

UN Global Compact

Case Studies of Multistakeholder Partnership

Policy Dialogue on Business in Zones of Conflict

Edited by Virginia Haufler

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UN Global Compact Policy Dialogue on Business in Zones of Conflict Case Studies of Multistakeholder Partnership

Members of the UN Global Compact Policy Dialogue on Business in Zones of Conflict participate in a number of multistakeholder partnerships that seek to reduce or prevent violent conflict, manage the effects of conflict, or rebuild a country previously suffering from civil conflict. Such partnerships bring together advocacy organizations and representatives of the business community in dialogue, developing principles and projects with a common aim. They often are facilitated by the participation of governments and international organizations. Multistakeholder partnerships are a recent phenomenon, only emerging as a vehicle for policymaking in the past decade. They often have been created out of the perceived tensions between the interests of business and the values of civil society groups. To many participants, they appear to be a way to overcome or negotiate those differences through building a constructive relationship.

This report presents a set of case studies written by direct participants in the partnerships described. Through these cases, the authors demonstrate the process by which the partnerships were created, the valuable benefits they provided, and lessons the authors learned that might be useful for others. Multistakeholder partnerships are still experimental, and potential participants are unsure of how or why they should pursue them. As quickly becomes clear on reading the cases, there is no one path or procedure for creating and maintaining such initiatives. The authors persuasively argue that these partnerships proved valuable to the partners. More importantly, they have the potential to provide significant benefits to the people living in zones of conflict. These cases can be used as models for future projects being contemplated by other UN Global Compact members.

We present these cases in the hope that they will stimulate further creativity in developing new modes of interaction in which business plays a positive role in areas devastated by violence, while promoting and upholding the principles of the Global Compact.

Experience from Global Compact Members

The case studies presented here demonstrate the wide range of forms that multistakeholder partnerships can take. The authors of each case describe the goal or problem the partnership attempted to resolve, the participants involved, and the character of the partnership. The stages in the development of specific projects are described in some cases, in order to show how the process evolved over time. The cases are:

1. The U.S.-U.K. Voluntary Principles on Security and Human Rights—The U.S. and U.K. governments facilitated a dialogue among companies from the extractive sector, human rights organizations, and corporate social responsibility groups. The goal was

to develop guidance on how companies operating in zones of conflict should deal with providing protection to their employees without becoming involved in human rights violations. The Voluntary Principles lay out the criteria for assessing the risks of such violations; and guidance on the relationship between the company and public and private security forces.

2. International Alert and the Oil Sector in Azerbaijan—International Alert sought to bring together oil companies, local groups, and the government in a conflict-prevention initiative. They facilitated a forum in which the participants identified their needs and developed solutions, building trust, local capacity and sustainable dialogue.
3. War Torn Societies Project in Somaliland—The WSP developed a participatory action research program in Somaliland to contribute to post-conflict reconstruction and peacebuilding efforts there. They facilitated the establishment of the Somaliland Centre for Peace and Development (now the Somaliland Academy for Peace and Development), a non-profit organization which conducts research and analysis in dialogue with local participants, particularly local business groups.
4. Irish Congress of Trade Unions Counter Program—The ICTU launched the Counteract program to fight against workplace harassment and discrimination. It has developed anti-sectarian training and educational programs, and has intervened directly in workplace conflicts. The Counteract program works with both local unions and management to foster tolerance and peaceful conflict resolution.
5. Roots of Peace and Croatia—The Mines to Vines program of Roots of Peace works with the wine industry to raise money for landmine removal and replanting of vineyards in Croatia. This post-conflict reconstruction initiative works with local communities to provide the economic development that will undergird a more stable peace.

Lessons Learned

A number of lessons can be drawn from these cases. First, and most importantly, the process of creating a multistakeholder dialogue, and the dialogue itself, is a significant achievement in and of itself. This dialogue builds trust among partners who would normally be suspicious of each other. Through the dialogue, the needs of the participants can be correctly identified. The dialogue also is important for the participants to feel ownership in the process, and increases their commitment to its success. The authors of the cases on Azerbaijan, Somaliland, and the Voluntary Principles all emphasize this point. The value of the multistakeholder partnership should not be measured only in terms of concrete projects and outcomes, but in terms of the more ephemeral value of sustaining partnership among a diverse group of interests.

The cases also demonstrate how important it is to frame the issues in a way that resonates with potential partners, and points to pragmatic solutions. In the Roots of Peace

case, for instance, the idea of “mines to vines” provided a compelling vision for both the wine industry partners and the people living in mine-affected regions of Croatia. It was also a persuasive vision for raising funds for the project. In the case of the Voluntary Principles, the governments, companies and human rights groups all had different interests that intersected in the need to find a way to provide security to U.S. and U.K. company facilities while maintaining a commitment to human rights. The partnership was sustained in part by a narrow focus on an achievable set of goals that highlighted the common interests of the participants while avoiding irreconcilable differences. The partnerships for post-conflict reconstruction defined their goals in terms of economic development instead of conflict prevention, which in these particular cases was an effective way to highlight the common interests of all involved. Clearly, the ICTU had a powerful vision of a peaceful and tolerant Northern Ireland. Almost all the case study authors point to trust-building as one of the primary benefits of the process, and that framing the partnership as a trust-building exercise was helpful in sustaining the process. Ultimately, partnerships need to frame problems in a way that is amenable to agreement and practical action. These initiatives have to deal with the “art of the possible.”

There is no doubt that such multistakeholder partnerships come about through the vision, leadership, and dogged pursuit of committed individuals and groups. Leadership by “champions” or a core group of committed participants was a critical element in many of the cases. For the Voluntary Principles, individuals within the U.S. and U.K. governments shepherded the process to a successful conclusion, navigating their respective bureaucracies, framing the issues, identifying participants, and bolstering support. Both the Voluntary Principles and Azerbaijan case revealed how important it was to have leaders who understood how to mobilize the government bureaucracy. Roots of Peace and its Mines to Vines program are the brainchild of one committed individual who worked tirelessly for this cause. In the cases of Azerbaijan and Somaliland, core groups supported the process and kept it going, while in the case of Northern Ireland, the ICTU itself acted as the catalyst.

All the cases demonstrate the vital importance of participant-driven analysis and information to support both the process and the goals of the partnership. In the case of International Alert and the WSP, the analysis was built into the process from the first. In both cases, the analysis provided a baseline for building trust and consensus among the participants. They also served to identify the priorities of the local community, instead of imposing those priorities from the outside. The Counteract program also included an important research and documentation element.

Conclusion

Multistakeholder partnerships are a relatively new and innovative means of bringing together diverse interests to achieve common goals. The case studies authored by members of the UN Global Compact demonstrate the variety of paths that the process of building such a partnership can take, and provide lessons that can be used by those seeking to create new initiatives. The authors reflect on the benefits gained by all

participants in the process. Most of all, they show that such partnerships can be a useful tool in the effort to prevent the outbreak of conflict and rebuild a peaceful society.

The Voluntary Principles on Security and Human Rights

Bennett Freeman

Introduction

It is not every day that seven giant oil and mining companies, nine human rights non-governmental organizations (NGOs), corporate responsibility groups, and the American and British governments come together to “recognize that security and respect for human rights can and should be consistent.” But that is exactly what happened on December 20, 2000 when the Voluntary Principles on Security and Human Rights were announced by Secretary of State Madeleine Albright in Washington and Foreign Secretary Robin Cook in London.

Indeed, extractive companies and NGOs had been locked in adversarial combat for most of the last decade. In this case the convening power of the two governments was used to try a different approach: dialogue. The idea was to bring the companies and NGOs together so that talking and listening could lead to writing and ultimately agreeing to something that would advance their interests and those of the two governments at the same time.

Although the process leading to this announcement only got underway in early 2000, the issues at stake have been brewing for years. No single event did more to focus the attention of human rights activists on the role and responsibility of oil companies in their uncomfortable coexistence with indigenous peoples than the execution of Ken Saro-Wiwa by Nigeria’s brutal dictator Sani Abacha in 1995. Shell Oil was confronted with the charge that with its immense presence in the Niger Delta and enormous contribution to the regime’s revenues it could have used its influence to avert the tragedy.

That charge prefigured the extent to which foreign oil as well as mining companies would become lightning rods in violent political and ethnic conflicts, from Nigeria to Indonesia to Colombia. This was probably inevitable. The companies have been seen as local proxies for wealth and authority in the remote regions where they operate and are sometimes seen as the surrogate government. Their personnel and assets are both potent symbols and tangible targets for protest and even attack. Since Ken Saro-Wiwa’s execution, extractive sector companies have been challenged on many issues, from not publishing their financial accounts in countries such as Angola (as BP has recently committed to do), to their presence on lands claimed by indigenous peoples (as with Occidental Petroleum’s confrontation with the U’Wa in Colombia).

No single issue has become more concrete than the clash between security and human rights, between the determination of the companies to meet their legitimate security needs and the insistence of local peoples and international NGOs that human rights also must be respected. Over the past several years, some companies were accused by local activists and NGOs of complicity, whether witting or unwitting, in human rights abuses. Some, like Chevron in the Niger Delta and Exxon Mobil in the strife-torn

province of Aceh in Indonesia, have been charged with responsibility for the consequences of the use of their equipment by state security forces, with which they have a working relationship. Others, such as BP in Colombia, have faced scrutiny over the hiring of security forces known to have been complicit in, if not directly responsible for, abuses of human rights in surrounding communities.

These allegations, whether right or wrong, fair or unfair, have attracted the attention not only of NGOs and the media, but also of the home governments of the companies involved—especially of the U.S. and U.K. Those two governments shared a concern over the potential risks to the operations and reputations of their flag companies. They also shared an economic and political stake in ensuring that those companies are able and willing to continue to operate in key countries such as Nigeria, Indonesia and Colombia. Together they recognized a unusual dual opportunity: to undertake an initiative to strengthen respect for human rights and the rule of law for the benefit of indigenous communities, and at the same time to contribute to a safer and more sustainable business environment for companies operating in conflict zones.

The Process

The State Department began to shape this initiative in 1999, and found a willing partner in the British Foreign Office—willing not only because its companies were facing similar criticism but because the initiative would be useful for a couple of reasons. Foreign Secretary Cook had established a “corporate citizenship” unit that was willing to be engaged in this effort. Major U.K.-based extractive companies, including Royal Dutch/Shell, BP, and Rio Tinto showed great willingness to engage with NGO critics on these and other issues. The U.S. State Department wanted to encourage a similar willingness on the part of U.S. companies on human rights issues. Getting the British and American companies into the same room with the same NGOs was essential to the spirit and substance of the initiative.

But the real key was picking the issues that were the most potentially amenable to agreement. The dialogue focused exclusively on the clash between security and human rights: *how* to balance the companies’ need to meet real security threats in dangerous places against the NGOs’ insistence that human rights must be respected. The participants avoided the admittedly tougher issue of *whether* a particular company should operate in certain countries such as Burma or Sudan. Still, the process leading to the Voluntary Principles addressed what are widely recognized to be the most concrete and sensitive set of issues facing business in regions of conflict.

The State Department and Foreign Office agreed informally in November 2000 that they would convene a dialogue on security and human rights. Both ministries, however, had to secure support within their respective bureaucracies. For example, the State Department’s Bureau of Democracy, Human Rights and Labor, which conceived the idea of the initiative and made the approach to the U.K., had to line up the essential support of the Bureau of Diplomatic Security and the Bureau of Economic and Business Affairs in order to move forward. This alliance within the State Department embodied an

unorthodox but formidable combination of foreign policy interests in support of such an initiative. The most relevant regional bureaus (East Asian and Pacific Affairs, Western Hemispheric Affairs and African Affairs) were also briefed. Staff support was gained from the Office of the Legal Adviser, which was to become a key asset in the actual drafting of the Voluntary Principles beginning in summer 2000.

In March 2000 the Foreign Office and the State Department brought together a number of leading energy companies with human rights and corporate responsibility NGOs in London to determine whether there was a willingness to seek common ground on security and human rights issues. The goal of the meeting was to determine whether there was a consensus among a critical mass of companies and NGOs to continue to discuss and define the issues, and work toward some kind of principles or standards. The ground for this critical first meeting was prepared carefully in two ways with the companies and NGOs.

First, a number of small meetings and phone conversations were held in and between Washington and London aimed at obtaining agreement on the need for such a dialogue, and at forming an initial core group of company and NGO participants to launch the process. The goal was to build if not guarantee support for an ongoing process. The initial effort relied on the advice of several key individuals with the greatest experience and expertise on the nexus of security and human rights in particular, and business and conflict in general. Beginning even before this first meeting and continuing throughout the process, these individuals (from both NGOs and companies) assumed informal, occasional leadership roles in explaining the issues and at times reassuring others.

Second, a “discussion paper” was circulated in advance of the meeting so that participants had a broad sense of the purpose and possible objectives of the meeting and process to follow. The discussion paper was drafted by the State Department and an individual from one of the key participating human rights NGOs, in consultation with the Foreign Office and one or two company participants. It was essential that right from the start, any documents drafted as the basis of the dialogue would have the benefit of NGO and company as well as government views before the full group of participants would receive them. This informal core group helped to steer the process in a balanced way from start to finish, and was essential given that so many individuals were involved in this complex and sensitive discussion.

The first meeting largely succeeded in its goal of bringing together a cross-section, if not yet a full critical mass, of companies and NGOs to begin a discussion of the issues. Present on the company side were Shell, BP Amoco (now BP), Rio Tinto, Chevron, Texaco, and Freeport McMoRan. The two preeminent business-based corporate social responsibility groups in the U.S. and U.K.—Business for Social Responsibility and the Prince of Wales Business Leaders Forum—also joined the group. The NGOs present were Amnesty International, Human Rights Watch, International Alert, Safer World and the Council for Economic Priorities. The discussion was cordial and constructive, but inconclusive other than a consensus to reconvene in two months.

In a precedent that was to continue throughout the process, detailed minutes were jointly prepared by the Foreign Office and State Department, and distributed to all participants. The draft discussion paper also was revised substantially in light of the discussion in order to provide a basis for the next meeting. The issues were defined more sharply and the goals of the process defined more clearly so that the next meeting would not only sustain the dialogue, but launch a process.

The second meeting at the U.S. Embassy in May brought additional American companies (Enron and Occidental Petroleum) to the table. The participants agreed that the process would aim at developing specific guidelines for companies on ways they should handle their security arrangements that would be consistent with international standards of human rights. Such written guidance could capture and crystallize the emerging good policy and practice (the “low-hanging fruit, in the words of one company participant at the meeting) on the part of several companies in particular, prodded in part by NGO criticism and recommendations over the previous year or two.

