could use improvement in one area or another), to become one, and finally to BE one, simply because the process of integrating, internalizing the concept of "social responsibility", and changing, if you will, the fabric of a company, takes time. It requires leadership, it requires the people within an organization to experience that leadership directly (as in, seeing that cheating, altering sales numbers, hiding facts, and all sorts of other irresponsible or unethical behavior really does get punished), it requires the outside world (clients, partners, customers, the media, the public) to see what the company in question is actually doing - and that it's not green washing, or mere PR.

All this is not to say that external motivation cannot spark internal motivation. It often does. But it really depends on the enterprise, and its desire to improve. Nothing can make a company do anything, other than the company itself, even if that action comes merely as a reaction or response to a motivating event.

The second primary challenge lies in the fact that bodies such as the United Nations are fundamentally very different from companies - in nature, function, structure, infrastructure, purpose of being, relationship to the local, national and international communities, and so on. No wonder then, that principles established by are difficult to integrate into the fabric of corporations. Both types of entities must understand each other very well, and work actively with each other, if these 9 principles are to become real for UN GC members.

The fact that the 9 principles are so broad is a plus, in our view, because they do not restrict, but are rather vastly inclusive. On the other hand, the members of the UN GC do not currently have any form of direct support or resources we can draw on to implement the 9 principles. We are required to rely on our own resources and initiative, which can be quite challenging if one is not a big company with adequate relevant resources. So, you are right, these 9 Principles do rely upon volunteerism, in this sense.

The question "what's the likelihood that the Global Compact, and efforts surrounding it can drive real change?" I believe will be answered when the UN Global Compact works directly with its members (at least those who are willing!), or at the very least facilitate the resources needed, which is starting to happen in some ways now, to make these principles a living, breathing reality inside their members' organizations. This impetus will need to come not only from the UN Global Compact, but all of us, its members, as well. We are certainly willing to do our part.

Birgitte (USA)

**Week 4: Open Forum (Oct. 28 - Nov. 1, 2002)**

In thinking about how companies can help I found reading Virginia Haufler's essay "A Role for Business in Conflict Management?" (in *Turbulent Peace*, edited by Aall, Crocker and Hampson) very useful, although her comment about business being neutral reflects the problem not the solution.

Some steps I'd suggest include:

- job creation (get the 20 year old males off the streets as suggested by Collier and Hoefler)
- fund local grassroots peace building networks
- participate in peace building workshops as a group (business people have an interest in conflict, whether they are SME's or MNC's - get them together to workshop conflict resolution strategies).
- encourage cross corporate dialogues linking conflict affected employees with others from adjacent companies.
- develop performance criteria that encourage peace building.
- recruitment and retention strategies ought to reflect organizational commitment to peaceful settlements of conflicts. Encourage the hiring of former combatants - get them off the battlefield.

Alan (USA)

In response to Alan:

I personally like your suggestion of getting people off the streets, including ex combatants. Both types of people are a tremendous problem (contribute to conflict) in Southern African society. Structurally my company has implemented a student training initiative but that only applies to 16-22 year olds. We simply have no interest in other groups. In Mozambique our government involved local people in a profitable search for weapons caches, which was supported by a motor manufacturer supplying transport. A division in my company specializes in landmine removal and assists many countries...

My experience of this conference relates to an increased awareness of people suffering in structurally corrupt states. I have a lot of empathy for these people because we used to be like that. I mean that in the sense of a "closed" society as opposed to an open society. An open society allows open discussion while a closed society "festers" in protected arguments. Business in itself promotes (at the end of the day) an open society, and this is the area that I would propose any business concentrate on. Depending on what the particular business activity is, some interaction can be exerted to promote open discussion [re] training, empowerment, money lending, etc. However, if open, non-personal discussion is prevented, then the business should close, as in the De Beers' case. In terms of enforcing this, international law could be enhanced to include the strategy of open societies.

Johan (South Africa)

I am Maria Cristina, Federal Labor Judge in Brazil, since 1988. My day-to-day experience is to deal with conflicts. Individual and collective conflicts, as far as Brazilian labor laws give power to courts to "legislate" about labor issues in case of disputes.

From my perspective, not only Brazil, but most Latin American countries, have the idea that the State is responsible for their conflicts and for its solution. There is great difficulty in implementing systems of alternative dispute resolution methods or systems based on preventive actions. In fact, when talking about conflict and the role of MNC's, it is important to consider the preventive plan of action as the first step to avoid conflicts.

