

Jason Miklian* 

The role of business in sustainable development and peacebuilding: Observing interaction effects

Abstract: How can we better understand the complex interaction effects that are triggered when businesses and international government agencies become partners in social development? To answer, this article presents field experiences of Heineken in the Democratic Republic of Congo, ethnic cleansing in Myanmar, and the United Nations Global Compact in Dubai, to show the impact of key multi-stakeholder business-development policies as experienced by millions of people. These cases help us understand business and sustainable development interactions by exploring existing research gaps regarding issues of discourse, guidance, and legitimacy. This article has four aims: (1) to show that business-development interactions are much more complex than most case studies are able to encapsulate; (2) to explore how unintended ripple effects of even the most promising “win-win” business-development policies can carry catastrophic consequences; (3) to illustrate the potential benefits of a novel methodology for future research on business, global governance, and sustainable development; and (4) to show how business and development concerns interconnect across and through the macro- and meso-levels of analysis down to local livelihood interactions and impacts. I contextualize these experiences to emerging scholarship, opening avenues for building theory and improving policy on business, development, and peace.

Keywords: sustainable development, peacebuilding, business ethics, Democratic Republic of Congo, Myanmar, Dubai, liberal economic peace

doi:10.1017/bap.2019.28

Introduction: Expanding the business and development playing field

The United Nations Sustainable Development Goals (SDGs) have opened an unprecedented door for business participation in global peace and development.

*Corresponding author: Jason Miklian, fellow, Centre for Development and the Environment University of Oslo, and senior researcher, Peace Research Institute Oslo; Tel.: +47 46894451; Email: Jason.miklian@sum.uio.no

The UN and firms worldwide—including, but not limited to, multi-national corporations (MNCs)—are increasingly working together for sustainable development, and the UN considers the private sector to be an essential partner in their ambitious SDG agenda. UN Secretary-General António Guterres said that the private sector must be a “driving force to push governments to assume their responsibilities” through the SDGs, and that “if companies do their job properly (on development and human rights), they are indeed contributing decisively for peace.”¹ Companies and investors have subsequently earmarked €7 trillion in investments to be SDG compliant, 95 percent of Fortune 500 firms have a stated commitment to the SDGs in their annual reports, and twenty thousand companies are signatories to peace initiatives.²

A vexing challenge that scholars face, regarding this rapidly expanding phenomenon within global peacebuilding and development, is how to articulate the human impact of these policies. An increasing breadth and depth of quantitative data has allowed scholars to test business and development policy within and across states regarding conflict, foreign investment and socio-economic development. Still, rhetoric on engaging business in the SDGs has not been matched by study of the consequences of these policies upon peaceful development. Companies have different incentives, tactics, aims, and relationships with communities in conflict zones than peacebuilders have, and the precise meaning, relevance, and societal impact of this new role is unclear. Moreover, discussion of the human impact of these policies is typically left to popular publications, activist reports, or ethnographic fields, such as anthropology, that use divergent theoretical lenses.

There are several reasons for this. First, issues of development and governance are inherently complex, and disaggregating them in order to draw causal chains from policy to the individual level (e.g., to say that a given development policy caused a particular change in a person’s life) is hard. Second, with a dizzying array of competing international, national, and local stakeholders in any one business-development aim (e.g., to raise foreign direct investment (FDI) in a district of eastern Congo), it is difficult and time-consuming to control for all such actors to the degree necessary for a truly rigorous tracing of political processes on development. Third, even if such process tracing can be done, issues of possible selection bias and accounting and controlling for the individual experiences of the subjects of study can render the ability to draw lessons from policy next to impossible.

Still, such a venture can hold scholarly merit, and this exploratory article takes a new tack. It presents three scenes that show the human consequences of the

1 UN (2018).

2 PivotGoals (2019).

paradigm shift within multilateral institutions from seeing business as an antagonist or non-entity in development to that of an essential collaborator. Other articles in this issue examine how this change influences policy at the institutional and corporate levels. To complement these, I ask: How can we better understand and study local to global interaction effects, when businesses and international government agencies become partners in social development?

This article does not draw causal links, nor does it consider the three scenes as proof of the impact of business-development partnerships. What it offers instead are field experiences of representative interactions to open new questions in areas of deep relevance for the global business-development agenda, based upon five years of field research and hundreds of interviews in the business-development-peace space across many observational contexts.³ I connect directives from Geneva and corporate boardrooms through Global South policymakers down to the most vulnerable in order to understand the societal impact of key multi-stakeholder business-development policies as experienced by millions of people in the Global South. Studying these linkages can help us understand the impact of the complex interactions between business and sustainable development.

Theoretical linkages, methods, and aims

This article is positioned within the business and peace literature, an interdisciplinary and cross-disciplinary endeavor across international relations, business ethics, development studies, and other fields.⁴ The SDGs have become a key part of these discussions, particularly in the role that Goal 16: Peace, Justice and Strong Institutions plays within corporate visions. Firms see the SDGs as an important multilateral framework to operationalize their social works, and MNCs claim “particularly high” contributions to Goal 16 compared to other goals.⁵ Goal 16 is also designed to address private sector *ecosystems* as opposed to providing guidance for specific firms. This aligns with understandings that private sector actions for peace fall on a distribution curve, including firms complicit in violence (a minority), firms “just trying to get by” (the vast majority), and firms acting for peace (again, a minority). Previous research suggests that three conditions for successful business-peace action exist: (1) the right enabling environment for peace-positive action must exist; (2) the right “push” of companies to conduct

³ See appendix for additional details on methodology and research design.

⁴ Key texts include, e.g., Oetzel et al. (2009); Oetzel and Breslauer (2012); Darendeli and Hill (2015); Forrer and Katsos (2015); and Kolk and Lenfant (2016).

⁵ van Zanten and Tulder (2018).

peace-positive activities must be made; and (3) the right collective actions by the private sector must be taken.⁶ Determining what is “right” is always a context-specific assessment,⁷ and these are necessary but not sufficient conditions.

However, most studies compartmentalize particular business–society interactions, by design, in order to test and build theory. Collectively, we thus lack more holistic knowledge that can grasp the enormity of the topic and better illustrate its systemic impact upon those fragile regions and vulnerable peoples that are presumed to be the primary beneficiaries. Exploring these markers and impacts can narrow our gaps of understanding of business and development ecosystems in fragile and conflict-affected states, through the complementary concerns of *discourse*, *guidance*, and *legitimacy*. I briefly discuss each in turn.

First is the issue of *discourse*, which in the context of this article prioritizes questions of who sets the business-development agenda, how rhetoric on these partnerships matches activities locally, and how impacts match with claims. Business and development actors often are assumed to speak “different languages” as concerns develop, in terms of their diverse sets of priorities, design, and purpose. When talking about development (and their role in it), firms also risk projecting contradicting claims about their societal role, a critique dating back at least to Milton Friedman.⁸

That said, we see signs of a convergence of discourse through the SDGs, which are aspirational and goal-oriented, two characteristics that are amenable to the private sector. Firms gravitate towards internally actionable SDGs that also improve their value chains, and those that aim to reduce harm as opposed to do good,⁹ often by re-purposing existing activities, such as due diligence, into public-facing rhetoric supporting SDG-positive action, as in annual reports. However, “the double-hatted role of private-sector companies combining their ‘public’ shareholder role with lobbying interests and practices (can) run counter to sustainable development principles,” with the “actor-oriented” nature of SDG and business discussion obscuring the need for more relational studies.¹⁰ While firms and agencies may be uniting around the SDG agenda, it is unclear what the impacts of this convergence are upon global governance, upon the private sector’s participation in agenda-setting through rhetoric of what is possible to achieve (and how), and upon the expectations of local beneficiaries.

⁶ Ganson et al. (2019); Miklian et al. (2018)

⁷ See, e.g., Ganson et al. (2019); Wehnmann (2018).

⁸ *The New York Times Magazine*, 13 September 1970, “The Social Responsibility of Business is to Increase its Profits,” Milton Friedman.

⁹ van Zanten and Tulder (2018).

¹⁰ Kamphof and Melissen (2018).

Second is the issue of *guidance*, utilized here as asking which activity streams are prioritized and what constitutes “successful” business action for the SDGs. Indeed, firms have made many positive contributions to peaceful development, ranging from coffee collectives in Colombia and local peace markets on the Sudan/South Sudan border to efforts by the Nicosia Chamber of Commerce to broker a Cyprus peace dialogue.¹¹ Due to a belief that practitioners have been too moralistic in their recommendations for the private sector in peace and development, multilateral organizations have taken pains to note that business interests would be incorporated into development policy in exchange for their partnerships. To wit, Paul Collier argues that “the future of development assistance is to use public money to offset the costs and risks of firms that pioneer new activities in poor and fragile societies. ... The use of aid to bring firms to where they are most needed is starting to happen (as) the World Bank, US, and UK are all scaling up, reforming, or putting into action their respective development finance organizations.”¹²

However, the societal consequences of altering success metrics in development are unclear, including the prioritization of economic growth over violence reduction and that of prioritizing “security” over “human security” in fragile and conflict-affected spaces. Further, development finance is increasingly used not to provide direct support to societies, but to allow companies to de-risk operations in the assumption that (a) firms would otherwise not go into insecure areas, and (b) that the jobs and markets that such activities create will have a measurable and significant development impact. The onus of risk is shifted to the state, which often becomes the guarantor of such projects, in the name of securing private finance as a way to fund the SDGs.¹³ The empirical impact of such a major operational shift is unknown.