Furthermore, participants agreed that principles would be drafted that would address three key areas: the criteria that companies take into account as they assess the risk to human rights in their security arrangements; their relationships with state security forces, both military and police; and company relations with private security forces (more often contracted by British than American companies).

As significantly, they also agreed that the principles would be voluntary and non-binding. Proceeding on any other basis would have been a non-starter for both the companies and the governments, given the perceived risk that binding principles could become the basis of litigation. The NGOs at the table implicitly recognized that proceeding on this basis was better than missing an opportunity to develop standards that the companies could publicly commit themselves to implement. These could then become the baseline for best practice and further scrutiny. Interestingly, there was little if any debate over this critical issue either at the meeting or in side discussions that preceded or followed the meeting; virtually all participants recognized what was possible.

A third meeting at the State Department in Washington in July began with a first draft of the principles that was circulated in advance, and preceded by a series of informal consultations with company and NGO participants alike. The drafting was largely done behind the scenes by the State Department’s Office of the Legal Adviser. This approach had several advantages. First, the governments and participants could have confidence that the drafting would be guided by legal expertise at every step of the way. Second, the drafting process was focused in only one place. Finally, the governments were perceived by the participants to be impartial arbiters between company and NGO interests. That meeting saw one NGO drop out (Safer World) and another two join the process (the International Federation of Chemical, Energy, Mine and General Workers’ Union and the Fund for Peace). An additional U.S. company, Conoco, joined as well. The addition of the international trade union federation was significant. Although several of the company participants may have been apprehensive about the possibility that the Federation would

raise union issues not directly related to security and human rights, the Federation focused sharply on the issues on the table and made a real contribution to the Voluntary Principles.

Several other governments and companies also had indicated an interest in joining the dialogue in the period between the May and July meetings as the process gained momentum. The State Department and the Foreign Office, however, decided that they would limit the number of participants at that point to increase the chance of reaching a successful conclusion by the end of the calendar year. It was felt that nine companies, eight or nine NGOs, two governments—about thirty people in the room at each meeting—was all the traffic could bear. They agreed that the process could expand the following year to embrace other companies and governments in a second phase. Moreover, it was felt that the U.S. and U.K.-based companies and NGOs together represented a critical mass of parties with global reach and interest in the convergence of security and human rights, and that a U.S./U.K. agreement could later become the basis for a fully global standard.

The July meeting's agenda was shaped almost entirely around a section-by-section consideration of the draft principles that had been produced. There was a broad consensus at the end of the full day meeting that the process was moving in the right direction. There was a sense that if the next draft could adequately reflect the dozens of specific comments made during the day there would be a reasonable chance of wrapping up the process in a fourth and final meeting in September.

The September meeting, hosted by the Foreign Office in London, worked from a much more polished draft than had been on the table in July. Virtually the entire meeting was dedicated to a line-by-line discussion of the draft, concluding with an exchange on how an agreement might be reached and an announcement made later in the year. The convenors and participants alike shared an optimism that a successful outcome was within reach.

After four meetings held over a six-month period, a surprising degree not only of substantive consensus but also mutual understanding had developed among the participants. A pragmatic spirit prevailed that even if the issues at stake could not be fully resolved, at least they could be reasonably addressed in a balanced way that took into account the concerns of both companies and NGOs. One of the most remarkable aspects of the whole process was the willingness of so many people from such disparate backgrounds, whether human rights activists or company security chiefs (including a former British SAS man and an American FBI agent), to thrash through the issues for so many hours. It may have been a clash of cultures, but there was a meeting of minds.

Following the September meeting came the hard part. The first task was to revise and fine-tune the document to reflect the September discussion. The two governments decided to clear the final document themselves before sending it back to the company and NGO participants. The clearance process, even of voluntary principles, was nonetheless a comprehensive and intensive effort on the part of both governments given the

expectation that the principles would be announced by the U.S. Secretary of State and the U.K. Foreign Secretary. It was also a more time-consuming process than anticipated, taking the governments a full month to conduct their own reviews and make a few additional changes on sensitive issues.

The fact that the State Department had drafted the entire document, in consultation with the Foreign Office, made it fairly resistant to minor changes from the participants. The greater issue was the calendar and the clock. Time was running out if an agreement was to be reached and announced by the milestone imposed by political reality and the U.S. Constitution: the end of the Clinton Administration. The deadline was effectively December 20; after that the focus shifted to the truncated post-Florida transition.

The lesser challenge at that point was evaluating and absorbing proposed changes from participants in what was meant to be a final draft. Surprisingly few changes were proposed during the review period from mid-October to mid-November, and about an equal number were proposed by company and NGO participants. Only changes deemed essential were made. Each change either had to improve the substantive language of the document, or clearly address a concern necessary to gain the support of a particular participant (but not at the expense of losing support from others). The State Department and Foreign Office informally vetted all proposed changes with key participants closest to the process. The few company-proposed changes were discussed with an NGO participant or two, and the few NGO-proposed changes were discussed with a company participant or two. The watchword was substantive balance giving equal weight to legitimate security and human rights concerns; the goal was agreement among the greatest possible number of participants around a meaningful set of principles.

The greater challenge lay in the rubric of the public announcement, which the participants agreed should be made by the governments without the participants present. The key verb regarding the participants was their “support,” which was the precise formulation that could attract the critical mass of companies and NGOs to make the principles viable. The key issue was how many degrees of separation the companies and NGOs each needed to minimize their respective risks. The companies were concerned that they could be held liable for implementing even non-binding principles; the NGOs feared that their support could be construed as a resolution of the issues and a “good housekeeping seal of approval” for the companies. A formula was finally arrived at to bring in the most companies and NGOs: they would allow the State Department and the Foreign Office to say in their joint statement that those identified “support the process and welcome the principles.” The U.S./U.K. Voluntary Principles on Security and Human Rights were announced on December 20, 2000.

Interestingly, not only did the participants *not* announce the Voluntary Principles themselves, but they did not *sign* them either. They knew their support and willingness to be identified by the State Department and the Foreign Office would be reported widely in the media. This public exposure would make their involvement very real even with the degree of separation afforded by the rubric of the announcement.

Media coverage highlighted the fact that for the first time, a large number of extractive sector companies based in the U.S. and the U.K. were willing to address these difficult issues. On the oil side, it was especially critical to line up the American companies Chevron and Texaco (in addition to Conoco) to match Shell and BP on the British side. Moreover, gaining the “support” and “welcome” of the soon-to-be merged Chevron/Texaco made the process credible given that Exxon Mobil, the largest American oil producer, declined to participate in the process. Moreover, two of the U.S. companies engaged in the process declined to be identified with the result and the announcement, raising the pressure to line up several other U.S. companies. On the NGO side, the Lawyers’ Committee for Human Rights added its name to those supporting the process and welcoming the principles.

Conclusion

Reaching this point was not easy. The future efficacy and the durability of the Voluntary Principles will be determined on at least five fronts.

First and foremost is the work of the companies in reviewing and revising their internal policies and procedures in ways that are consistent with the Principles, and ensuring that their operations around the world adhere to them. Second is the willingness of both the companies and NGOs to continue the dialogue on security and human rights, and to build trust over time that can lead to consensus on other issues without losing sight of their own core interests and values, and their own roles and responsibilities. Third is the continuing commitment of the two governments to sponsor and facilitate a process that has relied on their convening authority and diplomatic resources.

Fourth is the commitment of the two governments, together with the companies and NGOs, to open up this Anglo-American process to include additional companies and governments that have already indicated an interest in joining. Canada, Norway, France, Italy, South Africa, Chile and Australia are among those countries that are home to oil, mining and other energy companies with global reach and substantial impact on communities around the world. At some point, their governments and companies may want to join the process.

Finally, if these Principles are to make a real difference, it will be no less important for host country governments and civil society to be full partners in ensuring accountability, both in terms of adherence to these principles and to the rule of law in general.

Each of these challenges was discussed when the participants reconvened for the first time since the announcement on March 27, 2001 at the U.K. Foreign Office. The companies gave encouraging indications of the steps they were taking to integrate the Principles into their policies and operations, and the NGOs of their willingness to maintain the dialogue. Participants agreed to brief other interested companies and governments, and to broaden the process to include a limited number of new participants.

The Government of the Netherlands, reflecting its interest in Royal Dutch Shell as well as its commitment to corporate responsibility, together with BG (formerly British Gas), joined the process when it reconvened at the State Department on December 4, 2001. The greatest significance of that meeting, however, lay in the fact that the State Department chaired it at a senior level, reflecting the Bush Administration's embrace of the Principles and the process. The Foreign Office will chair the next meeting in late May 2002 in London, and several other companies are likely to join the process then.

As significantly, implementation efforts in Nigeria and Indonesia, and to a lesser extent in Colombia, accelerated in late 2001 and early 2002. A joint State Department/Foreign Office team visited Nigeria in November 2001 and Indonesia in March 2002 for the purpose of briefing the host country governments at senior levels on the Principles, and convening interested companies to address ways to integrate the principles into their country policies and practices. An active process is underway in Jakarta, with the companies meeting directly with the government and military to discuss ways to "socialize" the Voluntary Principles in the challenging circumstances prevailing in that country. Several of the major extractive companies operating in that country have already developed operating level security principles that use the Voluntary Principles as their baseline standard. For example, BP Indonesia's Code of Conduct for Security Contractors does just that in its opening paragraph.

Nonetheless, the challenges of translating what was developed as a global generic standard into a country-specific implementation process are considerable. It will take time and persistence in countries like Indonesia, Nigeria and Colombia to gain understanding and acceptance of the Voluntary Principles on the part of the host governments, military and police. Although the initial efforts that have been made over the last year to turn this document into a living standard have been encouraging, the NGOs participating in the process will not have endless patience. They and others with an interest in corporate responsibility and human rights will expect to see concrete progress and clear indications that this process is a useful one.

At stake is confidence in the willingness and ability of extractive sector companies to implement such a detailed voluntary standard on such sensitive and technical issues. Also at stake is the continuing willingness of the U.S. and UK governments to use their convening authority and diplomatic capacity to lead this unusual initiative. The issues addressed by the Voluntary Principles on Security and Human Rights are narrowly defined, and the strength of the commitment of those participating in the process remains to be tested. But if committed companies, activist NGOs, empowered local communities, and governments make these voluntary principles stick, then at least a patch of firm common ground between business interests and human rights values will have been established. Those committed to finding common ground on other issues involving business and conflict, in the extractive and other sectors, may benefit from the example.

Conflict Prevention in Azerbaijan

Nick Killick
International Alert

Introduction

International Alert has been working in Azerbaijan for close to three years, since 1999. In this case study, we explain the rationale for our project, the processes we adopted, and the lessons we have learned so far. Our objective is to engage the private sector, particularly transnational oil companies, in conflict prevention. Our approach is to build partnerships within and between the different sectors in society in the belief that collective action is likely to have the greatest long-term impact. Our methodology is to help catalyze these partnerships by facilitating and promoting multistakeholder dialogues.

Conflict prevention refers to measures undertaken to avoid the growth, spread and recurrence of violent conflict.¹ It is a broad term encompassing a multitude of approaches and interventions ranging from grassroots development initiatives to high-level political negotiations. Governments, multilateral institutions, non-governmental organizations (NGOs) including community and religious organizations, and the media all have an important role to play. The private sector also has an important role to play in conflict prevention, but their participation is part of an emerging debate and one which is only beginning to move from discussion to practice.

Why should the private sector involve itself in conflict prevention? What can it do? What are the limits to its involvement? With whom should it work? This case study aims to provide a practical context in which to explore these questions and offers a synthesis of how International Alert understands the issues. More importantly, it also provides some tentative experience concerning the dilemmas and opportunities, challenges and possibilities involved in this type of initiative.

Context: Azerbaijan

Azerbaijan is situated in the southern Caucasus, on the shores of the Caspian Sea. Formerly part of the Soviet Union, Azerbaijan declared its independence in 1991 and is officially described as a 'presidential republic.' Its current President, Heydar Aliyev, came to power in 1993 and has remained the country's dominant political force ever since.

Azerbaijan remains officially at war with Armenia over the disputed territory of Nagorno-Karabakh, although a cease-fire has been in place since 1994. The conflict, the

¹ Defined by International Alert as "measures taken and efforts made to prevent the breakdown of peaceful conditions. It aims to prevent existing tensions from escalating into violence and to contain the spread of violence when it occurs. Conflict prevention can also include action taken after a violent conflict to avoid its recurrence. (International Alert, *Code of Conduct: Conflict Transformation Work*, London: International Alert, 1999)

result of a complex and long-standing historical struggle, broke out in 1988 and reached its height in the early 1990s. Approximately 15,000 people have been killed and one million displaced. Many thousands more have been seriously injured and damage to physical infrastructure has been severe. In territorial terms, at least, Azerbaijan emerged the loser, ceding *de facto* control of Nagorno-Karabakh itself and some 20% of its undisputed territory.

Although the cease-fire has held firm, the conflict casts a long shadow over Azerbaijan's future, and indeed, the future of the whole southern Caucasus. Extensive international mediation and frequent face-to-face negotiations between the two current Presidents have failed to produce a settlement. While there is little political appetite for a return to war, there are no shortage of voices within society calling for Azerbaijan to adopt a more aggressive stance in the dispute.

Feelings run particularly high amongst those displaced by the war. Internally displaced persons and refugees comprise some 10% of the country's population. For several years, the majority have languished in temporary camps or taken over abandoned buildings. Finding sustainable solutions to this crisis in Azerbaijan remains a distant prospect, despite a massive, albeit diminishing, humanitarian intervention on the part of the international community. Every year that passes without real improvement in their dreadful living conditions increases their sense of frustration and anger. In a worst case scenario, there are two potential outlets for this resentment: the first, directed internally, might manifest itself in sometimes violent opposition to the government and, to a lesser extent, the international community for failing to provide for their future; the second, directed externally, might express itself in pressure for a return to war to regain lost territories. Neither is inevitable, but both are possible.

Conditions and sentiments are little different for much of the rest of the population. Azerbaijan is one of the fastest growing economies in the former Soviet Union, the result of substantial foreign investment into the oil sector and related industries such as construction and communications. Azerbaijan is beginning to experience some of the problems associated with over-dependence on the oil sector, resulting in the so-called "Dutch Disease" in which a natural resources boom causes the currency to appreciate, making other exports uncompetitive and undermining diversification of the economy. Other sectors struggle with unemployment rates around 20% and GDP per head reaching only \$500 in 1999. This distortion also encourages corruption, which is a massive problem for Azerbaijan and affects almost every aspect of life.