MNC's are creating a global network that, in some cases, can be responsible for shaping national legislation, and at this point, we might see a zone of conflict. It is quite hard, from a legal perspective, to have international laws disposing about national conducts. As an example, we may take the international labor standards and the great difficulty of implementing them at a national level.

I guess that any plan of action, codes of conducts, principles, declarations or any other names we may give to the objectives perceived, will find a great problem: enforcement. In this case, we have two proposals: cooperation or sanction - [usually] trade sanctions.

In any case, I suggest that a plan of action, in order to prevent conflicts, must take into account the four missions of [company] boards (which has to do with corporate governance):

1. Fairness - the sense of justice and equity;
2. Disclosure - or transparency;
3. Accountability - liability of decision-making persons;
4. Compliance - obedience to national and local laws.

In my opinion this is only a start in order to create a plan of action with the purpose of promoting peace. Further on, I think the discussion missed two important issues: morality and legality..

Maria Cristina (Brazil)

With regard to your plan of action - of course compliance with local and national law is a prerequisite - however if dealing in a corrupt environment whereby the government does not recognise it's own law and/or the law is non-existent - and your own National laws (i.e. back home) prevent you from performing a certain action (e.g. child labour) - and your own governments do not honor international law - then is strengthening international law really the answer? Doesn't it become an "ethical" issue? By this I mean doing what is "right". The could lead to your "moral" reference. In this regard I would say that a holistic perspective would imply that as awareness grows within a being - i.e. as they become more aware of their connectedness to the whole - their

actions while appearing to be moral are really just survival instinct - "survival of Self". So educating about a holistic perspective could assist.

And trade sanctions could work.. Perhaps one option could be altering the rules of trade globally i.e. designing an equitable system. More aligned with the WTO push toward truly free trade - but then you require freedom of movement to ensure that capital does not have the upper hand and to ensure that development is "needs" based i.e. dictated by the grass roots.

Michele (Australia)

Peace starts from one person to another. It is the idea of UNESCO at its International University for Peace, where they develop the ideas of Pierre Weil. In fact, there is a lack of ideas, of people thinking about humanity as a whole, in a holistic view.

On the other hand, I am quite sure that business, politics and law can converge. In my opinion, politics is responsible for shaping business (at least it should be ...) and then law makes its framework work. But, when talking about MNC or transnational corporations (TNC's), a modern motto is that TNC are now shaping national politics, I mean, some people do believe that transnational companies make governments shape and define their policies. I guess this can be true, when I heard some companies in Brazil saying that they will leave the country, if the government does or not does do certain things. They threaten the government, and the government changes its policies and sometimes laws. In that way are they not promoting conflicts instead of peace?

It is a hard question to solve, but it is not impossible to converge. It depends on how people are thinking. In sum, peace starts inside men; it is something from within to outside, I guess. In this sense, how can we think about peace, with we are not in peace with ourselves? It may sound too philosophical, but this is the basic thought for an education for peace.

Maria Cristina (Brazil)

## Appendix

### Comments from Participants about the E-conference

**Spain:** “I would like to congratulate you for the work you've done in facilitating the communication among people around the world.”

**USA:** “This course is really wonderful and so effective.”

**South Africa:** “Because it may be putting together people from different pages - my feeling is that it is a recipe for remarkable success, and that it should be continued and rewarded.”

**USA:** “A very eye-opening experience for me!”

**Nigeria:** “PEACE CAN ONLY BE ACHIEVED FROM WITHIN: From dialogue and understanding. Thanks.”

**Cambodia:** “I would like to see more/further e-discussion pertaining to this topic in the future.”

**UK:** “The e-conference without doubt is interesting and intellectually enriching .... The e-conference is meeting the objectives of sharing knowledge without the barrier of distance. I wouldn't have made it to a [face-to-face] conference ... and I wouldn't have acquired the [same level of] knowledge, [such as] materials in the form of contributions stored in my mail box and links for future research.”

**USA:** “The discussion was highly interesting, .... I look forward to taking part in future discussions.”

**Russian Federation:** “This could result in creation of permanent working groups that will continue the discussion in less intensive manner, but going deeper into details. All in all, the conference is as close to perfect as it could possibly be. Many thanks!”

**South Africa:** “Although having being a silent participant, the overall performance was good and the standard of intervention was high. We hope all the moderators will produced summaries on how the discussion went and the contribution to the individual topics.”