Third is the issue of *legitimacy*—how do companies build trust within local communities, how and why do they undertake development actions to support such communities, and how do these decisions aim to benefit both society and the firm? Firms are often categorized as rational profit-driven actors, entities that undertake development action only if there is a specific corporate benefit. The process of implementation, however, requires local legitimacy to be successful. Therefore, an “inter-play occurs between MNE subsidiaries and key institutional actors in relation to gaining legitimacy,” as they work cooperatively with host governments to learn how to best pick projects not according to need but

11 For additional cases of positive peace action by business, see Miklian (2017), Miklian and Bickel (2018), and Oetzl and Miklian (2017).

12 Collier (2019), 61.

13 Mawdsley (2018); Carroll and Jarvis (2014).

according to what brings most local legitimacy.¹⁴ These aims may overlap, but often do not.

Governance and development structures are re-ordered when the private sector becomes an agent of development, but the consequences of such are unclear. There is a rich literature of the instrumental use of CSR by MNCs as a moral licensing technique.¹⁵ However, allowing firms to participate in development agenda-setting may encourage activities that maximize corporate self-interest while relegating societal impact to a second-order concern. In addition, firms see SDG participation as one of breadth (signup and generic support of the mission) rather than of depth (specific activities to support SDG aims). While 95 percent of Fortune 500 firms have stated commitments to the SDGs, up from just 10 percent four years ago, only 5 percent of those 95 percent have launched specific SDG projects.¹⁶ It also remains unclear how public commitments influence local legitimacy of both the firms that make such commitments and of the UN itself in areas where such tie-ups are undertaken.

The article's primary method is narrative inquiry.¹⁷ More common in anthropology and other ethnography-based fields,¹⁸ narrative inquiry was selected to push the boundaries of the possible on scholarly work on business and development through emotive storytelling that is grounded in rigorous qualitative data collection. This method "intimately connects the 'hows' of investigation to the 'whats,' namely premises about the nature of reality and our relationships with it."¹⁹ More explanatory than theory building in nature, narrative-inquiry studies help us explore new questions of theory in settings where controlled studies are difficult to conduct, due to complex social interactions. The narrative storytelling structure is a well-defined qualitative methodology,²⁰ albeit less common in studies of business and global governance. This article's complete research design, data collection, methodology, and informant information can be found in the appendix, using the COREQ framework.

My aims in this article are fourfold: to show that business-development interactions are much more complex than most contemporary case studies are able to illustrate; to explore how unintended ripple effects of even the most promising "win-win" business-development policies can carry catastrophic consequences;

14 Beddewala (2016), 505.

15 Beddewala (2016); Meritt et al. (2010); Blanken et al. (2015).

16 PivotGoals (2019).

17 Clandinin (2006).

18 E.g., Mahoney (2007).

19 Spector-Mercel (2010), 204.

20 See, e.g., Solorzano and Yosso (2002); Lewis (2011). Also see appendix for additional information.

to illustrate the potential benefits of employment of a novel methodology for future studies of business, global governance, and sustainable development; and to illustrate how business and development concerns interconnect across and through the macro- and meso- levels of analysis down to local livelihood interactions and impacts.

In support, I present three vignette cases with thematic connections: Heineken in the Democratic Republic of Congo (DRC), ethnic cleansing in Myanmar, and the United Nations Global Compact (UNGC) in Dubai. I then contextualize these experiences to the above literature gaps, offering potential avenues for building theory and policy on business, sustainable development, and peace. Case selection is effectively a convenience sample, based upon my previous research and existing access to particular countries and communities (depth of possible analysis was a key selection criteria). Each case is also representative of similar dynamics elsewhere. For example, distribution companies SAB Miller in Colombia, Coca-Cola in Myanmar, and Nestlé in Central African Republic, among others, conduct operations in conflict settings similar to the Heineken model, in a commonly employed strategy for both national and multinational firms to gain market access.²¹ Heineken is thus a representative selection of this process, although its local economic footprint in the DRC is admittedly larger than most consumer goods MNCs in conflict settings. The Rohingya case was selected to show how ethnic conflict impacts local business. Similar examples of the destruction of inter-ethnic local business in conflict zones can be found in Rwanda and the former Yugoslavia, among others, noting that there remains a general paucity of research on local business in conflict zones. The Rohingya cleansing was picked as a contemporary case, particularly as Myanmar is a priority country for major multilateral economic and financial institutions in their economic integration and growth strategies for stability. The UNGC is selected as the premier institution of business and peacebuilding discussion and high-level rhetoric. The Dubai event may be considered the apex of these, but the language is not unlike that of similar UNGC and UNGC-affiliated events before and since, and can thus be considered a representative example.

Blood beer in the Congo²²

It's a smoggy June night in Kinshasa, and rapper JB Mpiana's weekly VIP bash is heating up. Toned groupies splash like mermaids in a sunken pool. Middle-aged

²¹ See literature on roadblock economies for more, e.g., Schouten and Kalessopo (2017).

²² To better serve the aim of maintaining readability and narrative flow, a complete, annotated fact check of the figures, quotes, sources, and citations used for the vignette sections is also

businessmen perch on the ledge above to gawk. And a minute before midnight, JB bursts onstage like the Kool-Aid man through a wall of gyrating dancers in sunglasses. He rips into some of his biggest hits; a bombastic performer, clad in a hunter-orange jumpsuit and matching cap courtesy of Adidas, JB glides across the stage with a low-gravity grace.

Most songs deal with the usual material—girls and gangbangers—in the DRC’s Lingala language. But when JB starts to chant the lyrics of his biggest hit of the night, the real purpose of this party—festooned with yellow-and-blue banners advertising Primus, the beer that everyone would be drinking anyway, even at this lush downtown wine bar—becomes obvious.

“I love my Priimus!” JB yells. The crowd yells back: “I love my beer!”

The right showman can make even a one-hour infomercial for beer feel like a once-in-a-lifetime event. If anyone in the crowd filtering out into Kinshasa’s potholed streets was upset about the branding draped in music, they were hiding it well behind their smiles. Another night of synergy was in the books.

Afterwards, JB met me in the parking lot next to his purring Cadillac Escalade, backup dancers sprawled impatiently across its back seat. JB gushed about his lucrative contract with Bralima, the local subsidiary of the global beer giant Heineken, which brews and distributes Primus. In return for writing numerous odes to Primus and featuring its trademark yellow-and-blue trucks in his videos, JB gets invaluable national exposure—and some \$300,000 a year.

The dream contract for any celebrity in the DRC is one with Bralima. Better than any Kinshasa record company, Bralima can guarantee its stars secure, stable careers and fame, including in parts of the country where a different rebel group takes over the radio station practically each month. Bralima even played peacemaker for JB’s Biggie vs. Tupac-style beef with local protégé turned rival Werrason, convincing them to share the stage for Bralima’s ninetieth anniversary party.

“There’s so many advantages to being with Bralima,” JB said. “They have reach all over the country.”

But in the DRC, “all over the country” includes some of the most dangerous places on Earth. Almost four times the size of France, the DRC holds some seventy million people. But nearly 10 percent of its population has died in a series of fratricidal civil wars since 1996. As just one of a series of complex and overlapping conflicts, the 2012 mutiny by the notorious M23 rebel group in the eastern city of Goma has displaced or killed hundreds of thousands of people, and the

available by request. Elements of this section adapted from the previously published work by Miklian and Schouten (2013). All monetary figures in this section are in USD.

group's crimes against humanity include ethnic cleansing, conscription of child soldiers, and mass rape.

The authority of the national government does not extend to eastern Congo, and the rebels take advantage of the lack of road options to play gatekeeper to local communities, charging tolls to anyone who wishes to pass. These checkpoints fund the guns that give them power and let them play Robin Hood to impoverished local populations, copying a playbook for rebellion that reaches back to the 1970s. It also makes operating any sort of business in the east a morally dubious proposition. So when Bralima's diesel trucks hit those dusty roads, they're pulling double duty, hand-delivering millions of dollars to cash-starved rebels to keep each other's operation running smoothly.

Today, multilateral organizations like the UN and the World Bank actively encourage corporations to work in markets besotted by war and engage directly with communities in conflict zones, hoping that more business will lead to more peace. It means that Heineken and other foreign firms in the DRC aren't scared anymore about the consequences of dealing with vicious rebels. In fact, businesses are being told by the very international community that used to name and shame them that *they* are the DRC's best hope for postwar reconstruction, and firms like Heineken have swallowed the hype.