Growing economic inequality in the country has precipitated numerous demonstrations and protests in recent years. Tension is further exacerbated by a difficult political environment. Democracy is fragile at best in Azerbaijan. Recent parliamentary elections resulted in an overwhelming victory for the ruling New Azerbaijan Party and strong criticism from the Organisation for Security and Co-operation in Europe (OSCE). Although there have been substantial improvements in the last few years in legislation supporting democratization and human rights, partly as a result of pressure from the

Council of Europe, the country is controlled by its authoritarian president. Herein lies one of the biggest challenges for Azerbaijan. Heydar Aliyev led Azerbaijan for almost thirty years during the Soviet era, and returned to power in 1993 following a five year interregnum caused by the collapse of the Soviet Union. Although his methods can be questioned, there is no doubting the stability he restored to a country facing virtual disintegration in the early 1990s. He is, however, 78 years old and in poor health. Considerable uncertainty surrounds the identity of his likely successor and few expect a smooth transition to the post-Aliyev era. No one will command the same degree of respect nor govern with the same authority.

One of his skills has been to navigate a difficult course between competing regional and international interests. Azerbaijan is involved in serious disputes with both Turkmenistan and Iran over the Caspian Sea. Iran also is home to millions of ethnic Azeris which complicates relations between the two countries. Azerbaijan is threatened by other conflicts in the region, including Chechnya, Georgia and Daghestan. The spread of Islamic fundamentalism both from Iran in the south and Daghestan in the north is a growing concern. Finally, Russia, which has a dubious history of involvement in the region, is battling with the United States, Turkey and Iran for geopolitical and commercial influence.

In summary, Azerbaijan's future is less than certain. Oil is just one more factor added to this combustible mix, albeit one which is likely to have an increasingly significant bearing on the country's fate.

Oil and Azerbaijan

Although in pre-Soviet times Azerbaijan was the world's largest oil producer, the country only re-emerged as an important global player with the collapse of the Soviet Union and the arrival of international oil companies in the early 1990s. Just how important it will become remains a matter of considerable uncertainty. Nevertheless, for a relatively small country (estimated population 8 million) facing a variety of pressing problems, the potential for large-scale production of oil and gas presents massive opportunities for much-needed economic and social development.

Such production also presents risks. Although it would be wrong to over-state the impact of oil development thus far, the next few years will see a huge increase in investment and a corresponding growth in revenues. The history of natural resource extraction in developing countries with weak institutions, poor governance and entrenched social, political and economic inequality offers salutary lessons for all those with an interest in Azerbaijan's future.

In and of itself, oil is unlikely to be a factor in creating conflict in the same way it has been elsewhere. Most of the country's oil fields are located off-shore, and seventy years of Soviet production already have had a devastating impact on the environment. Oil—and more specifically the revenues from oil production—may well have a significant impact on the existing challenges summarized above. Where will the money

go? Much depends on the answer. Targeted investment in social and economic development will help to alleviate many of the pressures building up within the country. Failure to do so may strengthen the status quo, cement and exacerbate existing inequalities and, in the long-term, increase the possibility of violent conflict. To date, the signals are mixed. There is little evidence that oil revenue is filtering down to the bulk of the population. This revenue has not yet reached a substantial level, however, and the recent establishment of an oil development fund, partly inspired by the Norwegian model, provides some hope for the future.

Transitions to democracy are rarely smooth, particularly when the rewards of power are so great. Politicians vying over control of oil revenues may have a strong incentive to resist democratic change. The prospect of large, guaranteed revenues also can provide a false sense of security which masks the urgent need for profound and far-reaching reform of the country's financial system and economic base. Continued growth in inequality and the failure to address corruption could have severe consequences, as the population at large must see the social and economic benefits of oil revenues as well as accompanying political reform.

Regionally, the most pressing issue remains the situation in Nagorno-Karabakh. Pressure is growing for oil income to be invested in the country's armed forces, either to return to war or to enable Azerbaijan to negotiate from a position of strength. In addition, final engineering work is currently underway on two pipelines to transport oil and gas from Azerbaijan through Georgia and into Turkey. The route passes close to Karabakh itself and crosses some unstable parts of Georgia. Russia has reason to oppose the pipeline and both Turkmenistan and Iran are agitating over disputed oil fields in the Caspian.

In short, Azerbaijan is not Nigeria, but neither is it an emerging Norway. It stands at a crossroads today. The combined efforts of government, civil society, the international community and the oil companies should aim to ensure that it pursues a peaceful and equitable path.

Engaging the Private Sector

It is difficult to make strong distinctions between oil and the companies that extract it. The two are inextricably linked. The political, social and economic impact of the product will go a long way towards determining the success of the producer. This, in a nutshell, is the business case for company engagement in conflict prevention. Reputations and profits suffer when conflict erupts, regardless of the causes of the violence.

Broadly speaking, there are two possible approaches to engaging the private sector in this type of initiative: corporate social responsibility (CSR) versus conflict prevention (CP). The CSR approach is to ask which issues companies have the skills, resources and legitimacy to influence and then proceed on that basis. The CP approach is to identify the problems and then explore how companies can be integrated into processes

which address those problems. The former places the burden on the specific role of the company, while the latter emphasizes the importance of partnership by advocating a combined approach in which different actors have complementary parts to play.

The purpose of this distinction is to stress the difference between working within conflict-affected or -threatened countries compared to more stable and developed contexts. In unstable areas, the question is not simply what particular actions a specific company should take (although this is important), but rather what needs to be done in general to address the overall situation. This implies that companies must take responsibility for how they manage their own activities—and also engage with others in addressing some of the structural causes of conflict. The problem with the first approach is that it imposes limitations on the role of the company. In the second approach, in principle there is no issue in which companies cannot or should not engage, rather it is a question of how to do it and with whom. In some cases, for example where the company's activities are part of the problem, its role will need to be substantial, while in other cases such as democratization or revenue distribution, its role will be secondary to that of other actors. The basic rationale is that conflict can arise for a multitude of reasons and must therefore be addressed by a multitude of actors working together.

This highlights another distinction between the CSR and CP approaches. In conflict situations, trust-building and mutual understanding themselves can be the primary objectives of partnerships—although the value of the outcomes are difficult to measure. In this respect, the process is the most important aspect of the partnership, rather than the specific objectives around which the partnership process may have been constructed.

Given this, the role of third parties assumes greater importance. They can develop the conditions under which constructive dialogue can take place and be sustained. This is the role that International Alert has tried to adopt in its work in Azerbaijan. In practical terms, it means helping to build relationships and establish mechanisms which provide the space for genuine partnerships between different sectors to flourish. Therefore, our approach is necessarily open-ended, designed to support rather than lead and based on the principle that real change can only come from within.

There is, of course, a fine balance between supporting and leading which can be difficult to maintain. Ownership of the process cannot belong to the facilitating organization, it must be held by the participants. This is widely understood but easier to discuss in theory than put into practice. It would be disingenuous to claim that International Alert does not have its own agenda or that we have no broad concept of where we think the process should be going. The dilemma and the frustration is to marry the need to sustain the momentum of the partnership with the flexibility to move at a pace and in a direction of the participants' own choosing, even when this conflicts with our preconceived ideas. It is reliant upon frequent discussions with participants both prior to and following meetings. This is not so dissimilar to preparing for an inter-governmental summit in that the more that can be agreed upon beforehand, the more effective the actual meeting is likely to prove.

The importance of this point is that it underlines the process-oriented, consensus-building nature of the work. Within the confines of a particular multistakeholder initiative, it does not matter what others think companies can or should be doing; all that matters is what they themselves agree they can all do together. Finding common ground and proceeding gradually from there is the *sine qua non* of multistakeholder dialogues. The result is a slow and often frustrating process, but it is not possible to attempt shortcuts or to take anyone or anything for granted. This means that the participants will be likely in the early stages to engage issues that are the lowest common denominator among their varied interests. In Azerbaijan, for example, the most natural program focus for an organization like International Alert would be the Nagorno-Karabakh conflict. For obvious reasons, however, this was never likely to be the starting point for a multistakeholder dialogue involving the private sector.

The challenge for a third-party facilitating organization is to develop relationships and build partnerships which address genuine needs without either losing sight of the long-term objectives or hurrying participants into issues they are not ready to consider. This is further complicated by the very different perspectives, concerns, hopes and priorities of the various sectors represented. Perhaps the most obvious way of mitigating the dangers inherent in relying on one process is to develop several initiatives simultaneously, each focused on a different issue and each involving different participants according to interest and relevance. This has been our approach in Azerbaijan.

The Multistakeholder Partnership Process

The *Business of Peace* report² outlines a set of five interdependent principles which underpin any corporate engagement in conflict prevention. Although directed at the private sector, they apply equally, if perhaps in different ways, to all actors involved in this kind of work. These principles have both informed and been informed by the project in Azerbaijan:

- Strategic Commitment
- Analysis
- Dialogue and Consultation
- Partnership and Collective Action
- Evaluation and Accountability (including Sustainability)

The principles suggest a generic framework for guiding the process of multistakeholder initiatives. They are not rigidly chronological and should not be seen as independent stages in a process. It is more akin to a jigsaw puzzle in which each piece remains a part of the picture even after it has been laid down.

² Jane Nelson, *The Business of Peace: The Private Sector as a Partner in Conflict Prevention and Resolution* (London: The Prince of Wales Business Leaders Forum, 2000).

In the context of a specific initiative, strategic commitment is a willingness to engage in the debate and a basic recognition of the value of partnerships. Its main value is in identifying potential participants and in gauging the likely speed at which the process can advance. All such initiatives require “champions” from different sectors, those who embrace the concept and can influence the attitudes of others. This kind of initiative is not just about working with believers but also about persuading sceptics. It is a continuous process of maintaining relations even with those who have spurned the initial idea in the hope that they can be encouraged to participate at a later date. Although some level of commitment is a fundamental requirement, perhaps the most important aspect of the process is the analysis. In the *Business of Peace* report, the kind of analysis suggested is illustrated in the following diagram (Figure 1):

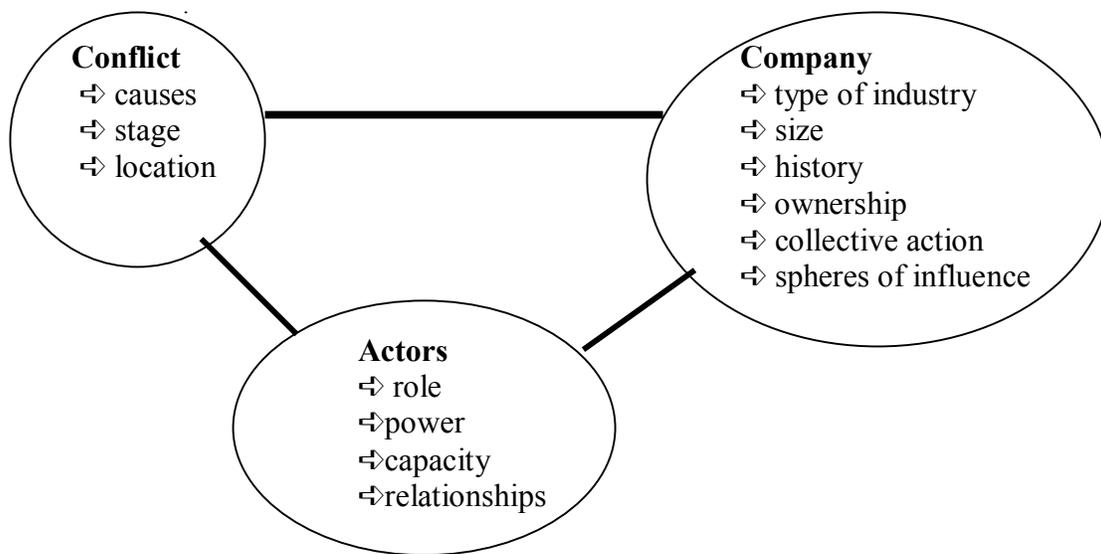


Figure 1. Analysis of Business and Conflict Partnerships

The diagram is designed from the perspective of engaging the private sector, but it is applicable to the process of involving all actors. Analysis is not only the function of the facilitating organization, it is the basic foundation on which multistakeholder initiatives build. It is not a precursor to dialogues, it is an objective of them. Dialogues are one of the key means by which all sectors come to a mutual understanding of each other’s standpoints, interests, agendas and concerns as well as of the issues themselves. Analysis must therefore be participatory and ongoing. This is particularly important when trying to involve the private sector. While other groups (government, media, civil society), almost by definition have a broad knowledge of conflict-related issues, this is clearly less true of companies, especially international ones.

How does a dialogue come about? The word is so freely and loosely thrown at companies as a thing they must do that the real meaning and underlying difficulties are

often lost. It is easy to have a dialogue but not so easy to have a constructive and sustainable one. Who should be there? Who chooses who should be there? What should be discussed? Who determines the agenda? Who convenes? Who undertakes to follow-up? In this type of initiative, at least, the most useful dialogues often comprise people who would not otherwise meet and may have strong concerns about doing so. If one of the stakeholders undertakes to convene a meeting, it is likely either to be made up of “easy” participants who will bring little new, or be met with strong suspicion. The practical complications of establishing dialogues again highlight the importance of an impartial third party.

The leap from dialogue to partnership is a substantial one. Partnership presumes a shared concept of the problem and mutual recognition of each different participant’s distinctive and complementary role. It can be just as difficult to reach this stage among representatives of the same sector as it is between different sectors. It also represents a significant psychological step. It is important to recognize that talking to someone from a different sector, and working with them, are very different animals. Thus, and this reflects a point made earlier, a primary objective of partnership at least in conflict prevention terms is achieving the trust and understanding implicit in the word rather than necessarily the tangible output of the shared activity.

Once the principle of partnership has been established, the possibilities begin to open up and the process effectively starts again, albeit from a more advanced point. The evaluation relates not only to reflection but also to forward planning, and here the value of a multistakeholder process becomes apparent. Each new development depends on the success of the last and provides an opportunity for pushing towards more ambitious goals. The emphasis on a shared approach to common problems enables a more radical exploration of the role of companies.