**USA:** “I'm wondering whether next time mechanisms might be employed to encourage participation from private sector representative, particularly at the managerial levels. For example, perhaps inviting one or more firms to moderate a session; perhaps also by ensuring the e-forum is promoted to private sector firms. But overall, I enjoyed the discussions very much.”

**Canada:** “I think you may want to think about a business only forum with a few very carefully selected outsiders. I would be willing to participate in such a future exercise.”

## **Short Bios of Moderators & Commentators**

### **Timothy L. Fort**

Timothy L. Fort is an Associate Professor of Business Law and Business Ethics. His work focuses on the legal and ethical frameworks that foster ethical business behavior. He is the former holder of the Bank One Corporation Assistant Professor of Business Administration at the University of Michigan. In 1998, he was named the Outstanding Junior Faculty Member of the Academy of Legal Studies in Business (“ALSB”). The ALSB has awarded him, individually or with co-authors, three Outstanding National Conference Proceeding Paper Awards, six Distinguished National Conference Proceedings Paper Awards, two Ralph Bunche Awards for best International Paper, a Holmes-Cardozo Award for best overall conference paper, and a Ralph Hoeber Award for Research Excellence.

Oxford University Press published his book *Ethics and Governance: Business as Mediating Institution* in 2001. His work has also appeared in *Business Ethics Quarterly*, *Journal of Business Ethics*, *Business & Society*, *Business & Professional Ethics*, *Notre Dame Law Review*, *Journal of Corporation Law*, *Vanderbilt Journal of Transnational Law*, *Cornell International Law Journal*, *American Business Law Journal*, and the *Notre Dame Journal of Law, Ethics, and Public Policy*.

With Professor Cindy Schipani, he has launched a Corporate Governance and Peace Initiative through the William Davidson Institute. He and Professor Schipani are also co-Directors of the Corporate Governance and Corporate Social Responsibility Area of the Davidson Institute. He currently is developing a program in conjunction with the World Bank designed to provide an interactive, Internet-based dialogue and education program concerning the extent to which businesses can contribute to sustainable peace.

### **Jonas Moberg**

Jonas Moberg is Operational Policy Manager at The Prince of Wales International Business Leaders Forum, which he joined 2002.

Before joining the Forum, Jonas was the Political Secretary at the Swedish Embassy in London, where he analyzed and reported on British foreign and development policy. During his tenure with the Swedish Foreign Service, he was also posted to Mozambique and worked as a First Secretary at the Ministry for Foreign Affairs in Stockholm. He has contributed to numerous government papers and ministerial speeches, mainly on policy matters relating to Africa, Middle East, globalization and trade.

Jonas holds Masters degrees in Law from the University of Stockholm and the London School of Economics.

## **Jordana Friedman**

Jordana Friedman is a director in Burson-Marsteller's Corporate Practice in New York where she is responsible for developing and implementing corporate social responsibility strategies for B-M clients. Jordana came to B-M in 2001 after spending over a decade in the non-governmental sector where she pursued research and advocacy in the areas of corporate social responsibility, human rights and conflict prevention. Immediately prior to joining B-M, she served as Director of the London office of the Council on Economic Priorities (CEP), a US-based corporate social responsibility research organization.

Responsibilities at CEP included representing both CEP and its partner organization, Social Accountability International, in London; managing relationships with European NGOs, business, media and government institutions; running a research and advocacy program on international security issues; and launching and managing a network of global corporate social responsibility organizations.

Jordana's research focus from 1998 to 2001 was the impact of corporate practices (particularly in the oil, gas and mining industries) on local communities, human rights, economic development and political stability in countries of operation. Activities also included advising companies on social and political risk management issues and organizing and participating in stakeholder dialogues and consultations.

Other positions held include Director of the London office of the US-based human rights organization, Cultural Survival; consultant to international human rights organization, Minority Rights Group; research fellow at Green College, Oxford University; and Director of Publicity at the French-American Cultural Services and Educational Exchange of the French Embassy in New York.

Jordana holds an undergraduate degree in Social Studies from Harvard and Radcliffe Colleges, Harvard University. She also earned a Masters degree in International Relations and International Economics from the Nitze School of Advanced International Studies of The Johns Hopkins University.

Jordana has contributed writing and research to books on corporate social responsibility and conflict prevention including *The Business of Peace - The private sector as a partner in conflict prevention and resolution* (2000, Council on Economic Priorities, International Alert, The Prince of Wales Business Leaders Forum); *Visions of Ethical Business II* (1999, Financial Times /Prentice Hall); *People Building Peace: 35 Inspiring Stories from Around the World* (1999, European Centre for Conflict Prevention); and *The Price of Peace: Incentives and International Conflict Prevention* (1997, Rowman & Littlefield). She has also appeared as a speaker or panel participant at conferences and other events at the United Nations, United States Congress, Council on Foreign Relations, State of the World Forum, Royal Institute of International Affairs and New York University Center for Law and Business.