The origins of this experiment are closely tied to corporate social responsibility (CSR). Part social investment mechanism, part public relations campaign, and part community integration effort, CSR proponents believe that if companies can align their corporate self-interest with those of the communities in which they're investing and operating, everyone benefits. The concept has been historically contentious. Charitable works projects by United Fruit in early twentieth-century Latin America were little more than smoke screens for exploitative business practices. In 1970, Milton Friedman called mixing social welfare and profit in this manner "hypocritical window-dressing," "a suicidal impulse" for businesses.

But CSR today is now a multibillion-dollar industry in its own right. It's an essential department of most firms, producing beautifully designed websites and thick, glossy annual reports. It would be unfathomable for a major corporation, particularly one working in the developing world, to not have a formidable CSR department. Despite the ephemeral nature of business trends, the CSR push has only grown in the last two decades, driven through foundational principles of positive community engagement.

Merging CSR and sustainable development into a peace vehicle by business was the logical next step. By 2009, the UN Security Council was actively calling for increased corporate investment in fragile conflict areas. The World Bank, United State Agency for International Development, U.S. National Security Strategy, and the European Union have all argued for business to engage more

deeply in conflict zones not only for core business activities, but also as executors of local mediation and peacebuilding projects.

Today, companies offer a smorgasbord of social goods in conflict zones to demonstrate to shareholders and local communities that they are building peace. For their part, Heineken's CSR portfolio in the DRC has more than two dozen programs. The Heineken Africa Foundation spent half a million dollars (about 0.001 percent of its profits) in 2016 supporting programs for prenatal care, sickle cell anemia clinics, blood banks, and primary schools in fragile parts of the country. Heineken's 304-page CSR report lists dozens more, ranging from its AIDS program to the local sourcing of rice used at its production facilities. Bralima recently spent \$90,000 USD building an orphanage. In neighboring Burundi, Heineken's local subsidiary has a two-decade history of playing intermittent peace broker.

What's more, Bralima's operations in eastern Congo even purport to be a CSR activity in itself. As long as Bralima keeps distributing, so the argument goes, the business flows mean jobs, regional economic ties, and—in the long term—a less violent society as growth decreases the motivation to fight. Nearly all other international food and drink conglomerates operating in the DRC, from Unilever and Mars to Coca-Cola and Nestlé, undertake similar outreach. And the Kinshasa government, which often critiques international non-governmental organizations (INGOs) for using a "western model" in their aid projects, has few public qualms about outsourcing aid to firms. Given that Bralima contributes 65 percent of DRC's annual tax revenue, a macabre maxim has spread in this war-torn country: "You can bomb a hospital, but not Bralima."

Heineken, which bought Bralima in 1982, has maintained continual operations in the DRC throughout the turmoil. The purchase reflects a paradigm shift in the global spirits trade, as giant conglomerates like Belgium's Anheuser-Busch InBev and London's SaBMiller have moved away from reliance on stagnant European and American markets to snap up foreign brands. Heineken's African and the Middle Eastern markets accounted for \$450 million USD in profits and 23.4 percent of the company's revenue in 2016.

Frontier beers like Bralima are emerging-country lottery tickets, chances to buy into a market before the country booms. Under guidance from Amsterdam, Bralima's market share in the DRC has rocketed from 30 percent in 1987 to 60 percent today—with Primus as the flagship brand. Bralima's main plant in Kinshasa, one of six in the country, churns out a quarter-million of the football-sized brown, dimpled bottles every day, alongside the Heineken, Coca-Cola, Sprite, and Fanta that are delivered on the same trucks.

Given the volatility of the country's politics, remaining the leader in Congo's beer market can call for some tricky maneuvers. Sylvain Malanda, Bralima's

Congolese communications manager, happily swiveled in his quiet office in the building next door to the factory. Sitting under a hand-painted mural depicting some of Bralima's charitable activities (grain handouts, people lined up at a free clinic) and the legend "Bralima: Sower of Growth," Malanda seemed surprised when asked about corruption in the DRC: "We can do some favors and give gifts [to] politicians if they get in trouble or ask us. But there's no corruption." Malanda says the help is mutual: "The government is helping us a lot. Congo is open for business!"

In the east, however, with its virtually nonexistent government presence and horrifically bad transportation infrastructure, it is the rebels who determine what stays open. Anyone driving through eastern Congo quickly becomes familiar with the experience of getting shaken down at checkpoints. The checkpoints—the primary revenue source for armed groups in the area—are informal affairs, often little more than a wooden log or slack rope thrown across a muddy red jeep trail, perhaps with a shack nearby sheltering a couple of guys holding Kalashnikovs.

Eastern Congo's levy bosses aren't exactly hiding from international retribution. A testy Rwandan called Mr. Damien served as M23's "tax collector" and checkpoint boss. As matter-of-factly as if discussing tolls on the New Jersey Turnpike, Damien explained that he charges \$38 for a van to pass, \$300 for a medium-sized goods truck, and \$700 for fuel tankers, handing out official-looking receipts for payment. The three main checkpoints bring in most of the group's funding, enough money to purchase weapons, pay salaries and bribes, and occasionally to dole out social aid to eastern Congo's poor.

Everyone gets stopped, even the Bralima trucks patriotically painted like big DRC flags. Damien explained that M23 takes \$500 from the trucks hauling crates of Primus into rebel-controlled areas: "NGOs pay. People carrying charcoal pay. Women going to the market pay. Everyone pays! We don't do preferential treatments. So, of course, those who transport beer also pay."

Drivers leaving for rebel areas are given cash to cover the payments, a security officer said at Bralima's main distribution depot in eastern Congo. By the time the brown glass bottles reach remote village destinations, prices can rise to four times the \$1 they cost in Kinshasa. Through these checkpoints, Bralima distributors are likely paying at least \$1 million a year to rebel groups. Even a single checkpoint can bring in over \$700,000 per year, according to a 2008 report by the UN Group of Experts. In a country where the average wage is about a dollar a day and an AK-47 can cost as little as \$100, this funding can sustain a war in perpetuity.

According to Malanda, his bosses back in Amsterdam don't care much about how he makes money—so long as it gets made. "For Heineken, what matters is our sales goals. If we make them, all is good. If not, big trouble!" Malanda said, laughing as he pretended to beat me with an imaginary stick.

Heineken's presence in eastern Congo may boost the DRC's GDP and Bralima's local imprint, but its payments to rebels also fund a conflict. Heineken's DRC logistics issues, where just driving through the region poses ethical and legal questions, shows how fraught economic opening can be. While Heineken and other firms employ subcontractors to insulate themselves from laws intended to stop payments to insurgents, they end up exacerbating the very conflicts their economic activity is supposed to help end. In fact, according to the UN, there's only one thing more profitable than checkpoints for Eastern Congo rebels like M23—illegally mining gold and smuggling it to Dubai.

But at Heineken's headquarters in central Amsterdam, a vaulted house perched across the canal from the firm's original brick brewery, global communications director John Clarke put the company's philosophy in quite different terms. "There's a view, a belief that you can help the most by being there, being present ... being a contributor to the local economy," he told me in a Skype call.

Heineken has greater ambitions than to be a liquid savior to just the DRC. After the international community eased sanctions on Myanmar, multinationals sprinted in to engage in heavy-duty economic expansion. Heineken, which boasts of being "in 192 countries and never lost in translation," signed a \$50 million joint venture in 2013 with Alliance Brewery. Alliance is owned by former Myanmar Army general Aung Moe Kyaw, who, along with many of his military colleagues, has also taken a position in the Ministry of Commerce.

Says Clarke, "The U.S. government is looking for large international companies to go in to Myanmar, and prove that you can operate. From the policymakers, this is great news because you're viewed a bit of a trailblazer. And sometimes it's very good to be a first mover." Ever the optimist, Clarke has high hopes for the company's global future. "Think Star Trek!" he told me. "There shouldn't be any frontiers for the enjoyment of a nice cold Heineken that's enjoyed responsibly."

Ethnic cleansing in Myanmar²³

Shifting uncomfortably in a cracked plastic chair under the imperfect shade of an old tarp, Abdul Rahim breathed a heavy sigh of resignation. He had bad luck with the rations today. "Sometimes I get food, sometimes my name misses out," he said. Abdul lives in the Kutupalong Camp, one of a dozen such makeshift cities that have

²³ Elements of this section adapted from Miklian (2019) and Barkemeyer and Miklian (2019). Special thanks to Rezaur Rahman Lenin for his invaluable research assistance and suggestions in this section.

sprung up in response to what the UNHCR calls the world's biggest ethnic cleansing campaign since the Rwanda genocide.