The Project: Identifying the Participants³

International Alert first began working in Azerbaijan in early 1999. The decision to engage in Azerbaijan was the result of many factors: we had some contacts in the country through our existing work in the region; we knew of interest among oil companies for this type of work through our partner organization, The International Business Leaders’ Forum (IBLF); and, perhaps most importantly given the novelty of this approach, the external environment was less acute than in other countries facing similar issues.

The early stages of the project involved a series of fact-finding trips designed to give us a better understanding of the situation in Azerbaijan and the critical actors from different sectors. Our preliminary objective was to convene a multistakeholder meeting in order to discuss and debate the challenges facing Azerbaijan as understood by the participants; to begin the process of relationship-building, particularly between the oil

³ This work is entirely funded by the UK Government (Department for International Development) and, more recently, the Eurasia Foundation. We have never solicited, or been offered, grants from the private sector.

industry and the NGO community; and to identify those issues on which all could agree the companies had an important contribution to make.

Identifying Participants

In trying to identify potential participants for this first meeting, we encountered numerous difficulties, some common to all sectors, others more specific and all of which, to a greater or lesser extent, continue to present challenges today. Initially, the concept of a multistakeholder dialogue was viewed with a mixture of suspicion and confusion. The suspicion was partly because the concept itself was something of a novelty in Azerbaijan and partly because each target sector had some concerns about sitting down with the others. The confusion resulted from a lack of clarity in the agenda and the objectives. We were keen to leave the discussion points as open as possible in the hope that a central focus would emerge from the meeting itself. As an outside party, we felt that it was not for us to dictate the issues but rather to pick up on the ideas agreed to by the participants. As a starting point, however, we did commission two pieces of research, one a broad country-wide survey of attitudes to the oil companies and the other a more detailed analysis of perceptions among the country's elites of the role of the oil industry in Azerbaijan.

If the confusion was due mainly to this lack of clarity, the suspicion was a more predictable reaction. Any multistakeholder dialogue may present risks, threats and difficulties to each individual and the company, organization or institution s/he represents. The outcomes are uncertain and the benefits unproven. Each sector has its own reasons for not wishing to engage in such processes, reasons which must be respected and understood. In addition, each brings its own, very different, perspectives, skills and limitations.

The government of Azerbaijan has had a mixed relationship with NGOs, perceiving many to be quasi- opposition political parties driven more by a desire to see the end of the current regime than by genuine concern for the country's development. Why sit down with people who are only going to attack you? In addition, this is a rigidly hierarchical political system in which real decision-making authority resides at the very top and consensus-building is alien to the political culture. What is the point of a dialogue? There is a particular sensitivity when it comes to the oil industry, which is seen as the responsibility of the President's Office and not a subject for uncontrolled debate. Discussions between companies and 'opposition' NGOs are therefore strongly discouraged. There is also a more subtle reason for the government's reluctance to participate in dialogue, a sense of comfort with the *status quo*. This "if it ain't broke" attitude tends to generate not just opposition but indifference.

This can also have frustrating implications for engaging the oil companies. Government participation provides the event or the process with a degree of official legitimacy which is important for companies. Most are very conscious of needing to maintain positive relations with the government of the day. This is largely true in many countries, but particularly so in Azerbaijan which, with one or two notable exceptions, is

still very much in the exploration stage. Only one consortium operated by BP actually is producing oil at this time. Another, again operated by BP, has discovered large quantities of gas although this has yet to move to production. While other companies have small stakes in one or both of these two fields, their future in Azerbaijan is dependent upon striking oil in the fields where they operate. They are therefore sensitive about anything which might provoke an unfavorable reaction from the government.

Even at the best of times, of course, companies vary widely in their understanding of their roles and responsibilities in society. In Azerbaijan, BP and Statoil have adopted a more wide-ranging or progressive approach than many other companies, partly as a result of their business stake in the country and partly as a reflection of their global strategies. Nevertheless, all companies face some of the same difficulties as NGOs and government, namely their capacity and culture. A multistakeholder dialogue requires considerable time, effort and patience which most people can ill afford. It also entails trying to reach agreement with people whose background, outlook and working habits are entirely different from your own.

It is difficult enough trying to promote agreement among companies. While partnership is essential to the business of oil exploration and extraction, its benefits are less widely recognized when it comes to what might broadly be defined as social investment. Creating a unique and positive individual profile remains an important objective of companies' social investment strategies. Many NGOs would argue that this is an assumption which may apply in developed countries but is a fallacy in states threatened or affected by violent conflict, where there is little differentiation between companies--the rotten apple principle. What is certainly true is that the greater the number of companies involved, the greater the positive impact they can have, not just in terms of pooled resources but in terms of the influence they can wield and the support they can provide. There is also safety in numbers which can permit more ambitious and sensitive issues to be addressed.

Competition is by no means unique to the private sector. It is a powerful force in the NGO community as well. This is true in the UK and even more so in Azerbaijan, where available funds are limited and the role of NGOs and civil society in general is far less well defined. NGOs have certainly struggled to establish themselves as a coherent and accepted voice in the country. Both the government and society at large remain skeptical, even ignorant, of their role and this has significantly hampered their development. In many respects the old Soviet attitude to non-governmental organizations still prevails. NGOs are either characterized as pro-government or anti-government with little space in between. This stems in part from the fact that several NGO leaders emerged out of the opposition movement in the late 1980s and early 1990s, and from the mentality that criticism equates to political dissidence.

This distinction is made as much by the NGOs themselves as it is by the government, contributing to intense if often disguised rivalries. Add to this the need for funding and the sense of competition is further heightened. All of this creates something of a vicious circle for the NGO community. Support is needed to develop its capacity,

credibility and independence but without these things, support is more difficult to come by. The problem is not just technical (information technology skills, financial management, language, etc.) but conceptual. What is an NGO? What does it do? What does it not do? What is its specific role in relation to other parts of society? This sense of confusion communicates itself to the society in general, including donors, with damaging consequences. NGOs are frequently seen as trying to follow the money rather than developing specific skills and expertise, thereby further undermining their credibility. This is reflected in interaction with the oil companies. In many parts of the world, including the UK, NGO/company relations can be characterized simplistically as constructive engagement versus external criticism. In Azerbaijan, the question is not whether to engage, but how can I benefit? Many NGOs see the companies primarily as donors and not as an integral part of the society.

Many of the constraints outlined above are common to all multistakeholder initiatives. Understanding and reconciling them is a major component of the dialogue process.

First Meetings

Attendance at early meetings proved to be mixed. The government pulled out at the last minute; five companies came including the State Oil Company; more NGOs turned up than were invited; and national business representatives and two Ambassadors also participated. A conscious decision had been taken not to approach the international community beyond these two embassies in order to ensure the meeting revolved as much as possible around the target groups. The hope was that it would begin to provide some shared analysis among those with a long-term stake in the country.

Unsurprisingly, it was not a resounding success. Beyond the obvious “clash of cultures” point, there was little real understanding of what the meeting was for (which was mostly our mistake). Although a number of issues were discussed, ideas for follow up were distinctly limited until one participant suggested forming a working group to focus on some of the broad issues covered at the meeting. Most people gratefully latched onto this idea which at least provided the meeting with some semblance of a concrete output.

The second meeting a couple of months later with half as many participants (still no government) proved more successful. With a more focused agenda and a more relaxed atmosphere, the meeting identified five key issues considered crucial to Azerbaijan’s future:

- supporting the development of local business in order to diversify the economy
- strengthening civil society
- meeting the needs of internally displaced persons and refugees
- supporting democratic development
- promoting regional stability

To these we added a sixth which was to try and encourage greater co-operation among the companies themselves. While these issues encompass an overwhelming set of problems, from our perspective they provided a structure for the project and also a degree of legitimacy which we had lacked before. Our work over the last fifteen months has explored ways of creating or supporting mechanisms which can help to address these issues. Below we discuss our efforts regarding four of these issues.

Support for local business

In common with most post-Soviet states, Azerbaijan suffered a disastrous economic collapse in the years following independence. In Azerbaijan's case, this was compounded by the human, financial and material cost of the conflict with Armenia. The transition to a competitive market economy has been tortuously slow and most sectors of the economy remain a long way even from the levels attained during the Soviet period. The issues are much the same as elsewhere: corruption, a weak regulatory environment, declining skills base, etc. but the promise of oil and the investment that comes with it offers both opportunities and dangers. As with other petro-states, the problem of "Dutch Disease" threatens to distort the economy and exacerbate existing inequalities. But if sufficient support is given to developing local businesses, oil can be an engine of growth for the whole economy by providing jobs and income to the broad masses of the population currently mired in poverty.

To begin exploring ways of tackling this issue, IA, in co-operation with a local business association and the IBLF, organized a meeting on "The oil industry and economic development in Azerbaijan." The seminar brought together local business people, representatives of six multinational oil companies, the Azerbaijan government (this time they came) and representatives of the international community, including the World Bank and IMF. The objectives of the meeting were to better understand the barriers to local business development in Azerbaijan and to identify practical initiatives that could improve local business opportunities. Several recommendations emerged from the meeting, the most significant of which was the creation of an Enterprise Development Committee (EDC).

The thinking behind the EDC was to bring together many of those currently working on, or with a particular interest in, long-term economic development in Azerbaijan in order to discuss the many ideas and initiatives either underway or under consideration with a view to ensuring broad support and complementarity; identify new initiatives; act as an implementing or organizing committee for agreed projects; and review and monitor these projects.

A first meeting comprising representatives from all the different sectors was held in the summer of 2000, and since then there have been perhaps seven or eight further meetings. The EDC currently has some 15-20 regular participants, a Steering Group including international organizations, a local business organization, a local NGO and an oil company. There are five working groups looking at: training, a database of local companies, medium-term requirements of the oil industry (in terms of goods and

services), policy issues, and access to credit and finance. Although the broad goal of the EDC is defined as “diverse and sustainable economic development in Azerbaijan,” it has taken an initial focus on support for local companies with the potential to supply and service the imminent boom in oil industry investment. It is also looking to establish itself as an official and permanent organization.

Despite the positive impression conveyed by the above, the process has nevertheless been slow and difficult and heavily reliant on a small group of committed participants without whom the EDC would never have survived. Although the issue of economic development is perhaps the easiest on which to develop a broad consensus, the difficulties are familiar ones and include many of those outlined previously: how to get consistent and constructive government participation, how to persuade a large number of companies to get involved, how to get agreement among a diverse group of organizations, companies and individuals, how to move to concrete projects while the EDC remains a voluntary yet time-consuming initiative. Perhaps the only answer is gradually. One important turning point was the decision by BP and its partners to push ahead with a number of huge development projects, thereby giving a greater sense of urgency to the problems faced by local businesses. All such initiatives essentially require individuals within different sectors to take the lead and demonstrate commitment. Without that, the process dies regardless of the facilitating organization’s efforts.

Strengthening civil society

In previous discussions and meetings, the under-development of civil society in Azerbaijan had been identified as a serious long-term problem for the country. The lack of dialogue and partnership between NGOs and the private sector, particularly the oil industry, was also seen as a potential problem. There were fears that unrealistic expectations of the oil boom within the society at large coupled with a growing perception that western oil companies were in league with a corrupt government could lead to serious difficulties in the future.

With notable exceptions, most corporate/NGO interaction in Azerbaijan is limited to philanthropic donations, usually channelled towards international rather than local NGOs. This initiative is aimed at increasing communication and co-operation between the two sectors. One aspect of this is increased financial and technical support for local NGOs, but it is hoped that regular dialogue between companies and NGOs will lead to better mutual understanding to overcome existing mistrust and result in genuine partnerships. While working with international companies will bring credibility, legitimacy and enhanced capacity to NGOs struggling to assert themselves in an unsympathetic environment, the companies will also benefit from the knowledge, expertise and analysis on social and political issues provided by local NGOs.

A preliminary meeting was jointly organized by IA and an American NGO, the Initiative for Social Action and Renewal in Eurasia (ISAR), with the objective of starting to open the lines of communication between the private and NGO sectors (and through the NGOs to society as a whole) and explore the opportunities for sustained partnerships

in the future. The meeting proved to be a good beginning and was characterized by some lively discussions. Both the NGO and corporate side recognized the value of each other's contribution to Azerbaijan, but it became clear there were serious differences of opinion about how the two should interact. While the NGOs focused on their need for funding, the companies expressed their frustration at being seen as little more than giant checkbooks. A number of other obstacles to closer co-operation also emerged, including lack of capacity (both NGO and company), lack of information about one another, and lack of opportunities for constructive dialogue. Unsurprisingly, the government was also identified as a potential stumbling block.

However, the meeting did provide the impetus and ideas for a more sustained project. Supported by IA, ISAR is currently testing a volunteer initiative with an oil company designed to help develop the skills and capacity of local NGOs through regular training and support from private sector personnel providing their time on a voluntary basis. Three options are offered to company staff wishing to volunteer under the scheme: long-term/ targeted (sustained commitment to the development of a particular organization), skills transfer (training for individual NGOs or groups of organizations in IT, financial management, English language) and one-off events (environmental clean-ups). The company itself provides some incentive or contribution, such as a financial donation to organizations based on the number of hours their staff have worked, or time off in lieu of such payment. Such a scheme provides clear benefits for both companies and NGOs and also supports the objective of greater communication and understanding between the two sectors.

As a way of initiating a more comprehensive interaction between the NGO and business communities, we are also about to embark on a series of dialogues between the two sectors over the next year focusing on particular themes (e.g., health, education). Each dialogue will be preceded by research exploring the main challenges and describing the work of the local NGOs, thereby providing companies with some background knowledge. In turn, the NGOs themselves will be provided with information in the form of seminars not just on companies but on the nature and function of private business. Any dialogue between the two sectors must recognize the power imbalances which inevitably exist. Ensuring both come to the dialogue well prepared is a first step towards equalizing relations.

Essentially, the initiative aims to address the issue of poor mutual understanding and provide a formalized mechanism for continued dialogue. It also aims to facilitate more partnerships. One reason frequently given by companies for not working more with local civil society organizations is the difficulty of comprehending the sheer number of NGOs working in the country. It is much easier and safer to co-operate with international organizations with well-established reputations than take the risk of supporting a local NGO which may or may not be up to the job.

A criticism often levelled at companies is their poor understanding of the real issues facing the country and of the genuine needs of the community. Stories of gleaming new hospitals with no provision for staff or operating costs are familiar throughout the

world. There is little knowledge within the society as a whole of the nature and activities of the oil industry in Azerbaijan. One result of the government's control over information relating to oil is an exaggerated expectation of its benefits. If a country is told it stands on the verge of undreamed of prosperity, it understandably reacts badly when the promised wealth fails to materialize or seems to be directed towards the pockets of a well-placed few. Clear, transparent and widely available information about oil operations, investments and revenues helps to promote accountability and avoid damaging misunderstandings. These dialogues will help support such transparency. We have also commissioned a booklet to provide this basic information to the public in the hope that it can lead to a more informed debate within Azerbaijan about the role of oil and oil companies in the country.