Jordana is a member of the Council on Foreign Relations.

## **Juliette Bennett**

Juliette Bennett is Vice President of World Monitors Inc. [www.worldmonitors.com](http://www.worldmonitors.com), a consulting group based in New York City, which provides information, and consulting services to companies and non-governmental organizations on Risk Prevention and Brand Protection in the global economy. Her most recent project is a WMI private research report, the NGO Profiler: A Primer for the Business Community.

She is also the director of WMI's International Peace Forum, [www.intlpf.com](http://www.intlpf.com) which promotes creative initiatives in international conflict resolution and peace building. In the past several years she has spoken at conferences throughout the world on the role of business in conflict prevention, including Transparency International's annual conference in Prague, The University of Michigan's Business School, and in the US Congress. She served as a consultant to the United Nations Office of the Global Compact, working with leading extraction companies, NGOs and international financial institutions to prepare two background papers for the Business in Zones of Conflict Dialogue. In April 2000 in partnership with the NYU School of Law, Bennett organized a groundbreaking conference on "Business and International Security," that brought major corporations, NGOs and academics together to discuss conflict prevention.

Her most recent article, *Corporations, Social Responsibility and Conflict*, appears in the current issue of The Columbia Journal of International Affairs. From 1991-1999 Bennett worked at the Council on Economic Priorities, and was previously a teacher in Japan on the JET program and a political advisor for the Japanese Consulate General in New York. She has a BA in Political Science from Barnard College, and speaks French and Japanese.

## **Maria Cristina Mattioli**

Maria Cristina Mattioli has been a Federal Labor Court Judge in Brazil since 1988 at the lower court level and has worked at the superior court level since 1997.

Maria Cristina has a distinguished academic career as a professor of law and she currently lectures at the School for Magistracy. In the late 1990s she taught in both graduate and undergraduate programs at the Faculdades Integradas Curitiba and Universidade de Franca. Her courses included "Labor Relations in Mercosur", "Civil Procedural Law: Injunctions" and "Civil Procedural Law: Enforcement". She was also Professor of Social Law at Faculdades Integreadas de Ourinhos (1998), Professor of Civil Law, Labor Law and Labor Procedural Law at the Universidade Paulista (1997-2001), Professor of Ethics, Social Law, Legal Institutions and Tax Law at Universidade do Sagrado Coracao (since 1994) and Professor of Civil Procedural Law at the Instituicao Toledo de Ensino. In 1997 she received a fellowship to act as visiting professor in the Department of Labor Law and Social Law at the University of Murcia in Spain.

Her publications include the books *Investimentos Estrangeiros no Brail* (1999) and *Workers' Participation in the Context of Flexibility: A Case Study in the U.S. and in Brazil*

(1996) and numerous articles for international and Brazilian legal publications. An expert speaker, organizer and participant in conferences, congresses and seminars on legal and social issues, Maria Cristina has also acted as a legal expert for TV Preve Bauru since 2000.

She holds a Ph.D. in law and Social Relations, a Master of Civil Procedural Law and JD from Pontificia Universidade Catolica de Sao Paulo, as well as a Masters in Law from Harvard Law School.

## **Additional Online Resources Relating to Business, Peace & Democracy**

Amnesty International  
[www.amnesty.org](http://www.amnesty.org)

Amnesty International UK Business Group  
[www.amnesty.org.uk](http://www.amnesty.org.uk)

Berne Declaration  
[www.evb.ch/bd](http://www.evb.ch/bd)

Business for Global Stability  
[www.bgs2000.org](http://www.bgs2000.org)

Business for Social Responsibility  
[www.bsr.org](http://www.bsr.org)

Business Humanitarian Forum  
[www.bhforum.ch](http://www.bhforum.ch)

Carnegie Commission on Preventing Deadly Conflict  
[www.ccpdc.org](http://www.ccpdc.org)

Carnegie Endowment for International Peace  
[www.ceip.org](http://www.ceip.org)

Catholic Institute for International Relations  
[www.ciir.org](http://www.ciir.org)

Center for Conflict Resolution (South Africa)  
<http://ccrweb.ccr.uct.ac.za>

Collaborative for Development Action, Inc.  
[www.cdainc.com](http://www.cdainc.com)