Living in a Bangladeshi refugee camp for years on end without a glimmer of hope to go home will eventually grind even the hardest souls to dust. From inside the 8' x 6' bamboo shack that currently serves as his family's house, the slight, thirty-two-year-old father of four explained how lucky he was to have only lost almost everything.

Clad in his only *lungi* and *topi*, Abdul explained what it meant to be a Rohingya, the ethnic community of one million people from Rakhine state in western Myanmar bordering Bangladesh. A bit bigger than Maryland, it has been home to the Rohingya for over two hundred years.

But despite being able to trace their residential roots to 125 years before either Myanmar or Bangladesh was born, the Muslim Rohingya are long used to being treated as pariahs by both. Myanmar didn't see them as being "Burmese" (or Buddhist) enough, and Bangladesh had little use in supporting yet another disadvantaged population that would do little beyond making neighborly relations difficult. A poor religious minority in a poor conflict-ridden country, the Rohingya made for easy scapegoats.

The Rohingya were just one of dozens of ethnic groups in Burma who suffered under the country's multi-decade military junta, and any attempts to crack through the dictatorship were brutally suppressed. The most promising was the 1988 pro-democracy movement led by Aung San Suu Kyi. Inspired by Gandhi and Buddhist non-violence teachings (and perhaps the desire to lead the country like her father before her), Suu Kyi, whose father had tried to downplay ethnic rivalries as the country's first post-independence leader before his 1947 assassination, also tried to rally all of Burma to her cause. For her efforts, she was placed under house arrest for two decades.

For Abdul's father, the dictatorship's repression of Muslims meant trying to carve out an existence despite living in constant fear of harassment by the military regime. Abdul grew up carefully sheltered by village elders from the lawless military who terrorized the Rohingya for sport. Still, Abdul spent his childhood in the late 1980s and 1990s watching his dad slowly build up a marketplace from nothing in his nondescript village of Rakhine state.

But the 1990s and 2000s were a lucky time for Abdul: His family prospered, running a large bazaar. Having money meant the ability to pay off army officials, bribing them to actually provide the security that their uniforms promised. "To set up such a market one needs permission, and we had to pay five different government departments including the tax department, the military and other influential departments," Abdul explained. "We also had to buy food and other stuff for local influential entities every week."

Despite the profit-slashing bribes, the bazaar grew and along with it a modicum of security. By the time he took over the family business in 2012, over 275 small merchants called Abdul's growing bazaar home. The eighteen-hour days felt like little sacrifice to build a lasting legacy for his family. Abdul even saw bazaar customers with fancy new Chinese smartphones, sharing photos of friends and family. Once the government would let Rohingya buy and use phones, maybe he would get one, too.

The Rohingya dared to hope. Myanmar's military regime succumbed to decades of international pressure, as Nobel Peace Prize-winner and soon-to-be leader Suu Kyi's campaign to bring democracy and economic opening to the country finally succeeded in 2012. She was Myanmar's Mandela, released to a cheering nation as an unimpeachable savior. The rising economic tide was going to lift all boats, she said, and international financial actors like the World Bank assumed that as political liberalization led to the lifting of sanctions and investments poured in, everyone would be making too much money to bother with old ethnic hatreds anymore.

But something went wrong along the way. Rakhine, like much of Myanmar, is ripe with unexploited assets. After the opening, like after the Soviet Union collapsed, there was a dash for the state's most promising natural resources, estimated to be worth \$30 billion USD. With few connections to the ruling elite, the Rohingya were shoved out of the process, and suddenly they were living on land that by law belonged to someone else. Land that Chinese and Indian mining firms were eager to stake with their Burmese joint venture partners. Land that had been Rohingyas' since before Ohio became a state.

To justify the land grab, politicians and Buddhist monks railed about the dangers that the Rohingya placed upon Burmese society. Monk Ashin Wirathu said in 2013 that "Muslims are like the African carp. They breed quickly and they are very violent and they eat their own kind." It was music to the ears of ethnic Buddhist Rakhines, themselves oppressed during the military regime but now enjoying strong kinship ties to the government. Even the word Rohingya was banned, replaced by the term "illegal Bengali" to imply that the Rohingya had snuck over the border to infiltrate the country with Islam. The only solution, argued the monks, was to eradicate their presence.

Suu Kyi led Myanmar's new democratic government but was suspiciously silent on the growing atrocities. Meanwhile, Myanmar's GDP growth in 2015 hit 8 percent. Foreign direct investment was up nearly 300 percent in three years. A who's who of Fortune 500 companies partnered with Myanmar's military elites: everyone from Canon, Chevron, and Carlsberg to Cisco, Colgate, and Coca-Cola. Petter Fursberg, Myanmar head of Norwegian telecommunications firm Telenor, proclaimed that by virtue of his company's deals with rebels to put

up cell phone towers, “we are the nation-builders” of Myanmar. If these firms saw the statements from some of their joint venture affiliates like General Min Aung Hlaing’s call to complete “unfinished business” from World War II of purifying Rakhine of Muslims, they didn’t let on.

But Abdul saw. A natural deal-maker, he tried in vain to stop Rakhine shop owners from leaving his bazaar, since they provided not only rent money but also a semblance of community and an example that the two groups could live, work, and prosper together. The merchants used to be evenly split between Rakhines and Rohingya; now nearly all the Buddhists had left. When he asked them why, even long-time family friends said it was because he was “foreign” and “dirty.”

By 9 October 2016, even the bribes weren’t enough. A Rakhine competitor filed a claim with the local police arguing that since Abdul was Muslim, he was a foreigner illegally running a business because he didn’t have a local (Buddhist) partner. Tipped off that the army was coming to shut him down, Abdul and some friends cut down some trees and placed them along the only road to the village, hoping to stall the army just long enough for cooler heads to prevail. It was a dangerous provocation.

Their roadblock attempt was a pathetic failure, Abdul explained, enraging the army. The military plowed through it in minutes and took him and two other Rohingya business leaders into custody. Abdul lowered his head in shame at the memory, speaking softly while he looked at the floor.

Abdul said that given his and his business partners’ importance in the Rohingya community, the army offered them a way out: to be informants. “We tried to negotiate with them; they said that if we joined them they wouldn’t abuse us anymore,” he said. Abdul agonized, knowing that he might be signing death warrants for his friends, but at least he could pray that it wouldn’t be his wife who was gang-raped against the broken generator behind the bazaar. Or that his children wouldn’t be beaten to death by boots and gun butts in a field for walking too slowly past the barracks.

Abdul agreed to play *Quisling*. He started to as he says “give suggestions” of possible agitators to the army, to “help arrest offenders” of Rakhine’s draconian speech laws. Like his father before him, Abdul just hoped he could ride out this wave of xenophobia, and that eventually things would go back to normal. Each day Abdul’s local paper had new statistics to keep the hope alive. Myanmar’s 2016 GDP rocketed up another 7 percent and FDI another 25 percent. Myanmar was Asia’s fastest growing economy. The World Bank praised the country for its “macroeconomic stability.” If business brought peace, Abdul’s reckoning would be just around the corner.

But there were more “agitators” to find, more villages to burn. Just a few weeks after his capitulation, by late October 2016, the nationalists were closing in.

Myanmar's army, aided by local Rakhine Buddhists, began a systematic door-to-door ethnic cleansing campaign, starting in Rakhine's rural periphery. Those who resisted were killed or tortured, and the campaign spanned hundreds if not thousands of villages. Suu Kyi went on BBC to publicly and forcefully call stories of the atrocities "fake rape" and actively supported the army efforts.

"They [raped], they shot people and slaughtered and burned everything," Abdul said. "The next day they came to burn the bazaar," making Abdul stand and watch thirty-five years of work—and the livelihoods of every one of his 275 tenants—reduced to disfigured tin and ashes. "And then they came the day after to burn the whole village and all of the houses, including mine."

The world's worst ethnic cleansing and refugee crisis since Rwanda was underway. And when even Nobel Peace Prize winners turned into cheerleaders for ethnic cleansing, Abdul knew there was nothing to do but flee. Abdul spent the last of his life savings, cashing in his wife's gold wedding bangles, on bribes to border guards who smuggled his family to a refugee camp in Bangladesh. "It was literally indescribable. It took us almost fifteen days," Abdul said. "Me and my family had to wander around secretly ([through]) ten villages before we managed to reach Bangladesh by boat."

But it wasn't until Abdul arrived to Kutupalong Camp that he was hit by the reality of his new situation: a sea of jumbled tents cascading over every muddy hill past the horizon. Abdul shuffled his ratty leather slippers while the plastic roof gently rapped against the bamboo beams. Every time it rains in this tropical hellhole, the red dirt floor morphs to mud.

"We hear that Rohingyas will get back our rightful things so we can live happily again; it would be good for us," he said. His ever-optimistic attitude is predicated on the perhaps naïve belief that the government wants peace in Rakhine at all. Far from cowing to international pressure, the government has calculated that if it can just stall the UN long enough to complete the cleansing, then any evidence of it will have been erased from existence.