While the focus of much of the project has been on oil companies, and to a lesser extent the international private sector in general, the greatest long-term impact of our work will be had by involving indigenous companies. In a country in which the private sector is struggling to develop, exploring any formalized concept of corporate social responsibility or even a role for companies beyond their own survival remains a low priority. However, the debate needs to be started and opportunities need to be found for engaging the two sectors in discussions around their distinct but complementary and sometimes overlapping roles in society. With the support of the IBLF, both we and ISAR hope to initiate this debate and support the work of local organizations to encourage greater contact between the two sectors.

Meeting the needs of internally displaced persons (IDPs) and refugees

The problems involved with internally displaced persons (IDPs) and refugees are inextricably linked to the stalemate over the Nagorno-Karabakh conflict. The government's line has long been that a return home to territories currently occupied by Armenian and Nagorno-Karabakh forces is the only permanent solution, although this policy may be beginning to change. As a consequence, hundreds of thousands have had to rely for their survival almost exclusively on limited handouts from the state and the international community. This has had the effect of prioritizing humanitarian over developmental assistance, which has done little to address long-term needs. International organizations, particularly UN agencies, are not in a strong position to defy government policy due to the risk of being expelled. Many of the IDPs and refugees are trapped in a cycle of dependency from which they cannot extricate themselves and which is provoking understandable anger. A further side effect is the emphasis on the role of international aid organizations to the exclusion of most local NGOs who are much better placed, at least politically, to start to tackle the underlying problems, such as educational needs, psychological trauma, etc. In the long-run, this situation is neither sustainable nor desirable. The international community is already beginning to scale down its activities (although a settlement of the conflict will reverse this) and the rehabilitation and reintegration of the IDPs and refugees will take generations to accomplish.

Discussions therefore highlighted two interlinked priorities: support for a gradual change in approach, and help for the local NGO community. The thinking went that if

Azeri NGOs could be supported in their work, they in turn could begin to shift the emphasis away from humanitarian aid. The oil companies have all been providing substantial financial assistance to the humanitarian effort for the same reasons the international organizations have—it has been needed and the government encourages it. However, the companies are not under the same obligation (although they are under pressure) to direct their support towards the provision of food, clothing and shelter. Enlisting oil industry support in broader initiatives would not only help to develop the capacity of the local NGO community, it would simultaneously convey much-needed legitimacy on those NGOs and might contribute to a gradual shift in policy. This is a simple idea but one which has not been easy to develop. The overall concept is not in dispute, in fact, it has long been recognized and understood. The difficulty lies with the capacity of the local NGOs to begin to take on the burden of addressing such complex and deep-rooted problems. This is not simply a technical problem, it is a question of focus, of the willingness to co-operate, and of the strength to carve out an independent voice.

Following discussions with a nascent NGO umbrella group, the Forum of Azeri NGOs on Migration (Fangom), we concluded our most effective contribution would be to support this group. Fangom had already received substantial assistance from the Baku office of the International Organisation for Migration (IOM) and we are now working closely with them. Our role is primarily facilitative, providing the space for Fangom to develop itself through better co-ordination, improved long-term strategic planning and more effective fund-raising. Fangom is currently working on position papers outlining its collective understanding and recommendations for action on three key problems for Azerbaijan: irregular migrants, economic migrants and IDPs/refugees. It is also drawing up a strategic plan with a view to establishing itself as a permanent, registered organization. The long-term objective is for Fangom to become a powerful voice within society capable not only of implementing projects but of defining priority areas and communicating these to the government and international community. The work with Fangom once again highlights that multistakeholder dialogues cannot happen if one or more sectors are unprepared, and that power imbalances can swiftly derail such initiatives. To a certain extent, this can be addressed by careful preparation and continuous consultation, but often it may be necessary to work closely with one sector prior to embarking on the dialogue process.

Oil industry co-operation

A common if frustrating characteristic of the international oil industry is its relative reluctance to co-operate closely on issues not directly related to its core business. Some of the reasons for this have been outlined previously. Seen from an NGO perspective, joint company action can have a substantial and positive impact on the conditions within a country. Apart from the advantages of pooled resources and increased influence, it can send a strong signal that the industry as a whole has a collective commitment to the development of the society. In situations in which companies might be regarded as predatory by some sections of the population, such co-operation can be a

symbolic and tangible counter to this perception. Conflict rarely discriminates between companies, it affects all of them and it is therefore in everybody's interests to avoid it.

Together with an American NGO, Citizen's Democracy Corps (CDC), IA began consulting with companies on the possibility of establishing an informal and low-profile oil industry forum. The objectives, at least from our perspective, were to create a space in which companies could meet to discuss issues of mutual interest and exchange relevant information and analysis, co-ordinate responses to specific events, co-operate on specific initiatives, and be a collective voice for the western oil industry on a range of social and economic issues. In concrete terms, we hoped the forum might lead to more and better collaboration and partnerships within the oil industry and with other sectors, including NGOs and local businesses; greater financial support for large projects; and an increased willingness to engage in debate on social and political issues.

The initial reaction was understandably cautious. Our agenda is not necessarily that of the companies. Nevertheless, the process survived the crucial early meetings, largely because of the commitment of a small core group. A year or so on, it has now developed into an established and regular event attended by the Government and Public Affairs Managers (or their equivalents) of up to ten companies and hosted by the companies themselves on a rotating basis. Forum meetings have been reasonably successful as a focus for information-sharing and have generated important and interesting debates. They have been less successful in terms of concrete outputs. Companies' differing priorities, uneven business positions and, above all, belief in the value of individual action have all combined to hinder agreement on broad collective initiatives. It is not a question of two or three companies working together, which is not uncommon, but of finding ways to promote industry-wide co-operation. This remains elusive although achievable.

IA's role is not an easy one to manage. We may have a vision of what the forum might become but little right, and less influence, to impose that vision. The forum process illustrates a point made earlier around the problem of supporting without forcing which is the reality of adopting a consensus-building approach.

Next Steps

What point has the project reached and where can it go from here? In the introduction, we suggested that we were still in a developmental phase. In other words, we have had some success in helping to establish mechanisms which can begin to address a wide range of issues identified earlier in the process, but these have yet to result in substantial concrete outputs. We would hope that the coming year will see a move towards implementation which builds on the relationships we have tried to develop. Continued support is required for all the initiatives outlined here and even these should be seen as the end of the beginning rather than the beginning of the end.

The focus has been on those issues which seemed to have the best chance of early success. Clearly, there is much more which remains untouched. The future of the project

is likely to revolve around the imminent infrastructure projects, particularly the construction of the two pipelines, one oil and one gas, running from Azerbaijan through Georgia and into Turkey. The pipelines themselves and the accompanying investment present challenges on three levels:

1. Local level. These relate to the core business of those companies constructing the pipeline. These challenges include the number of local people employed, the capacity of local companies to meet the needs of the pipeline consortium, and compensation for land and the relocation of people displaced by the project.
2. National level. These relate to the wider challenges facing each country along the pipeline route. They include the isolation of some regions in Georgia, the lack of good governance, the possibility of “Dutch Disease” in Azerbaijan, the need to strengthen civil society organizations, and issues related to revenue distribution.
3. Regional level. These relate to the geopolitical picture in the region. They include the isolation of Armenia and the effect this may have on the country’s conflict with Azerbaijan over Nagorno-Karabakh, Russia’s foreign policy towards Georgia, and Iran’s relations with Azerbaijan

These challenges also present opportunities for a much greater role for companies in addressing these issues in partnership with others. IA will therefore look to continue and expand its work over the next few years.

Lessons Learned

What lessons can be drawn from this project which may have relevance for other such initiatives elsewhere? Perhaps it is too early to say with any certainty, but we hope that the lessons briefly outlined here reflect and complement some of the thinking already taking place within companies, NGOs and others. This is an emerging topic which is likely to gain in importance over the coming years. We hope the experience outlined in this paper can help to inform that debate.

Process and Patience--There are no quick fixes. Multistakeholder dialogues of this nature take a long time to develop and require constant nurturing. The desire to see concrete results should not deflect from the importance of building strong relationships.

Analysis and Approach--Understanding is a fundamental requirement, this includes understanding not just of the issues but also of the other actors involved. Reaching a shared analysis is perhaps the first objective of the dialogue process. It opens the door to partnership. It also determines what is possible. The approach should not focus on any particular sector within the partnership. Conflict prevention is a shared problem and therefore requires shared solutions.

Third Parties--Impartial third parties are an important component of the process. They can create the conditions in which constructive dialogue is possible and can ensure follow up within the process. Without them, trust is much harder to build and the process much more demanding for the participants.

Champions—It is crucial to have leaders from different sectors driving the process forward. Those are the ones who can bring others along and sustain the momentum in difficult times.

Ownership—This must belong to the participants. Without a sense of ownership over the process, it will quickly die. Dialogues must be guided by the needs and concerns of those involved.

Sustainability—This is closely connected to all of the above. The sustainability of the dialogue depends upon the commitment of the participants. It particularly highlights the importance of ownership. If people feel they have a stake in the process, they will begin to take control of it and ensure its continuation.

Multi-stakeholder Initiatives in Zones of Conflict: The Academy for Peace and Development, Somaliland

A partner of WSP International (formerly the War-torn Societies Project)

Introduction

Reborn from the ruins of the Somali Democratic Republic and the ensuing bloodshed and chaos of civil war and famine in 1991, Somaliland's road to recovery was never going to be easy. The long civil war had left the country physically devastated and socially scarred. Tens of thousands of people had been killed and hundreds of thousands displaced, their homes reduced to rubble, their property looted or destroyed, and their land sown with mines. The economy had virtually ground to a halt. The army, police and civil service had disintegrated. Most government offices, banks, hospitals and schools stood derelict, their contents ransacked, and even their windows, doors and roofs pillaged and sold for scrap.

Seven years down the road much progress had been made in rehabilitating the society, but there was still much to be done to build Somaliland. This was when Somaliland's second President, Mr. Maxamed Xaaji Ibrahim Cigal, invited the War-torn Societies Project (WSP) to initiate a participatory action research (PAR) program addressing the problems of post-war reconstruction.

After a preparatory phase throughout 1998, during which WSP carried out regular consultations with various national and local authorities to ensure that a WSP program would be relevant and add value in Somaliland, an autonomous Somali non-governmental organization, the Somaliland Centre for Peace and Development (SCPD—now the Academy for Peace and Development, APD), was established in 1999 to carry out the program.

The Program

Established in 1994 with a mandate to promote and facilitate participatory peace-building approaches with war-torn societies and those wishing to help them, WSP had developed a unique variant of participatory action-research that APD implemented. The interdependent beliefs that the rebuilding of trust and relationships between people is the most important element in rebuilding a country, and that local ownership of the rebuilding process is the only way to ensure its success, are fundamental elements in the various stages of the methodology outlined below. Therefore a multi-stakeholder approach designed to create partnerships between people, and fostered through participatory exercises, is integral to the work of APD and can be seen throughout the various stages the project has undergone.

The first phase of APD's program was a preliminary action-research phase between March and August 1999. During this period APD researchers travelled the

length and breadth of Somaliland conducting extensive consultations with a broad range of internal and external actors. They compiled this information together with basic documentary research to produce a paper reflecting the main themes pertaining to the political, social, and economic rebuilding of Somaliland. This “Self-Portrait of Somaliland” provided an overview of the people’s issues and priorities nine years into the rebuilding process, which could provide a basis for more detailed, policy-oriented research.

In November 1999 the “Self-Portrait” was submitted to a gathering of eighty internal and external actors, a broad range of representatives of the government, the business community, civil society and religious groups. They made up the National Project Group. This Group identified four strategic areas (Entry Points) in Somaliland society that should be given high priority in the rebuilding process, and which deserved more in-depth research and collective action to enable progress. These were:

- regulation of the pastoral economy
- consolidation of government institutions at the central and local levels accompanied by decentralization
- using the media and oral culture in rebuilding efforts
- addressing the legacy of war on the family, culture and values

Having identified these Entry Points, the main action-research phase then began. Working Groups were formed around each Entry Point, each composed of thirty people who were most directly engaged in the respective Entry Point (mostly members of the National Project Group). An APD researcher facilitated exploring the Entry Point in greater depth. Each Entry Point was broken down into three sub-themes. Precise research questions and workshops were organized around these sub-themes in order to open the debate to draw in other principle stakeholders in the issue under discussion, including members of the Working Group, representatives of central, regional and district government agencies and of parliament, community elders, NGOs and members of the private sector. Each Workshop was intended to provide greater focus on specific issues and problems, and to provide concrete recommendations for policy makers.

While conducting the workshops, the APD team observed and recorded the process, both in writing and through audio-visual media. The information, analysis and recommendations produced by each Working Group are currently being compiled and edited, with a view to publication by WSP International as a formal research product. The audio-visual component is also being used to produce research-based films, capturing the main issues and outcomes of the various Entry Points.

Focus on the role of the Private Sector

In any society, the private sector can be both a force for conflict and for peace such that successful peace building processes require the support and involvement of the private sector. With a foundation of interdependence and co-existence, the private sector has a natural basis for exchange on which peace building processes can build. The multi-

stakeholder approach of the WSP process implemented by APD meant that local Somaliland private sector actors were involved from the beginning. In Somaliland the interdependence of the private sector is accentuated by the fact that local private sector actors are multi-stakeholders themselves, involved in various activities that crosscut the different sectors of society.

With an economy dominated by the livestock trade, it is not surprising that the majority of the local private sector actors who were a part of the National Project Group were livestock traders themselves. They were primarily involved in the workshops concerned with the regulation of the pastoral economy. Their expertise and knowledge in this area contributed greatly to the conduct of further research into this issue, and to the writing of policy papers on this topic. The fact that the private sector in the pastoral economy was identified as a priority to be addressed in the rebuilding of Somaliland is evidence of the interdependence of the private sector and the other sectors of Somaliland society in the post-conflict phase.