Council on Economic Priorities  
[www.cepny.org](http://www.cepny.org)

Council on Foreign Relations  
[www.foreignrelations.org/public](http://www.foreignrelations.org/public)

Diamond Trade  
[www.diamondnews.com](http://www.diamondnews.com)

European Network for Social Cohesion  
[www.ebnsc.org](http://www.ebnsc.org)

European Platform for Conflict Prevention and Transformation  
[www.euconflict.org](http://www.euconflict.org)

Global Reporting Initiative  
[www.globalreporting.org](http://www.globalreporting.org)

Global Witness  
[www.oneworld.org/globalwitness](http://www.oneworld.org/globalwitness)

Greenpeace  
[www.greenpeace.org](http://www.greenpeace.org)

Human Rights Watch  
[www.hrw.org](http://www.hrw.org)

International Committee of the Red Cross  
[www.icrc.org](http://www.icrc.org)

International Federation of the Red Cross  
[www.ifrc.org](http://www.ifrc.org)

International Institute for Strategic Studies  
[www.iiss.org](http://www.iiss.org)

Medicins sans Frontiers  
[www.msf.org](http://www.msf.org)

National Business Initiative  
[www.nbi.org.za](http://www.nbi.org.za)

NetAid  
[www.netaid.org](http://www.netaid.org)

Organisation for Economic Co-operation  
Development (OECD)  
[www.oecd.org](http://www.oecd.org)

Oxfam  
[www.oxfam.org](http://www.oxfam.org)

Peres Peace Centre  
[www.peres-center.org](http://www.peres-center.org)

Philippines Business for Social progress  
[www.pbsp.org.ph](http://www.pbsp.org.ph)

Project HOPE  
[www.projhope.org](http://www.projhope.org)

SA 8000  
[www.cepaa.org](http://www.cepaa.org)

SaferWorld  
[www.saferworld.org.uk](http://www.saferworld.org.uk)

The Institute for Multi-Track Diplomacy  
[www.imtd.org](http://www.imtd.org)

The Institute for Social and Ethical  
Accountability  
[www.accountability.org](http://www.accountability.org)

The Prince of Wales Business Leaders  
Forum  
[www.pwblf.org](http://www.pwblf.org)  
[www.csrforum.org](http://www.csrforum.org)  
[www.rc-sdbp.org](http://www.rc-sdbp.org)

Transparency International  
[www.transparency.de](http://www.transparency.de)

UN Global Compact  
[www.unglobalcompact.org](http://www.unglobalcompact.org)

United Nations Office of Project Services  
[www.unops.org](http://www.unops.org)

William Davidson Institute  
<http://www.wdi.bus.umich.edu/>

World Bank  
[www.worldbank.org](http://www.worldbank.org)  
[www.csrwbi.org](http://www.csrwbi.org)  
[www.bpd-naturalresources.org](http://www.bpd-naturalresources.org)

World Business Council for Sustainable  
Development  
[www.wbcSD.ch](http://www.wbcSD.ch)

World Economic Forum  
[www.weforum.org](http://www.weforum.org)

## **WBI E-Conferences on Corporate Responsibility, Accountability, and Sustainability**

The Program on CSR and Sustainable Competitiveness recognizes the value of utilizing distance learning in the form of web-based courses, video conferences, and international electronic dialogues and conferences. E-conferences have proven to be an important step in sharing knowledge and bringing together leaders at the local and global level, and e-conferences are an integral component of the CSR program's distance learning strategy. For each e-conference, expert moderators provide relevant and up-to-date background readings and guidance leading to focused, high-quality discussions that translate into action-plans working toward tangible change in client countries.

To ensure that e-conferences are effective and long-term learning tools, the organization of side and follow-up events is encouraged. Participants are asked to prepare team contributions from their countries and then develop action-plans that will translate the recommendations from e-conference participants and moderators into concrete agendas that work towards sustainable development. Thereby, e-conferences are especially useful for discussion at the global level but also for action at the local level, building capacity for sustainable development through civic empowerment and inclusion. When possible, we organize video-conferences to bring the most active participants and teams together, in order to facilitate follow-up activities and discussion of the issues raised during an e-conference.

### **E-Conference Themes for FY '03 (Planned)**

- The Role of Business in Fighting HIV/AIDS
- CSR and Small and Medium Enterprises (SMEs)
- CSR in Transitional and Emerging Economies
- CSR in Business Education