But even Abdul suspects that return is just a pipe dream, dented further by every new wave of refugees that come with even more horrific tales of abuse. By January 2019, the number swelled to a mind-boggling one million people.

With the international community delivering paltry aid and little interest in or ability to ramp up their efforts, another country has stepped up: Saudi Arabia. Over ten thousand Rohingya have recently emigrated to the Gulf, and thousands more have tried to use their connections to rebuild their lives in places like Dubai and Riyadh. Saudi Arabia has long cultivated Rohingya contacts and begun to offer classic Wahhabist schooling to the refugees, just as it did in Afghanistan and Palestine in previous decades. Many of these students went on to play leadership roles in organizations like the Taliban and Hamas.

Having secured Rakhine's most valuable natural resources, Myanmar's Buddhist business tycoons are now offering to be the Rohingya's saviors. Acting on an appeal by Suu Kyi, business leaders in the Ministry of Commerce and Chamber of Commerce and Industry (including Alliance Brewery, headed Moe Kyaw) pledged \$13 million USD in 2018 for development aid projects in Rakhine. The money promises to go towards a cornucopia of activities to encourage the Rohingya to return: infrastructure, livestock and fisheries livelihood support, creation of special economic zones, information and public relations, vocational training, health care, micro loans, and boosting the tourism sector.

Abdul has heard of the plan, but is clear about where he feels his prospects are best: "If I could go [to the Gulf] I would love to work there for sure, if I could just get the opportunity."

Dubai and the United Nations Global Compact

Rooms start at \$1,000 USD a night at the Jumeirah Mina A'salam, a blinding sandstone palace in the heart of Dubai. Complete with a dozen man-made lakes and lagoons that require hourly refills in this desert, the luxury hotel boasts more than 50 restaurants and bars to cater for each and every alimentary need of its 292 guests.

On 25 October 2016, the United Nations Global Compact (UNGC) held its annual Business For Peace event at the Jumeirah. Some five hundred dignitaries, industry titans, and UN officials hobnobbed with Dubai's political elite for two days. Speaking from a stage that tastefully absorbed light from the gargantuan chandeliers above, former Shell CEO and UNGC Director Sir Mark Moody-Stewart promised that "the private sector can play a major role in alleviating emergencies" across the globe as a first responder. Later that day, PepsiCo Middle East and North Africa Director Nona Hefny said that "it's no longer about *what* we can do but *how much* we can do" as businesses to help build peace.

For the next three days, the UN preached to companies that they were the future of peacebuilding, and that they could deliver more peaceful societies by bringing trailblazing economic development into the world's dark corners. The Jumeirah event was the culmination of fifteen years of efforts to integrate business, civil society, governments, and international organizations in conflict zones, based on the longstanding neoliberal theory that economic expansion is a foundational building block for a peaceful society. The UN, along with a group of NGOs, dreamed up the catchy slogan "Business for Peace" (B4P) in 2000 to show the private sector that promoting good corporate deeds and encouraging positive local impact of their operations can bring "win-win" benefits.

The United States Institute of Peace, Human Rights Watch, and other civil society protectionists have embraced the benign-sounding B4P initiative in myriad ways. They now work less to “name and shame” their corporate counterparts by exposing misdeeds and more to draw them in to the global peacebuilding community. The idea is that firms can not only expand local economies, but also absorb some of the societal costs and duties that local governments are unwilling or incapable of providing in operational areas. In return, the economic growth will deliver participating corporations new markets and new customers.

In practice, this has meant that companies have become not only sensitive to the impacts of their operations on local conflict dynamics, they’re also starting to act as nation builders in a way that businesses haven’t in nearly a century. Projects have run the gamut, from Heineken-branded hospitals in the DRC, General Motors building “Peace Roads” in Colombia, the Chevron school district in the Niger delta, and hundreds of other corporate social service activities. Mining companies were the first movers in this space, but with the extractive industry accounting for a mere 5 percent of global North-South business, the UN started looking at what the other 95 percent could offer.

Back outside the event, migrant laborers manned the gondolas that shuttled event-goers from their rooms through a manufactured Venice to the conference hall under the 120° F heat, and a fleet of one hundred golf carts detailed with bespoke Arabic artwork were at the ready. The United Arab Emirates (UAE) has spent decades carefully molding Dubai into the epitome of twenty-first century neo-glitz and glamour, willing the city from a forgotten caravan town to a set piece for Mission Impossible movies in a single generation.

But building this fever dream means importing nearly everything into the desert, and nothing is more important than an endless stream of cheap, disposable labor. Seventy-five percent of Dubai’s three million residents are migrant workers, most from India, Pakistan, and Bangladesh. Mistreatment of migrant workers is commonplace, especially in the construction sector. Many work in conditions of indentured servitude. Workers must give up their passports to their employer upon arrival, contracts are typically three years with no right to leave the country or even their work compound, and adjudication of grievances is nonexistent. In 2012, workers protested the conditions, leading to a weeks-long construction slowdown. The government responded by banning peaceful public protest. At the B4P event, the Jumeriah dedicated a small army of them to cater to every VIP need.

In a manner befitting the locale, UNGC Executive Director Lise Kingo punctuated the event with an appeal not to saving the world, but to the bottom line. “The SDGs are helping to outline new markets and opportunities for companies to contribute to improving our world,” Kingo beamed, bringing front and center

the biggest truism of all that would be recited over the next three days: That simply by being businesses, they are making the world a better place. The industry titans nodded in satisfaction.

According to the World Bank, corporate expansion into peace and development is “crucial for countries coping with and emerging from violence” and leads to a better future for local communities. And the UNGC has mushroomed to ten thousand businesses and organizations in local networks that promise to ensure that the SDGs reflect the “growing convergence between the objectives and priorities of the public sector, civil society, and business.”

“To the Local Networks!” “Hear Hear!” The crystal clinked around the room during the last session of the Dubai B4P event as a few richly dressed local network members received beveled glass plaques on the stage. UNGC hailed them as an inspiration for the CEOs in their own CSR departments, awarded for bringing sustainability and inclusivity into their small- to medium-size businesses throughout the Middle East.

The B4P event is just one of hundreds of annual conferences held in Dubai, where gold has long been the city’s preferred medium to showcase its luxury and glamour. Dubai’s very reputation is built upon cheap gold, without which it would likely still be little more than a caravan oasis of fifty thousand herders. Dubai’s self-promotion since the 1970s as the world’s premiere destination for low price, high-quality gold, the government’s official no-questions-asked policy for the trade, and the fact that people traveling to Dubai up until January 2017 could import any quantity of gold free of duty or notification all help to keep a conflict-mineral supply chain running smoothly. Once melted into jewelry or bars, gold is effectively impossible to trace. All of the key elements of a smuggler’s paradise were in place.

And that’s just what Tariq Malik was banking on. In 2013, the entrepreneurial Pakistani earned his living parachuting into some of Africa’s worst war zones to strike deals on huge quantities of cut-rate gold and other conflict minerals. Of course, the only people who would ever sell gold for less than fair market value have something sinister to hide, and Malik’s best contact was M23 leader Bosco Ntaganda in the DRC, a former army general turned rebel leader who locals nicknamed “The Terminator” for his ruthless appetite for killing. Sanctions still firmly in place, M23 needed a hustler like Malik to help them launder their illegal gold mining operations into fungible cash.

UN investigators quickly took up the case. Shadowing Malik’s private plane as it hopped along the Horn of Africa to the Middle East, they tracked him to the front door of Black Pearl Capital. Black Pearl is a “financial services” firm in the heart of Dubai’s business district that also conveniently offers offices in the Cayman Islands and Geneva. However, with nobody opening the locked door or picking up the

phone, the investigators were forced to turn away empty-handed, refused permission by the Dubai government to investigate further. In Dubai, thwarting a major international smuggling investigation is as easy as saying nobody's home.

Dubai officials have little incentive to change the system—a veil of silence is simply good business. Today, Dubai is the world's foremost destination for conflict gold from the Congo, including that illegally mined from M23, according to watchdogs Global Witness and the Enough Project. After being melted and crafted into jewelry by South Asian laborers, it filters its way through Dubai's prolific historic gold souks, the world's largest gold market at Dubai Mall, or tourist traps like the Jumeriah.

One major new UNGC partner in Dubai is the UAE's main gold-trading network and clearinghouse, the Dubai Multi Commodities Centre (DMCC). The government-owned DMCC "serves the entire gold value chain [in Dubai], from research and refining to trading and investing," overseeing \$30 billion USD a year in gold trades, including its in-house smelting and bullion services. The DMCC prides itself on being assured by outside consultancies that it is "fully compliant" with all international conflict minerals standards, yet exempts itself from assessment of where its gold comes from by arguing that all of its gold is sourced "from Dubai," and that its role is simply to ensure purification and technical excellence. Once it is cycled through the DMCC, all exported gold then carries the Dubai Good Delivery standard and is certified conflict-free.