As in many societies, the actors we label as the private sector in Somaliland were also actors in other sectors of the society at the same time. Thus the livestock traders not only brought their specialized business knowledge to the multi-stakeholder process, but also their perspectives as members of academic institutions, of civil society organizations, of the government, of religious groups and of non-governmental organizations. The primary incentive for these actors—in their private sector role—to be involved in the project was that the multi-sectoral participatory nature of this project presented them with the opportunity to meet and interact with fellow members of the business community in a non-competitive environment. In the context of the project the private sector actors were able to discuss issues of mutual concern free of the restrictions imposed by typical working relationships. Some private sector actors however did not choose to participate in the project for reasons attributable to the inherent polarization of Somaliland's society.

The private sector actors also benefited from the opportunity the project gave them to present and discuss their views on societal rebuilding, in particular with regard to the private sector, with representatives from a broad cross section of Somaliland society. The livestock traders in particular were keen to discuss with government representatives involved in the process the 1989-1999 Saudi ban on exporting livestock that had been imposed on Somaliland.

To date, the private sector actors seem to be pleased with the progress of the project and their participation within it. Whether this concrete experience of a multi-stakeholder approach will affect the way the private sector actors conduct affairs among themselves and with other sectors of Somaliland society outside of APD's project remains to be seen. One way in which to encourage the private sector to incorporate lessons learned into a sustainable, continuing process could be to incorporate these methods within the framework of existing bodies. For example, the Somaliland Chamber of Commerce might introduce forums for participatory discussion to ensure that the lessons learned and benefits gained through participation in the APD project could be

continued. Private sector actors are more likely to take up and sustain participatory practices on their own if they are assisted in the initial stages of transforming such practices from the methodology of a project into formalized working procedures. If private sector actors can see the benefits of such participatory practices they will not be slow to take up and implement the processes themselves.

Conclusion

The experience of APD presents a concrete example of the significant role of local private sector actors in participatory peace building. Their expertise and knowledge of the local economy—a key element of any society—is integral to any discussion of societal rebuilding. Their ownership of peace building processes, which is enabled by participatory processes, is critical for success. As mentioned earlier, in any country the private sector is essentially interdependent with other sectors and as such has a natural basis for exchange, a vital element in any peace building process. Peace building processes should make use of this naturally occurring characteristic of the private sector, and also take advantage of the multiple societal roles of many representatives of the private sector. There is often discrepancy between the perception and reality of who are the private sector actors. Although other countries may have a more clearly defined private sector, Somaliland illustrates the need for looking at the reality of the situation on the ground before neatly identifying people as representatives of separate sectors of a society.

The work of APD provides a concrete example of a process through which these local private sector actors have been involved in a particular multi-stakeholder initiative in Somaliland, and of how the creation of partnerships between and within the different sectors of the community through this project has been integral to peace building processes there.

The creation of partnerships between people from such diverse sectors of society as were represented in the National Project Group for APD's project does not necessitate consensus on all issues. What is required to create cohesion and bring people together is the identification of an issue that is of mutual concern, where people can see that they have something to gain from their participation and involvement, and where there is consensus among the actors to work together to find a solution and way forward on that issue. Trying to bring people together to build peace by directly addressing politically divisive issues often contributes to those divisions. Instead, promoting understanding and cooperation between disparate groups on more minor technical issues can contribute to creating an atmosphere and attitudes more suited to addressing the more divisive ones.

Conflict and Hope in Northern Ireland

International Confederation of Free Trade Unions (ICFTU)

with the Irish Congress of Trade Unions (ICTU)

Introduction

For more than thirty years the words “Northern Ireland” have conjured images of violence and bitter sectarian division. During that period, the six counties that make up Northern Ireland—Antrim, Armagh, Down, Fermanagh, Londonderry and Tyrone—have witnessed a depressing catalogue of death and injury as Catholics and Protestants fought each other. Between 1966 and 1999 a total of 3,636 people were killed and 36,000 injured as the conflict spread beyond Northern Ireland's borders onto the British mainland and elsewhere. Most of the victims were innocent civilians.

Despite this legacy of violence and mistrust, remarkable steps been taken recently toward achieving peace. Since 1997 a fragile cease-fire has held among the main paramilitary groups, while the Good Friday Agreement of April 10, 1998 offers the best hope of a lasting settlement to the violence for well over a generation. As former U.S. Senator George Mitchell, chairman of the all-party peace talks, said after the signing of the Agreement: "This agreement proves that democracy works and in its wake we can say to the men of violence and those who disdain democracy: Your way is not the way."

The Roots of Conflict and Signs of Peace

The period known as "The Troubles" is merely one link in a long chain of religious bitterness and conflict stretching back across centuries of Irish history. Since the reign of Henry VIII (1509-49), when Catholic Ireland was brought under the rule of Protestant England, tension has existed between the two faiths. During the reign of James I (1603-25) large numbers of Protestants settled in the north of Ireland, creating a Protestant majority in the region that exists to this day. Following the defeat of the Catholic James II (1685-88) by the Protestant William of Orange (1689-1702) at the Battle of the Boyne in 1690, most of the land in Ireland was handed over to Protestant control. The Government of Ireland Act of 1920 recognised this *de facto* religious division by splitting the country into two separate political units, a predominantly Catholic south and a predominantly Protestant north. The south subsequently cut all ties with Britain, becoming the independent Republic of Ireland in 1949. The six counties of Northern Ireland remained a part of the United Kingdom.

It is this political division, compounding centuries of religious animosity, that lies at the heart of the Northern Ireland conflict. Most of Northern Ireland's minority Catholic population, mistrustful of the Protestant majority, would prefer to belong to a single, united Ireland. Most of its Protestants, on the other hand, are determined to remain a part of the UK. The result has been an ongoing cycle of protest and violence as paramilitary

groups from both sides of the sectarian divide have sought to press home their point with bombs and guns. The vast majority of the region's population eschews violence. But the two communities remain deeply suspicious of each other, and it is this legacy of antagonism and mistrust that the current peace process is seeking to dismantle.

The Good Friday Agreement has transformed the politics of Northern Ireland. It created a 108-member Assembly and 14-member executive body in which both Catholic and Protestant political representatives sit together in government, which is only the second time such power-sharing has occurred since 1920 (the first was the short-lived Sunningdale Agreement of 1973-74). The main paramilitary groups are maintaining an uneasy cease-fire, the British military presence is being scaled down, and inward investment has started to pour into the region as international companies have taken heart from the continued peace.

The signs of economic regeneration can clearly be seen in Belfast city centre. Cranes and scaffolding might be unsightly, but they are welcome symbols of prosperity. Investors have recognised Northern Ireland's potential since the 1970s, but the prospect of peace brought a sharp increase in the amount of investment from overseas. However, the high confidence and low unemployment are now threatened by one of business's biggest enemies—uncertainty after the suspension of the administration for Northern Ireland. Overseas investors might be taking a long term view, but any failure of the peace process will severely dent confidence. Northern Ireland has moved to the threshold of a new era of prosperity and that promise is something few people want to see snatched away.

For all that, though, the Agreement remains merely the first tentative step on a long road to a complete and lasting cessation of hostilities. An array of seemingly intractable problems remains to be solved. While the major paramilitary groups have for the moment laid aside their weapons, splinter factions such as the republican Real IRA and loyalist Red Hand Commandos have failed to call a cease-fire. The worst single atrocity of "The Troubles," the Omagh bombing of 1998, occurred thirteen weeks after the signing of the Good Friday Agreement. The issue of weapons decommissioning remains a deeply divisive one, while an ongoing feud between loyalist paramilitary factions has claimed several lives and left numerous people injured.

Perhaps most alarming, a significant section of the population, predominantly Protestant, are at best lukewarm in their support of the peace process. In the May 1998 referendum on the agreement, an estimated 96 percent of the Catholic community supported it as opposed to only 52 percent of Protestants. The violence and disorder that regularly erupt between the two communities during the Protestant marching season is a sign of how far the process still has to go before "The Troubles" are truly a thing of the past. Despite such difficulties, there is a wide determination to make the peace last. As British Prime Minister Tony Blair said in a 1999 speech to the House of Commons: "I accept that this is often and has to be an imperfect process and an imperfect peace, but it is better than no process and no peace at all."

Sectarianism remains deeply ingrained in the society. “Anti-sectarianism” is a strange word and many would not be familiar with the term. “Anti-Sectarianism” can be described as community relations in action—a positive, life affirming concept which promotes the acceptance of diversity in Northern Ireland's divided society. Sectarian attitudes, behavior and structures have been a feature of Northern Ireland life—and in cultures and societies far from Northern Ireland—for a considerable time. Writing in the 19th century, William Carleton summed up what he thought was the essence of sectarianism:

If you hate a man for an obvious and palpable injury, it is likely that when he cancels the injury by an act of subsequent kindness, accompanied by an exhibition of sincere sorrow, you will cease to look upon him as your enemy; but when the hatred is such that while feeling it, you cannot on a sober examination of your heart, account for it, there is little hope that you will ever be able to stifle the enmity which you entertain against him.

That these feelings and these actions are almost endemic within Northern Ireland society, in spite of a respectable veneer at some levels within that society, is almost a truism.

Few, if any, parts of Northern Ireland life and society escape from the sectarian attitudes and behavior which exist here. Many of those involved in business and public life would seek in formal terms to distance themselves and their organizations from these attitudes and behavior. That these continue to exist indicates that this distancing has not been successful against other trends in the society. However, many organizations in business and the public sector seem to embrace the concept of “non-sectarianism.”

It is not fully possible to convey the nuances of feelings, passions, intellectual nicety or gut reaction conjured up by a discussion of sectarianism. It is not just the bigotry and prejudice, the de-humanized, emotionless, ruthless cynicism that leads to sectarian murder. It is also the ghost at the feast of much polite society in Northern Ireland. While it can and often is the reality of life in working class housing estates, it is equally present in the leafy and apparently more “civilised” suburbs. It is ingrained into the fabric of society .

The Irish Congress of Trade Unions and Counteract

Despite generations of separation of and conflict between the two religious communities, the trade union movement has been united in Northern Ireland. Both Catholics and Protestants are together in the Irish Congress of Trade Unions (ICTU). Even unions based in England are affiliated with the ICTU for their members in Northern Ireland. It has not been an easy task to hold the trade union movement together through periods of extreme tension, but unions have maintained their solidarity, given workers a voice at the workplace, and represented and defended the interests of workers in both

communities. That role is virtually unique in Northern Ireland, and the ICTU is the only mass organization that represents people from both groups.

Trade unions, by their nature and through the requirements of their internal democratic life, in themselves contribute to managing conflict. But the ICTU felt that it was necessary to take further steps to actively diffuse sectarian tensions and conflicts, particularly at the work place. An important part of this effort was the creation of a new initiative called “Counteract.”

The private sector has in the past maintained that it is not their role to deal with community relations and sectarianism in the workplace. It has always been somebody else’s problem—the government, the voluntary sector, the churches—but never theirs. It has however become increasingly obvious that they cannot function effectively if they continue to ignore such obvious barriers to success. Regardless of the ethical debate, sectarianism affects the profits and efficiency, and therefore the long-term survival, of the organization, which in turn affects jobs and investment in the local community. There is also the danger of legal costs, bad publicity, loss of contracts and boycotts if sectarianism is not addressed.

Counteract was established in 1990 by the Irish Congress of Trade Unions. The aim of the organization is to eliminate sectarian harassment within the workplace and community, ensuring that no one suffers degrading, humiliating or unfair treatment because of their religious beliefs or political opinions. The mission of Counteract is to reduce and, through time, eliminate sectarianism in the workplace throughout Northern Ireland. It aims to realize this mission through immediate interventions designed to defuse acute sectarian tensions when and where these arise in the workplace; enabling employers to prevent these tensions from becoming acute; and fostering equity in the workplace and community.

Mission and Aims of Counteract

Counteract, as part of the trade union movement, seeks to promote economic and social policies and stresses the need for social partnership and an inclusive approach to achieving effective economic growth, tackling inequality and creating social cohesion. Peace, stability and progress does not result exclusively from an end to violence. Counteract is based on the belief that building trust to create a lasting peace in tandem with economic development is an essential ingredient in creating a just and progressive society.

To this aim, the establishment of local partnerships has gained increasing importance in recent years. This has been due to their ability to harness energy, skills, local strategies and resources to combat unemployment, poverty and social exclusion. The partnerships have found it necessary to confront sectarianism in addressing problems within the communities as a result of their geographical organization and the division within the community. To carry out this work, Counteract aims to raise awareness of sectarian harassment and outline effective steps to deal with it; define sectarian

harassment and examine the forms which it can take; place sectarian harassment in a legal context; and discuss key steps to deal with sectarian harassment in the workplace.

Counteract provides the following:

- Anti-sectarian training seminars suited to the needs of individual groups, trade unions or employers
- Advice and support to develop policies and procedures for organizations in dealing with sectarian intimidation
- Advice and support to organizations to develop an anti-sectarian ethos
- On-site training courses
- A practical approach in dealing with sectarianism, and a practical strategy in dealing with sectarianism as a manageable risk

Since its establishment Counteract has provided training seminars to a number of unions. They have also provided sessions within their own internal education programs on learning to deal with sectarianism in the workplace.

All too often the best employers fall foul of the legislation and are penalized in a tribunal simply because they were not aware of their obligations or because their procedures were found wanting. Counteract urges organizations to be proactive in combating sectarianism and also in correcting procedures that are in place to react to sectarianism when it occurs. Counteract facilitates joint training packages with a number of small organizations which have similar anti-sectarian training programs and who share the cost of the programs.

An organization will not prosper just because they have a good mission statement, however. They must deliver their product or service in an efficient and cost effective manner. Counteract aims to guide and support organizations in creating and maintaining a sustainable anti-sectarian ethos. Counteract believes that an anti-sectarian ethos brings strength. It not only solves critical problems in the most efficient way, but also pays off by giving leadership advantages.

The work of Counteract affects key factors in a company's success. It promotes the development of a harmonious working environment, and assists in the development of policies and procedures to support that. Its programs reduce the danger of having to answer a case of sectarian harassment brought to the Fair Employment Tribunal. They also promote equality standards and improve the company's effectiveness. Counteract assists in creating an anti-sectarian ethos that is recognized both internally and externally. Its work can contribute to the reduction of staff turnover levels (and the costs of recruitment and training), sickness and absenteeism; it can increase motivation, teamwork, employer involvement, and improve morale and trust.

Counteract Programs

Counteract has established a number of programs to support its aims. The Counteract Community Unit was established to challenge, confront and record the effects of sectarianism on people in the communities in which they live. The Unit was set up to work primarily with community groups and voluntary organizations. The fundamental aim of the Unit is to empower organizations in the community/voluntary sector to address sectarianism at individual and organizational levels through the creation of an anti-sectarianism and anti-discrimination ethos. The Unit has been working towards this aim through the provision of advice and training. Within this Counteract works with community and voluntary groups; youth and church groups; district councils; housing associations; and prisoners and ex-prisoners. It provides anti-sectarian training, support and advice, including how best to address specific incidents of intimidation and harassment.

In addition, the Support Unit has developed a research library, which allows them to record information and research which has been carried out on sectarianism and racial harassment. This covers both industry and community sectors. Counteract also has developed a recording system for incidents of sectarianism and racial intimidation across Northern Ireland, and it has developed the capacity to analyze this information.

Counteract also provides a training package for organizations aimed at addressing sectarian intimidation, gender/sexual harassment, racism and disability discrimination. This program is designed to facilitate capacity building within organizations in the public, private and community sectors, including trade unions, to develop, deliver and maintain in-house anti-intimidation training programs specifically tailored to their own organizational needs. It promotes organizational ownership of anti-intimidation/anti-discrimination training programs. This program challenges organizations to evaluate the personal and professional intimidation and discrimination in their workplace, and examine how best to promote equity and the acceptance of diversity in regard to internal and external working relationships.

Counteract seeks to help participants develop an understanding of the fundamentals of anti-intimidation/ anti-discrimination practice, and how to design, deliver and evaluate training programs. The objectives of the program are to provide participants with the skills and knowledge to develop innovative educational programs, develop educational resource materials, develop a pool of facilitators and tutors, and create a self-sustaining source of support and development for the organization.

The program offers participating organizations an opportunity to evaluate their response to the issues of sectarian intimidation, gender and sexual harassment, racism and disability discrimination. The significance of this in a divided society is the understanding that we all have bias and prejudice, and these can greatly undermine organizational structure and the work that we do. The consequences may adversely affect productivity and services and inhibit future development. The competence to engage in anti-intimidation/ anti-discrimination training is a means of promoting equity and the acceptance of diversity in support of the organization's ethos.

To support this, Counteract has published a video and trainer's resource pack. The training pack challenges employers, trade unions and individuals to address the prejudices that contribute to the tensions in society. The pack contains a video that presents two incidents of sectarian intimidation in the workplace in drama form, and raises questions for discussion and debate. It also includes a sponsor's brochure that acknowledges the many organizations that made the project possible. There is also a training guide containing suggestions of further topics for discussion, suggested exercises, and workshop topics, along with visual aids to help facilitate discussion.

Counteract, Anti-Sectarianism, and the Future of Northern Ireland

In the ten-year period that Counteract has been in operation it has witnessed some dramatic changes both in society and in the work that it does. In 1990 there was the establishment of Fair Employment Tribunals which prohibited sectarian harassment and intimidation as unlawful. This was a very important development in assisting those working to address sectarianism in the workplace.

The financial penalties imposed by the Tribunals also focused the minds of firms on the importance of being more pro-active in addressing sectarian harassment. This became another tool in Counteract's continuing analysis of how business could benefit from addressing harassment in the workplace. Organizations at that point in time denied there were any problem, and there was great fear of even speaking about the subject, as if to do so would be an admission that they had a problem.

The next important change came in 1994 with the cease-fire and eventually the Good Friday Agreement. This created the greatest opportunity for organizations to address flawed relations in the workplace. A number of other important changes soon followed with the establishment of the Equality Commission, the introduction of public and statutory bodies' competence to submit equality schemes, and the establishment of the Human Rights Commission. The issue of equality and community relations is an integral part of the Good Friday Agreement, as it is with the recently published Programme for Government.

In line with these changes and the introduction of new legislation, Counteract has gone through a number of changes both in delivery of its training programs and the range of organizations with which it works. When first established Counteract was mainly providing awareness training to trade unions and community groups. It also responded to requests from organizations to assist them in dealing with serious incidents of harassment in the workplace. Through these interventions Counteract then assisted in the development of policies and training for management and staff.

Counteract in the past had a sense of urgency and an impatience to resolve and eradicate sectarianism. Since then that impatience to seek immediate change has been tempered though its experience in working with partners and other organizations. This has led to maturity in the understanding that change in this field of work requires time and patience.

Counteract now sees its work at a micro and macro level. The delivery of awareness training to individuals and small groups will not in itself sustain change, which requires organizational change at the macro level. At present a majority of its work is in providing programs to organizations to help them develop ownership and the internal capacity to establish an ethos of equity and diversity.

The future of Northern Ireland requires change. That can only be achieved if organizations and leaders in the public and private sectors embrace change. This includes the social partners, trade unions, and business, as well as political parties, churches and other elements of civil society. Change is most difficult for everyone but “If you always do what you have always did...then you will always get what you always got.”

Croatia and Post-Conflict Reconstruction

Heidi Kuhn
Roots of Peace

Introduction

Roots of Peace was founded with the mission of eradicating landmines by transforming “seeds of destruction” into “seeds of renewal” by converting demined land into productive agricultural use, strengthening community values, and supporting the employment of landmine victims in the cycle of planting, cultivating and harvesting useful crops. Roots of Peace brings new resources, new energy, and greater public awareness together in the cause of creating a landmine-free world through innovative public and private partnerships for peace. Roots of Peace has a particular interest in working in partnership with the wine industry, and has developed an innovative model project called “Mines to Vines” to support demining efforts, replant the land with vineyards, and promote agricultural development as part of post-conflict reconstruction.

Every 22 minutes someone steps on a landmine, shattering another family’s world. An estimated 60 to 70 million landmines are buried in 70 countries, and each year 26,000 civilians are killed or maimed; 8,000 to 10,000 of the victims are children. According to the U.S. State Department, landmines are responsible for displacing hundreds of thousands of refugees, keeping them from returning to their homelands and forcing them to live on charity rather than through the fruits of their labors. The effects of this plague on people, communities and economies is staggering. Beyond the emotional toll, there are devastating economic costs—lost wages from premature deaths, massive health care costs stemming from injuries and rehabilitation, and lost revenue from unutilized lands. Landmines deprive communities of thousands of acres of productive land, much of it in areas of the world desperate for food and agricultural development.

Roots of Peace is an international nonprofit humanitarian organization founded in 1997 and dedicated to removing landmines and restoring demined lands to productive agricultural use. The organization is committed to revitalizing the surrounding agricultural communities and economies. It strongly supports victim assistance by seeking to employ landmine victims on a first-priority basis, creating sustainable jobs throughout the entire cycle of planting, cultivating, harvesting and packaging agricultural products. Roots of Peace has rapidly transformed itself from a compelling new idea into an established organization. It has fostered interest and goodwill from world leaders, and has worked with the U.S. State Department, the California wine industry, leaders of the Silicon Valley high-tech community, academia, and the NGO community.

Roots of Peace looks at the issues surrounding demining in a new light, shifting the attention from the mines themselves to the economic potential of the mined region. Focusing attention on agricultural and market prospects of mined lands has enabled Roots

of Peace to attract a new array of powerful allies, supporters and collaborators. These partners understand and resonate to the language of business and economics as well as to the cause of compassion. The mission of Roots of Peace is to partner demining issues with economic development during post-conflict reconstruction, to produce a renewed vitality for war-torn regions of the world.

Roots of Peace

*“And They Shall Beat Their Swords into Plowshares
And Spears into Pruning Hooks
So That Nation Does Not Fight Against Nation
And There Shall Be No More War.”*

The late Princess Diana had catapulted the issue of landmines to the forefront of the international agenda during her visits to Angola and later to the Balkans during the final three weeks of her life. Her death inspired an outpouring of global compassion for the social causes she had supported, most notably the landmine issue.

A group of landmine activists went on a speaking tour in California only three weeks after Princess Diana’s death in September 1997. They included Jerry White, co-founder and executive director of Landmine Survivors Network; U.S. Army General Robert Gard; Mary Wareham, director of the Vietnam Veterans of America Foundation; and activist Caleb Rossiter. Heidi Kuhn, a former CNN television reporter and fifth-generation Californian, was inspired by the plight of landmine victims, and at the same time deeply influenced in her thinking by her connections with vintners in nearby Napa Valley. She raised her glass before the activists and declared, “That the world may go from mines—to vines.” This planted the seeds of what would soon become Roots of Peace, based on Kuhn’s determination to match the idea with action.

Kuhn went to work cultivating her long-term connections in the California wine business, including Eric Wente, CEO of Wente Vineyards; Tor Kenward, Vice President of Beringer Vineyards; and Robert Mondavi, of Mondavi Wines. As Kuhn spoke with the vintners, she often reminded them that San Francisco (named for St. Francis of Assisi’s respect for the beauty of the soil) was the birthplace of the United Nations in 1945. The vision of converting swords into plowshares inspired the original UN delegates gathered under the redwood trees of Muir Woods to firmly plant the roots of peace at the end of WWII. The landmine issue was an opportunity for the vintners to reclaim their local roots of peace and remind global citizens of the birthplace and meaning of the United Nations.

The Napa Valley Vintners Association, representing over 140 wineries, soon lent their support to Roots of Peace as the first international project ever supported by the wine industry (see Appendix for company names). Shortly thereafter, some of the same activists who had originally inspired Roots of Peace were awarded the Nobel Peace Prize, as co-recipients of the International Campaign to Ban Landmines (ICBL). Kuhn appealed to her core group of supporters—Beringer, Mondavi and Wente—to join her in

a United Nations Association delegation to Canada to witness the signing of the Ottawa Treaty to Ban Landmines on December 2-3, 1997. Their efforts transcended politics, and respected the plight of fellow farmers in 70 countries who strive to cultivate their land amidst the fear of landmines beneath their plows. While the United States did not join the 135 countries in Ottawa, the support of the California vintners was acknowledged in major newspaper accounts of the signing. Kuhn has since garnered the support of The Wine Institute, representing over 400 California wineries; contributions from local Silicon Valley technology companies; and other northern California businesses. Roots of Peace eventually plans to expand this support to include vintners from France, Italy, Germany, South Africa, Chile, and all internationally prominent wine growing regions.

Mines to Vines in Croatia

Mines to Vines, the organization's signature program, was launched in Spring of 2000. This first project aimed at transforming mined land in Croatia into lush vineyards, which will ultimately anchor a new economy in this war-torn region. Among the 70 mine-affected countries in the world, Croatia was selected by Roots of Peace as a model project due to its 8,000 year history as a grape growing region, and its unfortunately status as one of the top ten land mine-affected countries in the world. Croatia is a "western" country situated at the crossroads between Central Europe and the Mediterranean, bordering the Adriatic Sea, between Bosnia-Herzegovina, Hungary and Slovenia. Landmines are a legacy of the 1991-1995 Balkan Conflict. Of Croatia's 21 counties (including the City of Zagreb), 14 are mine-affected. Sources vary widely in their estimates of the number of landmines in Croatia, from a low of 400,000 estimated by the UN to a high of 1.2 million made by the Croatian Mine Action Center (CROMAC), the official Croatian government body responsible for coordinating all mine-related activities in the country.

Roots of Peace raised the initial funding for demining through a fundraiser hosted by Robert Mondavi. Sponsorship for the event was provided by Chevron Corporation, DivcoWest Properties, The Marin Community Foundation, and The Robert Mondavi family. Numerous vintners personally donated substantial sums of money to the cause. One-hundred percent of the proceeds generated went towards demining efforts. The Marin Community Foundation (MCF) served as the non-profit organization to administer Roots of Peace funds (the success of Roots of Peace fundraising led it to establish its own legal non-profit status in April 2000). The International Trust Fund (ITF), with matching grants from the U.S. State Department Office of Humanitarian Demining, administers Roots of Peace funds in Croatia, awarding demining contracts through invitations for tenders and monitoring the execution of demining efforts.

Roots of Peace selected the United Nations Association Adopt-a-Minefield as their initial project, requesting that the UNA-USA identify a vineyard site in the war-torn grape growing areas of Croatia. Through the efforts of UNA-USA, UNDP and UNMAC, the Dragalic site was chosen. Representatives of Roots of Peace, including California vintners Miljenko Grgich, CEO of Grgich Hills Cellars, and Judy Jordan, CEO of J Wine Company, traveled to Dragalic in May 2000 with a U.S. State Department mission led by

Mr. James Lawrence, Director of Public-Private Partnerships, Office of Global Humanitarian Demining.

The Mayor of Dragalic, Mr. Zdenko Gorup, outlined the serious problems resulting from the war that Dragalic faced in the 1990s. The community sustained extensive damage and mine contamination affecting all houses in the area. Medari is adjacent to Dragalic and is the most suitable location for vineyards in the municipality, as the area was a significant producer of grapes for wine in the past. In fact, Medari had a reputation for producing a special variety of grape used to make a well-known, high quality Riesling. In the 1980s, government policies encouraged farmers in the area to switch to fruit orchards, and the area planted in vineyards declined. When the war started, most of the remaining vineyards were for personal use of the owners. The Mayor of Dragalic indicated that there were a number of farmers who wanted to plant vineyards and raise grapes for commercial wine making. He assured the delegation that there would be no problem selling grapes to wine producers. The Kutjevo Winery, a large and well-known wine producer, is not far away, and there is an association of grape growers in Nova Gradiska that would buy the grapes as well.

In May 2000, the UNA-USA contracted with CROMAC to demine the Medari Vineyard. At the same time, the Roots of Peace delegation also installed an Internet Lab in a local school. Judy Jordan demonstrated its potential by communicating directly with her daughter and her classmate in Healdsburg, California, giving Croatian students their first exhilarating experience with the tools of technology. The Roots of Peace delegation also launched a community development program entitled ARTPEACE to raise funds. They asked the Croatian children draw artwork of their lives in a war-torn country on giant canvases. These compelling visual art pieces created by the children were brought back to the United States for an auction in Sonoma Valley to raise additional money to demine a community soccer field and improve the local school.

The second areas in Croatia in which Roots of peace worked were Cista Velika and Cista Mala, villages located 15 km from the seaside in the county of Sibenik. Prior to the war in Croatia, Cista Velika was inhabited primarily by a Croatian population, while Cista Male consisted primarily of a Serb population. Both villages had lived together for hundreds of years in peace until the seeds of hatred were ignited by war during the 1990s. Both villages were heavily mined, and the Serb population fled their homeland. The villagers would return only if the landmines were cleared, so that they could cultivate their agricultural lands. The villages were originally selected during a Roots of Peace/U.S. State Department delegation to Croatia in January 2000 led by Mrs. Lynne Montgomery, wife of the U.S. Ambassador in Zagreb. Roots of Peace returned to the site in May 2000 with a group of California vintners. The ITF negotiated contracts for demining and cleared 233.881 square meters of land in both Cista Velika and Cista Mala.