A couple miles down the coast from Black Pearl, the B4P conference was winding down. Kingo passionately recited Gandhi's famous quotation: "We should all be the change we want in the world." The next day, Myanmar officers burned Abdul's market to the ground. UNGC Chair Mark Moody-Stuart returned to Dubai in October 2017 to keynote the DMCC's own annual event, expressing deep gratitude for the DMCC's involvement in B4P and praise for what he saw as its tireless efforts to "build a more just, more equitable and more sustainable future for all."

From storytelling to theory and policy: Avenues for exploration

These cases build contextual insight on business action for social development and peace, showing how development policies by multilateral institutions are often inadequate bulwarks against conflict and human rights violations. What they also show, however, is the unwillingness of the private sector to ameliorate those same challenges despite assurances by multilateral actors that their presence and/or partnerships would help do just that.

Again, this article makes no causal assertions; the businesses highlighted above are not conflict profiteers per se, nor do they directly cause conflict. However, business operations, both individually and collectively, can carry indirect negative impacts upon local conflict. It is a common theme across the cases, in different manifestations. Businesses provided reliable funding to conflict actors, as Heineken did in the DRC. They also conferred legitimacy to conflict actors, as corporate partnerships with military elites did in Myanmar. These consequences derived from the very activities claimed by the UN and others to be sustainable and peace-positive: opening markets and growing economies. Neither should we assume that the actors profiled are naïve or unaware of these consequences; it is in their interest to profess a veil of ignorance to achieve goals if they contradict with peacebuilding. But as the cases help show, the now-dominant global model that is pushing us to support grounded action by business for development is rife with disconnects.²⁴

So, are these gaps primarily grounded in *discourse*, of *guidance*, or of *legitimacy*? In other words, is this a problem of firms and peacebuilders talking past each other, of companies improperly implementing the “right” projects and policies, or of companies being the wrong agents of effective sustainable development? Since 2005, the previously large gap in *discourse* between the private sector and development agencies has narrowed considerably. This owes much to the SDGs, and their penetration goes beyond western MNCs. Perhaps counter-intuitively, emerging evidence shows that Global South firms have an even higher engagement with the SDGs than their Global North counterparts, although the comparative depth of this engagement remains contested.²⁵

Using the SDGs as a common ground, it is now easier for firms and development agencies to speak with a common voice, using common language, ostensibly towards common aims. This language has trickled down through CSR and environmental, social, and Governance (ESG) reporting, as well as corporate discussions of social impact, sustainability, and ethical action. However, this discourse convergence has come at the cost of a reprioritization of what development in practice entails. When the private sector participates in development, we tend to see breadth of discourse prioritized over depth of action, agendas that are most relevant to business prioritized over those proven to be most valuable to local communities and a general deference to pro-government positions in conflict settings.

Guidance is also increasingly aligned between businesses and development agencies. Once rare, companies now commonly seek out expert advice before designing and running development aid and/or CSR projects, both to learn best

²⁴ Boutilier (2009); Kolk (2016).

²⁵ Barkemeyer and Miklian (2019).

practice and to avoid duplication of services.²⁶ It aligns with the realization by firms that they cannot remove themselves from the political contexts in which they operate.²⁷ Indeed, many larger multinational firms—particularly extractives—now have the capability and resources to design and manage local development activities in operational areas that can surpass that of aid agencies in breadth, depth, and, in some cases, even efficiency.²⁸

This good news comes with a caveat. Sustainable social development by business remains much more common in CSR departments than in operational divisions. For the latter, most firms working in fragile areas partition out problematic tasks to subcontractors, typically under the guise of risk management. Heineken's operations in the DRC are a good example. If Heineken ran its own delivery network, they would be legally liable for payments made to rebels and for the welfare of their drivers. The use of joint venture partners in Myanmar is another example, effectively insulating firms from political risk through operational deniability. Global governance actors like the IMF and the World Bank give low priority to these thorny scenarios, and when pressed typically reply with a version of the "righteous Western firm" argument: the assumption that a Global North firm naturally has higher human rights and social development standards than their Global South counterparts, and thus should not withdraw from complex situations as their replacement would be less interested in positive change.²⁹ As of now, no empirical evidence supports this common claim.

Moreover, the institutional framework of sustainable development implementation rests upon a model that can do profound societal damage in particular settings. Abdul's experiences in Myanmar were not uncommon in our interviews of Rakhine businesspersons. Likewise, Eastern DRC communities were impacted by rebels profiting from companies of all types that use roads for access. These examples expose a key gap between, on the one hand, "sustainable development" as a common heuristic for good behavior by business and, on the other, the varied social impact of sustainable development through its standardized implementation in disparate settings. While more fragile settings may indeed be more likely to be vulnerable to negative or unintended consequences of sustainable development, more research into the conditionalities of development failures must be done before such causal claims can be made.

26 The depth and measurable impact of said partnerships remains an open question, with technical collaboration the most common, along with humanitarian efforts. See, e.g., Franca et al. (2017); Jamali et al. (2015); Nurmala et al. (2017).

27 UNGC (2013); Hajer et al. (2015).

28 Ganson et al. (2019).

29 Miklian and Rettberg (2019); Miklian et al. (2019).

While institutions and firms may be aligning, a rift has begun between economists and development experts on how the SDGs should be achieved, and on what the private sector's role in global governance can and should be.³⁰ Most practitioners feel that the SDGs promote lofty targets that are idealistic yet hard to implement in the most difficult regions of the world,³¹ with an undefined role for firms to play on key issues like corruption, bribery, and human rights. Moreover, most SDG targets rest upon lightly tested assumptions of relationships between economic development and peace.³² In practice, we end up with situations like Myanmar, where international financial institutions and development agencies preached liberal economic peacebuilding mantras throughout an ethnic cleansing campaign. These agencies helped firms de-risk their exposure to the conflict by structuring financial and economic reform packages that placed demands on the Myanmar government to prioritize liberalization (to personal profit) with no conditionalities tied to sustainable development, much less democracy. For firms, the panoply of contradictory advice on how to help achieve the SDGs has proliferated wildly, leaving the opportunity to pick from the buffet of those activities that best fit their existing operations and strategies.

The cases open new questions of the role that *legitimacy* plays in development, although a significant amount of forward research is needed to build theories on this topic. Generally, the cases support the perspective that the private sector will not be a magic bullet for development, due to their differing understandings of who the “community” is and who should be supported within it, lack of alignment of business-development actions with local development agencies, a highly top-down approach, which is typically absent of participatory processes and empowerment objectives, and the preference of firms to support economic-only visions of development.³³

More specifically, it is hard for firms to achieve legitimacy when the structures that they use to engage in social spheres encourage asymmetrical participation. For example, business engagement in human rights is often undermined by its non-punitive nature,³⁴ philanthropic efforts like building schools can lead to conflict as businesses become state services arbiters,³⁵ and bodies like the UNGC may be “blue-washing” peace as they employ self-reporting that is not independently verified.³⁶

30 Miklian and Schouten (2018, 2019).

31 Ganson et al. (2019); Miklian et al. (2018).

32 UN IAEG (2016).

33 McEwan et al. (2017).

34 O'Connor and Labowitz (2017).

35 Richmond (2017).

36 UNGC (2016).

The Heineken example is one of dozens showing how for firms in conflict zones, peace and development work is a moral licensing exercise, funding good deeds to attempt to counteract the known negative consequences of their operations.³⁷ Such models have popped up precisely because we still lack empirical clarity on the importance and function of legitimacy in development service delivery, or in short—does the delivery agent matter, and how can firms be required to care about grounded social impact?³⁸ Until such clarity is achieved, discourse and guidance will also remain weak and potentially mismatched with local needs.

Implications for corporate strategy and governance policy

For policymakers and firms, three elements are of particular interest.³⁹ First, while the aspirational elements of business engagement in peacebuilding and development continue to grow in words and deeds, this commitment has yielded few sustained positive impacts in those conflict-affected areas where it is most needed. The primary contradiction for most firms lies in the fact that, if a comprehensive, multi-stakeholder social risk assessment of their operations was conducted, the most peace-positive business strategy in a region with ongoing conflict would often be simply to withdraw, or in the case of national firms, disband. Few firms would consider that a viable business strategy. The principle of “do no harm” is also popular as a way to implement conflict-sensitive business practice, but in settings where business ecosystems must harm at least some people in order to operate (and, ostensibly, deliver a greater good to others), such guidance is insufficient.

At best, ill-planned business actions for development will be inefficient and ultimately forgotten. At worst, they may spark a backlash by business against engagements with global governance actors. The example of Facebook in Myanmar is instructive. In September 2018, Facebook was implicated by the UN Human Rights Commission for its failure to restrict Burmese military officials from spreading ethnic hatred over its platform.⁴⁰ Facebook may have found the criticism hypocritical in reflection of the UN’s celebration of CEO Mark Zuckerberg’s presence to help launch the SDGs and the UN’s 2015 promotion of Facebook’s role in

³⁷ Miklian (2017).

³⁸ One possibility is to see if guidance on such can be delivered like business and human rights or due diligence frameworks attempt to. See, e.g., Ruggie (2008); Oetzel and Miklian (2017), Wehmann (2018).

³⁹ See Ganson et al. (2019) and Bull and Miklian (this issue) for deeper discussion of the policy implications of business in peace and development.

⁴⁰ UNHRC (2018).

lifting people out of poverty in places like Myanmar through open access to the internet.⁴¹ While Facebook deserves criticism for consciously allowing their platform to spread hate, one can also question the UN for shaming the very activity that they trumpeted just three years before, offering no *mea culpa* for its role in promoting such activities.

Second, when business actions for peace and development are only assessed at the firm or project level, such analyses can hide broader societal consequences. This is shown in Myanmar, where the absorptive capacity of a host society was so overwhelmed that cumulative spillover effects of business-development projects—which may all be individually laudable and locally positive—created a collective negative effect upon the host society as violent actors were emboldened by corporate partnerships that increased their wealth, prestige, legitimacy, and power. This supports growing empirical evidence that, despite their promises, even successful individual business projects for peace and development tend to create “islands of prosperity” that have little positive macro impact, and whose local benefits typically evaporate when projects are concluded.⁴²

Third, if substantive progress is to be made on how companies impact upon the societies in which they work, binding regulatory initiatives are needed. The snapshot of the UN in Dubai shows that firms—with few exceptions—will enthusiastically support peace and development initiatives as long as their commitments are non-binding and institutions promise not to “check under the hood” of the societal impacts of their operations. One can also safely assume that an institution lead by a former Fortune 30 CEO is not naïve about the role of firms in bringing peace. For firms that participate in these institutional arrangements, participation remains “win-win”: increased public visibility as do-gooders without a need to fundamentally alter operations. Or as one CEO more directly put it, “it looks good to the Board.”⁴³

We are left with a clear but perhaps unfulfilling conclusion: As unlikely as it may be to create them in the current global environment, regulatory initiatives—either public- or private-led—are the most consistently successful way to support peace-positive action by business.⁴⁴ For such ventures, success rests on their ability to be independently verified, universally applied across firms, mutually reinforced through incentive structures, have punitive capabilities, and be backed by policy coherence. While this is clearly an ambitious solution, we must recognize that the roadmap for business and peace does indeed exist; it is simply a matter of choosing to take the path of most resistance.

⁴¹ UNICEF (2015).

⁴² Ganson et al. (2019).

⁴³ Author interview, consultation, August 2017.

⁴⁴ Miklian et al. (2018); Ganson et al. (2019); Wehrmann (2018).

References

- Barkemeyer, R., and J. Miklian. 2019. "Responsible Business in Fragile Contexts: Comparing Perceptions from Domestic and Foreign Firms in Myanmar." *Sustainability* 11 (3): 598.
- Beddewela, E., and J. Fairbrass. 2016. "Seeking Legitimacy Through CSR: Institutional Pressures and Corporate Responses of Multinationals in Sri Lanka." *Journal of Business Ethics* 136 (3): 503–22.
- Blanken, I., N. van de Ven, and M. Zeelenberg, 2015. "A meta-analytic review of moral licensing." *Personality and Social Psychology Bulletin* 41 (4): 540–58.
- Boutillier, Robert. 2009. *Stakeholder Politics: Social Capital, Sustainable Development, and the Corporation*. London: Routledge.
- Clandinin, D. (ed.) 2006. *Handbook of Narrative Inquiry: Mapping a Methodology*. London: Sage.
- Carroll, T., and D. Jarvis. 2014. *Financialisation and Development in Asia*. London: Routledge.
- Collier, Paul. 2019. "Fixing Fragility: The role of the private sector and local institutions." Washington, D.C.: Brookings.
- Darendeli, Izet, and T.L. Hill. 2015. "Relationships between political risk & MNE firm legitimacy." *Journal of International Business* 47 (1): 68–92.
- Forrer, John, and John Katsos. 2015. "Business and peace in the buffer condition." *Academy of Management Perspectives* 29 (4): 438–50.
- Franca, Cesar L., Goran Broman, Karl-Henrik Robert, George Basile, and Louise Trygg. 2017. "An approach to business model innovation and design for strategic sustainable development." *Journal of Cleaner Production* 140 (1): 155–66.
- Ganson, Brian, Ben Miller, Sarag Cechvala, and Jason Miklian. 2019. "Capacities and Limitations of Private Sector Peacebuilding." CDA Report. Cambridge, MA: CDA Collaborative Learning.
- Hajer, M., M. Nilson, K. Raworth, et al. 2015. "4 Insights to Enhance the Transformative Potential of the SDGs." *Sustainability* 7 (2): 1651–60.
- Jamali, Dina, Charlotte Karam, Michael Blowfield (eds.). 2015. *Development-Oriented Corporate Social Responsibility: Volume 2*. London: Taylor and Francis.
- Kamphof, R., and J. Melissen, 2018. "SDGs, Foreign Ministries and the Art of Partnering with the Private Sector." *Global Policy* 9 (3): 327–35.
- Kolk, Ans, and Francois Lenfant. 2016. "Hybrid Business Models for Peace and Reconciliation." *Business Horizons* 59 (5): 503–24.
- Kolk, Ans. 2016. "The social responsibility of international business: From ethics and the environment to CSR and sustainable development." *Journal of World Business* 51 (1): 23–34.
- Lewis, P.J. 2011. "Storytelling as research/research as storytelling." *Qualitative Inquiry* 17 (6): 505–10.
- Mahoney, Dan. 2007. "Constructing Reflexive Fieldwork Relationships." *Qualitative Inquiry* 13 (4): 573–94.
- Mawdsley, Emma. 2018. "'From billions to trillions': Financing the SDGs in a world 'beyond aid'." *Dialogues in Human Geography* 8 (2) : 191–5.
- McEwan, C., E. Mawdsley, G. Banks, and R. Scheyvens. 2017. "Enrolling the Private Sector in Community Development: Magic Bullet or Sleight of Hand?" *Development and Change* 48 (1): 28–53.
- Merritt, A. C., D. A. Efron, and B. Monin, 2010. "Moral self-licensing: When being good frees us to be bad." *Social and Personality Psychology Compass* 4 (5): 344–57.

- Miklian, J. 2017. "Mapping Business-Peace Interactions: Five Assertions for How Businesses Create Peace." *Business, Peace and Sustainable Development* 10 (10): 3–27.
- Miklian, J., and I.R. Birkvad. 2016. "Religion, Poverty and Conflict in the Garbage Slums of Ahmedabad." *International Area Studies Review* 19 (1): 60–75.
- Miklian, J., and J.P.M. Bickel. 2018. "Business, Development Aid and Local Peacebuilding: A Study of The 'Footprints of Peace' Coffee Project in Rural Colombia." *Business and Society*, DOI: <https://doi.org/10.1177/0007650317749441>.
- Miklian, J., and A. Rettberg. 2019. "Business Strategies in Transition from Conflict to Peace." In *Business, Peacebuilding and Sustainable Development*, edited by J. Miklian and A. Katsos. London: Routledge.
- Miklian, J. and P. Schouten. 2013. "Fluid Markets." *Foreign Policy* 43 (5): 67–73.
- Miklian, J., and P. Schouten. 2018. "The Business-Peace Nexus: 'Business For Peace' and the Reconfiguration of the Public/Private Divide in Global Governance." *Journal of International Relations and Development*, forthcoming and online first. DOI: <https://doi.org/10.1057/s41268-018-0144-2>.
- Miklian, J., and P. Schouten. 2019. "Broadening 'business', widening 'peace': a new research agenda on business and peace-building." *Conflict, Security and Development* 19 (1): 1–13.
- Miklian, J., P. Schouten, C. Horst, and Ø. Rolandsen. 2018. *Business and Peacebuilding: Seven Ways to Maximize Positive Impact*. Peace Research Institute Oslo Report. Oslo: PRIO.
- Miklian, Jason, Rina Alluri, and John Katsos (eds.). 2019. *Business, Peacebuilding and Sustainable Development*. London: Routledge.
- Nurmala, N., Sander de Leeuw, and Wout Dullaert. 2017. "Humanitarian–business partnerships in managing humanitarian logistics." *Supply Chain Management* 22 (1): 82–94.
- Oetzel, J., Michelle Westermann-Behaylo, Charles Koerber, Timothy L. Fort, and Jorge Rivera. 2009. "Business and Peace: Sketching the Terrain." *Journal of Business Ethics* 89 (4): 351–73.
- O'Connor, Christine, and Sarah Labowitz, 2017. *Measuring Human Rights Performance for Investors*. New York: NYU Stern.
- Oetzel, Jennifer, and Michelle Breslauer. 2012. "The Business & Economics of Peace." *Business, Peace and Sustainable Development* 2015 (6): 3–8.
- Oetzel, Jennifer, and Jason Miklian. 2017. "Multinational enterprises, risk management, and the business and economics of peace." *Multinational Business Review* 25 (4): 270–86.
- PivotGoals. 2019. "Fortune 500 Firms Compliant with the SDGs." ND. Available online at: <http://www.pivotgoals.com/> (accessed 4 April 2019).
- Richmond, Oliver. 2017. "States, Capital, and Institutions vs. Positionality Arbitrage, Mobility, & Verticality." *Globalizations* 6 (1): 1–24.
- Ruggie, John. 2008. *Protect, Respect and Remedy: A Framework for Business and Human Rights*. New York: United Nations Press.
- Schouten, P., and S. Kalessopo. 2017. "The Politics of Pillage: The Political Economy of Roadblocks in the Central African Republic." Copenhagen: International Peace Information Service.
- Solórzano, D.G., and T. Yosso, 2002. "Critical race methodology: Counter-storytelling as an analytical framework for education research." *Qualitative inquiry* 8 (1): 23–44.
- Spector-Mersel, Gabriela. 2010. "Narrative Research: Time for a Paradigm." *Narrative Inquiry* 20 (1): 204–24.
- United Nations Global Compact (UNGC). 2016. "Business For Peace Indicators Project." New York: United Nations.