The demining effort resulted in establishing peace and confidence building, as well as increasing the level of safety for the inhabitants of both Cista Velika and Cista Mala areas. Agricultural crops have now been planted in former minefields, and the successful demining efforts greatly accelerated the return of refugees. To date, Roots of

Peace has completed the demining of two regions in Croatia, totaling 160 acres. Dragalic, near Nova Gradiska and Vukovar, was completed in May 2000, and Ciste Male and Ciste Velika were completed in July 2000. Restoring this land to active production will yield an important economic impact in a region that has been devastated by years of war.

Fostering Business Partnerships

Fostering sister industry partnerships, educational exchanges, and other cross-cultural transactions is an important part of the Roots of Peace model. Roots of Peace has attracted a constellation of collaborators from a wide range of fields, all of whom share an interest or a role in helping a new economy achieve a foothold in mined regions of Croatia. Examples of these partnerships include industry programs to bring Croatian vintners to the U.S., university vintner programs providing extension services in Croatia, and cross-cultural linkages between sister U.S. and Croatian elementary schools, provided by technology partners from the high-technology industry.

Initial support for Mines to Vines in Croatia came from wine industry, as described above, but others soon followed. California-based technology company Autodesk, Inc., provided financial support, and also donated geographical information systems (GIS) software as a tool to support demining efforts. The GIS software is used to plot accurately individual minefields before, during and after demining operations, allowing organizations involved in demining and post-conflict reconstruction to gather disparate data in one centralized depository. The Autodesk corporate logo is “Design Your World”—and the partnership with Roots of Peace presents an opportunity to “design a world” that is landmine-free by using modern technology to improve current demining techniques in Croatia. Carol Bartz, CEO and Chairman of Autodesk, has said that “we can leverage the advances in technology to make sure that a child can be safe walking across a field in Croatia. [Roots of Peace] truly illustrates that technology really does make a difference, especially when you have the right partners.” Two Autodesk senior executives joined a Roots of Peace delegation on a U.S. State Department mission to Croatia in January 2000. They contracted with a local videographer in the capitol city of Zagreb to document the demining efforts, and used the edited film to showcase the Mines to Vines initiative to their employees.

Another major supporter of Roots of Peace in Croatia is The North Face, a major outdoor sports apparel company headquartered in Berkeley, California. The North Face motto “Never Stop Exploring” is a poor slogan to follow in a mine-affected country. Heidi Kuhn approached the company’s marketing manager to point out that this advice, if followed in over 70 countries affected by landmines, would likely kill or maim an innocent outdoor adventurer. The North Face was inspired to donate support for a Roots of Peace trip to Croatia, both in cash and in-kind contributions of apparel and outdoor gear for Croatian families. The U.S. State Department generously matched these donations, providing Roots of Peace with additional demining funds to contribute towards Croatia. In addition, Federal Express, a leader in international air transportation, shipped the donated goods to Croatia. The contents were distributed to landmine victims, deminers in the field who needed new warm clothing, school children who smiled over

quality back-packs for books, and numerous Croatian families. This collaborative partnership between the private sector, government, and a non-profit group is a successful model for re-building a war-torn country.

Roots of Peace is actively working with Rotary Clubs to embody their 2001-2002 International Theme—"Mankind is Our Business." Sixty-seven of the countries where Rotary Clubs operate are mine-affected. The replanting of demined fields offers Rotary International an avenue to partner clubs globally, develop positive international relationships, and serve humanity in a meaningful way. After helping to rid the world of polio through its Polio Plus program, the demining campaign is a logical next step. Two Roots of Peace Board Members who are active Rotarians, Heidi Kuhn and Ann Laurence, traveled to Croatia in January 2000 to meet with the Rotary Club of Zadar, Croatia. Through several years of concentrated efforts, they have successfully established a "sister city" relationship between the Rotary Club of San Rafael, California and the Rotary Club of Zadar, Croatia.

Several thousands of dollars have been raised by individual members of the Rotary Club of San Rafael to support Roots of Peace demining efforts in Croatia. Judy Jordan, CEO of J Wine Company, donated \$6,000 to the Rotary Club of Tiburon to establish the Roots of Peace Internet Lab in the local Dragalic school. The project, called Global RotaryNet, has been working to link schools in the Balkans to the Internet and train teachers in how to use the Net in classroom studies. The primary function is to provide the tools and training for education in remote and troubled regions using advanced communication technologies. Students in Croatia have become e-pals with students in California, sowing seeds of friendship and hope in war-torn regions. A side benefit of the Roots of Peace Global RotaryNet project is that the computers are fully utilized during after-school hours by other local audiences, such as journalists and the business community—providing training for a variety of individuals in zones of conflict to improve their current status as they struggle to cope with challenges during the aftermath of war.

Digitas Advertising Agency, headquartered in Boston, Massachusetts, has selected Roots of Peace as their "pro bono" client, donating an estimated \$1 million towards an innovative marketing campaign to raise awareness, solicit donations, and communicate the mission of the organization. They created the extensive Roots of Peace website. Ruder Finn, a major public relations firm, has committed to design a strategic communications program for Roots of Peace. Ruder Finn plans to explore opportunities to raise public awareness of the landmine issue through media, market analysis, industry conferences, events and written materials. Through this partnership, the Roots of Peace Croatian delegation in August 2001, which included Nobel prize-winner Jody Williams, was actively promoted to the global media and contributed to raising further support for demining activities.

Support from Governments

Roots of Peace also has partnered with governments in its Mines to Vines program in Croatia. In the U.S., the Office of the Special Representative of the President and Secretary of State for Global Humanitarian Demining, which was established in October 1997, supports efforts in the U.S. and abroad to accelerate landmine detection and clearance programs, promote landmine awareness in affected nations, assist survivors of landmine accidents, enhance research and development of new demining technologies, and develop public-private partnerships to support these programs. The Office supported two Roots of Peace public-private partnership delegations to Croatia, in January 2000 and May 2000. The teams toured mine-affected areas in Croatia and visited agricultural areas, including vineyards, contaminated with landmines from recent conflicts. These visits launched the Roots of Peace projects in Croatia.

The Humanitarian Demining Office also directly supported the efforts of Roots of Peace in raising landmine awareness by funding the printing costs for a bus shelter advertising campaign in both San Francisco and Washington, D.C. This landmine awareness campaign was developed by Digitas Advertising Agency, and successfully attracted attention to the compelling theme “What if landmines were in the U.S.?” This Office also granted \$200,000 for the implementation of an innovative Roots of Peace web design.

The Croatian government has actively supported the efforts of Roots of Peace for many years. Dr. Miso Munivrana, Consul General of Croatia in Los Angeles, embraced the concept of the California vintners returning demined land into productive agricultural use. He joined early Roots of Peace initiatives, including Mines to Vines fundraisers and landmine awareness forums hosted by Roots of Peace and the Commonwealth Club of San Francisco. As the program expanded, he supported a delegation traveling to Croatia in May 2000. Ambassador Ivan Grdesic of the Croatian Embassy in Washington, D.C., hosted a private reception honoring the efforts of Roots of Peace and the Mines to Vines initiative in March 2001. This event attracted the diplomatic community, ambassadors of Balkan countries, United Nations officials, prominent NGOs, business leaders, and representatives of the U.S. State Department. The gathering launched the new Roots of Peace website designed by Digitas Advertising Agency. Through the generous efforts of the Croatian government, Roots of Peace was formally introduced to a diverse gathering of dignitaries. The Republic of Croatia also hosted a Roots of Peace delegation to Croatia in August 2001 which included Jody Williams, 1997 Nobel Peace Prize co-recipient.

The Canadian Department of Foreign Affairs and International Trade (DFAIT) also generously issued a grant to Roots of Peace for a diplomatic reception in northern California honoring U.N. Secretary-General Kofi Annan on June 11, 2001. DFAIT sponsorship allowed Roots of Peace to make contacts at the highest level to produce a successful event with over 150 key business leaders from the Silicon Valley. The speakers included Canada’s former Prime Minister, Kim Campbell; Jerry White, of the

Landmine Survivors Network; Bobby Muller, from the Vietnam Veterans of America Foundation; James Lawrence, US State Department; and Judy Jordan, CEO of J Winery.

Partnerships with Non-profit and International Organizations

Roots of Peace has actively involved the interfaith community in its work. The Presidio Chapel in San Francisco hosted an interfaith service for Roots of Peace on March 1, 1999 honoring the implementation of the Ottawa Treaty to Ban Landmines. Religious organizations from various denominations were featured in the program, all reading different passages on respect for the soil and planting of roots of peace in various cultures. As bells around the world chimed, ringing in the Treaty to Ban Landmines, The Presidio Chapel bells rang to honor humanitarian demining efforts.

The United Religions Initiative (URI) based in San Francisco actively supports Roots of Peace. URI Board Member Father Gerry O'Rourke joined a delegation of the Campaign to Ban Landmines in Washington, D.C. in July 2000 to lobby Congress on behalf of removing the scourge of landmines. Several meetings with members of both the House and Senate presented the efforts of Roots of Peace to transcend religious and political beliefs and respect the fruits of the earth.

Roots of Peace has been fortunate to have the participation and support of various representatives of the United Nations for its demining efforts. The wife of the U.N. Secretary-General, Mrs. Nane Annan, helped launch Roots of Peace at an event in April 1998. Secretary-General Kofi Annan was honored by Roots of Peace in a special program in San Francisco, as mentioned above, and will be further honored at an event in New York in May 2002. The former Director of the UN Environment Programme, Dr. Noel Brown, is a current Board member. Many other individuals from the United Nations system have been of critical support, helping to facilitate the efforts of Roots of Peace to raise significant resources for demining efforts.

Conclusion

Roots of Peace, begun with a toast, has become a successful non-profit organization dedicated to raising public awareness of the landmine issue, and actively engaged in demining efforts. It seeks to restore agricultural productivity in lands devastated by war. It has done this through innovative partnerships with the wine industry and with other businesses. Its work has been facilitated and supported by governments, representatives of international organizations, and interfaith organizations.

It is clear that the generosity of the California vintners who partnered with Roots of Peace in fundraising was crucial to the initial success of the organization. However, the leaders of the organization realize there is a need to build in more flexibility in the Mines to Vines program. Roots of Peace needs to support post-conflict reconstruction that includes room for crops other than grapes, to respect the needs of the local people. A grapevine often takes several years to yield a good harvest, and local people suffering the

after-effects of war, may prefer the more immediate return on investment from field crops such as corn, plums and pears.

Roots of Peace has now established itself as an independent non-profit organization, and is planning to expand its programs beyond Croatia. It is currently working on a project in Cambodia, and will soon be establishing a new Mines to Vines program in the Shomali Valley region of Afghanistan. It is hiring staff to institutionalize and continue its fundraising and programmatic activities, both at headquarters and, most importantly, in the field. Roots of Peace, with a professional consulting firm, developed a strategic plan in fall 2001. The organization is seeking operational grant support from major foundations. It also plans to seek partnership support from vintners from other wine-growing regions around the world. In order to facilitate and expand its work further, Roots of Peace may partner with other non-governmental organizations in the areas where it operates. It is already developing plans to bring Mines to Vines to other mine-affected countries.

Appendix: Roots of Peace Wine Industry Partners

Several California Roots of Peace vintners have supported our efforts by hosting wine tastings and dinners to raise awareness regarding the issue of landmines among the general public:

BERINGER WINE ESTATES—*Spring 1998, Fall 1998*
NAPA VALLEY VINTERS ASSOCIATION—*Spring 1998, Fall 1998*
ROBERT MONDAVI PRIVATE DINNER—*May 1999*
THE STATE OF THE WORLD FORUM—*October 1999*
UN SECRETARY-GENERAL KOFI ANNAN RECEPTION—*June 2000*
J WINE COMPANY—*November 2000*
JORDAN WINE COMPANY—*August 2001*
GRGICH HILLS 25th ANNIVERSARY OF PARIS TASTING—*May 2001*
DOMAINE CHANDON WINERY AND RESTAURANT—*May 2001*
SMITH & WOLLENSKY MINES TO VINTS DINNER SERIES—*2001*

In addition to the California Wine Institute, several key Sonoma and Napa Valley vintners have raised funds for landmine clearance. These include:

ACACIA WINERY
ANDERSON'S CONN VALLEY VINEYARDS
ATLAS PEAK VINEYARDS
BARNETT VINEYARDS
BEAULIEAU VINEYARDS
BENESSERE
BERINGER WINE ESTATES
CAIN VINEYARD
CAKEBREAD CELLARS
CHATEAU POTELLE
CHATEAU WOLTNER
CLOS DU BOIS
CLOS PEGASE
CORISON WINES
COSENTINO WINERY
CRICHTON HALL
CUVAISON
DIAMOND CREEK VINEYARDS
DOMAINE CHANDON
DUCKHORN VINEYARDS
DRY CREEK VINEYARDS
EDGEWOOD ESTATES
FAR NIENTE
FERRARI-CARRANO
FRANCISCAN ESTATES

**FOPPIANO
FREEMARK ABBEY
FROG'S LEAP
GALLO SONOMA
GRGICH HILLS CELLARS
HARRISON VINEYARDS
HEITZ WINE CELLARS
J WINE COMPANY
JORDAN WINERY
JOSEPH PHELPS VINEYARDS
JUDD'S HILL
JULIO GALLO FOUNDATION
KENDALL-JACKSON WINERY
LANDMARK
LIVINGSTON WINES
MARKHAM VINEYARDS
MERRYVILLE VINEYARDS
MONTICELLO VINEYARDS
MOSS CREEK WINERY
MOUNT VEEDER WINERY
M. TRINCHERO
NIEBAUM COPPOLA
OLIVER CALDWELL CELLARS
PINE RIDGE WINERY
PLUMPJACK WINERY
QUAIL RIDGE CELLARS
RAYMOND VINEYARDS
ROBERT MONDAVI WINERY
RODNEY STRONG
RUTHERFORD HILL
ST. CLEMENT VINERYARDS
ST. SUPERY VINEYARDS
STONEGATE WINERY
STONEHEDGE WINERY
STONY BROOK MOUNTAIN VINEYARDS
STAG'S LEAP
SUTTER HOME
TREFETHEN VINEYARDS
TURNBULL WINE CELLARS
WILLIAM HILL WINERY
WENTE
ZD WINES**