- UNGC. 2013. "Responsible Business, Advancing Peace: examples from companies, investors & the global compact." New York: United Nations.
- United Nations Office of the High Commissioner on Human Rights (UNHRC). 2018. "Report of the Independent International Fact-Finding Mission on Myanmar." 18 September. A/HRC73/64. New York: United Nations.
- UNICEF. 2015. "Global CEOs sign on to new UN goals at United Nations Private Sector Forum." 26 September. Available at: https://www.unicef.org/media/media_85649.html (accessed 2 October 2018).
- United Nations Inter-Agency and Expert Group (UN IAEG). 2016. Final List of Proposed Sustainable Development Goal Indicators. E/CN.3/2016/2/Rev.1. New York: United Nations.
- van Zanten, J.A., and R. van Tulder. 2018. "Multinational enterprises and the Sustainable Development Goals: An institutional approach to corporate engagement." *Journal of International Business Policy* 1(3–4): 208–33.
- Whermann, Dorothea. 2018. "Incentivising and Regulating Multi-Actor Partnerships and Private-Sector Engagement in Development Cooperation." Deutsches Institut für Entwicklungspolitik, Discussion Paper 21.

Appendix: COREQ Checklist and Methods Design

No	Item	Guide questions/description
Domain 1: Research team and reflexivity		
Personal Characteristics		
1.	Interviewer/facilitator	Author and two Research Assistants (RAs), one in the Democratic Republic of Congo (RA1) and one covering both Myanmar and Bangladesh (RA2). Also accompanied by local guides as facilitators where needed, who provided assistance and access as trusted local members of the communities. Dubai data gathering was done by the author. Select data collection in Goma (DRC) done by collaborator. See point 16.
2.	Credentials	Author: PhD, Development Studies.
3.	Occupation	Author: Senior Researcher and Post-Doctoral Fellow
4.	Gender	Author: Male. RA1: Female. RA2: Male.
5.	Experience and training	Author has 10 years of extensive field experience in conflict and crisis regions, specifically in conducting qualitative interviews with those in vulnerable communities. RA1 has 10 years of local expertise with communities affected by conflict in the DRC. RA2 has 10 years of local expertise with communities affected by conflict in Myanmar and Bangladesh.
Relationship with participants		
6.	Relationship established	No relationship with communities prior to study commencement.
7.	Participant knowledge of the interviewer	For interviews in Myanmar/Bangladesh and the DRC, each interviewee was given a brief introduction of the affiliation of the interviewers, description of the project and its aims, assurances that interview data and responses would be kept anonymous, and opportunity to withdraw at any time. Consent was verbal, per a low literacy rate to ensure evenness across respondents. Regarding the Dubai material, data was collected in an observer fashion.
8.	Interviewer characteristics	See #7 and Methodology footnote in the article.

(Appendix: Continued)

No	Item	Guide questions/description
Domain 2: study design		
Theoretical framework		
9.	Methodological orientation and Theory	Qualitative methodology was employed, specifically a perspectives method pinned to grounded theory/ethnography & uses content/contextual analysis.
Participant selection		
10.	Sampling	<p>Individuals from Rakhine state was selected due to the nature of business and economic development projects and the presence of ethnic conflict. Rohingya refugee communities were selected on the basis of access.</p> <p>The DRC was selected based upon the dominant role of one particular western company upon the DRC's economy, and that same firm's role in navigating through conflict communities.</p> <p>Dubai was selected as the site of the UN Global Compact Business for Peace event, as the premier global event on the topic of study.</p> <p>Participants were business owners or leaders, selected by snowball technique, facilitated by local guides.</p>
11.	Method of approach	Face-to-face interviews, supplemented by 7 phone interviews and participant observation in Dubai. Study conforms to the Norwegian National Committees for Research Ethics in the Social Sciences and Humanities (NESH) study design, and approval process was conducted accordingly.
12.	Sample size	120 interviewees, including approx. 60 in each of the DRC and Myanmar/Bangladesh participants over several field visits.
13.	Non-participation	No refusals due to security reasons or disinterest in discussion, but some individuals (typically management personnel) did not reply to requests for interviews.

Setting

- | | | |
|------------------------|------------------------------|--|
| 14. | Setting of data collection | In Myanmar/Bangladesh, data was collected in several cities and towns of Rakhine state, Myanmar and Cox's Bazaar, Bangladesh. In the DRC, interviews were held in Kinshasa, Goma, on roadsides and over the phone. Interviews were in homes/shelters, at businesses, and other places where applicable and available. Dubai data collection was primarily through materials generated by the United Nations Global Compact and its affiliates during the annual Business for Peace Event, including a streaming video recording of the event, which provided the basis for the quotes. |
| 15. | Presence of non-participants | Additional persons were occasionally present, and author/RAs often attempted to interview without their presence to encourage more candid replies. Findings reflected minimal difference between interviews in which said non-participants were present and those in which they were not present. |
| 16. | Description of sample | 120 total interviews, see #12. Select DRC interviews were conducted by collaborator, published previously as a magazine feature (Miklian and Schouten, 2013). Select interviews from the Myanmar fieldwork were also previously published (see Miklian, 2019, and Miklian and Birkvad, 2016). Sample is 95% male owing to similar gender dynamics of local business ownership across Myanmar, Dubai and the DRC. Most respondents were between 25 and 50 years of age. |
| Data collection | | |
| 17. | Interview guide | Questionnaire provided upon request. Otherwise no guides or prompting given, as no definitive answers were needed due to methodology. |
| 18. | Repeat interviews | Several repeat interviews were conducted of key informants as relevant and to better triangulate findings. |
| 19. | Audio/visual recording | No A/V recording was done, as is typical for sensitive issues like conflict and violence research of vulnerable communities. The Dubai Business For Peace event by the UNGC was recorded and disseminated to participants and the public. |
| 20. | Field notes | Field notes made during each interview and written up fully at the end of each day. |
| 21. | Duration | Each interview was typically one hour in length. |

(Appendix: Continued)

No	Item	Guide questions/description
22.	Data saturation	Partial saturation. Many interviews began to overlap in each of the interview sites, but given the personal nature of conflict, saturation points can be difficult to definitively measure.
23.	Transcripts returned	Transcripts were not returned to participants for correction, due to time, access, and occasional literacy issues. For the DRC and Myanmar quotes, fact checking by previous publishers served as an additional validity check. For the Dubai case, several of the speeches are available online as of writing. During interviews, responses of particular import were often asked twice to confirm responses.
Domain 3: analysis and findings		
Data analysis		
24.	Number of data coders	Author processed the data.
25.	Description: coding tree	N/A per method.
26.	Derivation of themes	Themes were collated in advance from existing business-peace literature, then derived from data for presentation and discussion.
27.	Software	N/A
28.	Participant checking	Several Myanmar and DRC participants gave findings feedback, through both second / third interviews as well as in the DRC material the fact checking process from the previous magazine article. Dubai material fact/checked through video recordings and audio made available online by the UN.
Reporting		
29.	Quotations presented	Participant quotes were shown to illustrate themes and findings. Where relevant quotations were presented after being made anonymous.
30.	Data and findings consistent	Findings were driven by the data due to the methodology used. Thus, there was a strong correlation between the data and findings, and potential alternative explanations for such were studied.

- | | | |
|-----|-------------------------|---|
| 31. | Clarity of major themes | Major themes developed through interviews, and are discussed more extensively in the analysis section of the paper. |
| 32. | Clarity of minor themes | Minor themes also arose, and are discussed in the analysis section of the paper, but these need more study. |
-