



(Big) Business, Women and Security: Profiting from a Healthy Skepticism

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Introduction

This paper outlines recent developments in the nexus where the private sector, women, and security meet and how these three themes are discussed in the sustainable development, post-conflict reconstruction, and state-building debates. Drawing on insights from a range of literature on conflict, development, state-building, gender, post-colonial feminist, and, international political-economic studies, the paper contributes to understanding the role big businesses play in realizing or undermining women’s decades-old, nonviolent struggle for security and political and economic rights.

The Great Growth-Conflict Debate

Like it or not, market economies are becoming more widespread, and big private businesses are becoming a central actor in societies around the world. In the discourse of conflict, Collier and Hoeffler (2004: 146) highlight a positive correlation between low economic growth and onset of civil wars. Their study is a convincing case for higher economic growth, within which there is the implication of a major role for private business actors and private capital. At the same time, other studies throw light on the negative consequences of private sector actors (namely, in extractive industries) that initiate, sustain, and reproduce armed conflicts (Bannon and Collier 2003: 4-5).

Much of the negative consequences have detrimental effects on women and other vulnerable groups because they exacerbate structural vulnerabilities in and around women’s lives. As True (2010: 40) observed, the effect of global processes of structural political-economic forces are increasing the conditions for, and extent of, violence against women. Meanwhile, economists continue to warn against accelerated economic growth through massive private capital in post-war contexts, citing how such growth can breed more social violence (Murshed 2015: 77). In this vein, True (2010: 40) stated that “post-conflict and post humanitarian crisis and natural disaster processes have tended to deepen gender inequalities in economic and political participation, affecting women’s vulnerability to violence.”

The eight standing resolutions adopted by the UN Security Council under the theme of women, peace, and security - notably, resolutions 1325 and 1889 - all recognize the importance of women’s full and equal participation as active agents in conflict prevention and resolution, peacebuilding, and peacekeeping. Nonetheless, an abundance of evidence reveals the difficulty of actually realizing the goals enshrined in these resolutions.

To date, the role of the private sector - comprising a range of actors, from large multinationals to informal micro-enterprises - remains a contentious topic in debates concerning causes of conflict, post-conflict reconstruction, and state-building. More than ever, large-scale private business activities in conflict contexts have come under serious scrutiny. Many such actors receive negative press, which has caused the donor community to keep an arm's length from private business actors (Barbara 2006: 571). Lately, however, we have begun to witness donors rekindling their relationships with private business actors (ibid).

A number of high-level policy and political statements issued by intergovernmental, regional, and bilateral donors demonstrate this. Since releasing the report "An Agenda for Peace" in 1992, various UN initiatives have endeavored to usher the donor-business relationship into a new and accelerated phase. They include the UN Global Compact, the "Guidebook on Promoting Good Governance in Public-Private Partnerships (PPPs)" and the UN Human Rights Council-endorsed Guiding Principles on Business and Human Rights: Implementing the United Nations "Protect, Respect and Remedy" Framework (De Felice 2015: 2; Barbara 2006: 581). Like the UN, the Organization for Economic Co-operation and Development (OECD)¹ and the European Union² have also begun a cautious, steady advocacy of a greater, leading role for private sector actors in development and post-conflict state-building.³ Of the specific modalities of operationalizing the post-2015 development agenda, the director general of the United Nations Industrial Development Organization (UNIDO) Li Yong said:

"Partnering with the private sector is the foundation of any successful large-scale development strategy. The shared nature of the global development challenges we face today calls for collective action that is inspired and shaped by the challenges and opportunities of the next fifteen years. Building vibrant and systematic partnerships with the private sector is a vital prerequisite for the successful implementation of a transformative agenda to accelerate poverty reduction and sustainable development in the post-2015 era." (UNIDO and United Nations Global Compact 2014:2)

Feminist critics, however, observe compelling evidence to substantiate the argument that "women's physical security and freedom from violence are inextricably linked to the material basis of relationships that govern the distribution and use of resources, entitlements and authority within the home, the community and the transnational realm" (True 2010: 40). The takeaway from this observation contradicts the UN's efforts to assign a central role to private actors, especially among big businesses, as is supported by the UNIDO director's statement. What is more, official UN approaches keep failing to make links between, on one side, the effects of financial crises, macroeconomic policies, and trade liberalization and, on the other side, the prevalence of violence against women (ibid. 32).

In these crucial debates examining the potential of the private sector, only small- and medium-term enterprises financed by local and foreign private business actors offer somewhat promising results so far. We notice this pattern regardless of any major barriers experienced by women in post-conflict economic rebuilding processes. We also see the forging of a positive correlation between female entrepreneurship and women's participation and empowerment in the political sphere and, more broadly, in the formal economy (Hameed and Halterman 2014).

(Private) Big Business Partner in Prosperity or Crime?

Recent developments have facilitated more and more inroads of private business actors to developing and post-conflict countries. These include the declining share and effectiveness of development aid from the traditional donors to developing countries; perpetuation of the eurozone economic crisis; accelerated globalization's lead-up to further fragmentation of the state-based international system (Barbara 2006: 583); and national elites' increased refusal to accept donors' conditionality, political or otherwise, in exchange of foreign aid (Spear 2012: 240).

As per recent developments, easy access to massive private capital through private business actors (especially through Chinese Business actors) to developing countries, usually that have controversial human rights records paints a worrisome picture (Spear 2012: 239). Further, the neoliberal influence of external private business actors on national policy making is seen as having serious negative consequences on broader social movements, in particular, women's economic and political rights solidarity (Bjork and Jones and Klein in Barbara 2006: 587). As some studies claim, one way or another, private sector actors in conflict and post-conflict contexts cause and reinforce conflicts, thus weakening relationships among state institutions, the state, and society. In weakening state institutions, these actors create or perpetuate structural root causes of armed hostility and undermine local communities' efforts in economic development and recovery efforts, arenas in which women play a leading role (Bray 2009: 10; Banfield et al. 2006; Nordstrom 2010: 161).

According to the private business proponents, interests of the private sector and those of peacebuilding are fundamentally complementary. Its critics claim the opposite, finding that private enterprise feeds into the exploitative, predatory war economies that have evolved in the course of conflict (Berdal and Mousavizadeh 2010: 38). Private sector interests are likelier to undermine nation-building in post-conflict settings as they run counter to the negotiation of new social contracts, which form the basis of enduring peace (Barbara 2006: 582). Furthering this line of argument, feminist scholars point to the de-politicization effects private sector interests have on women in post-conflict nation building (ibid.). The effects appear despite international safeguards, such as UN Security Council resolution 1325, which is meant to prevent marginalization and promote women's voices and ownership in post-conflict reconstruction processes.

The worries expressed by scholars continue to mount, given the current lack of accountability mechanisms and private business actors' self-imposed, optional, and/or self-reported standards of corporate social responsibility⁴ vis-à-vis state parties. Although efforts have been taken to link businesses to human rights standards, researchers lament their lack of seriousness, not to mention progress, when it comes to protecting the most vulnerable (De Felice 2015; Bray 2009; Ruggie 2007; Barbara 2006).

Fast growth, often unmanaged and targeted through private capital and private financing in post-conflict reconstruction, carries equal risk of letting societies slide back into or invite violence (Murshed 2015: 71; Bray 2009: 2). Further, feminist scholars warn against extending indiscriminating, if not blind, support to state-backed macro finance generated by private sources and often injected into conflict-ridden countries as a quick economy-fixing strategy. The dismantling of women's livelihoods and, their economic and political empowerment is one major negative ramification. Among others, the fast-paced deregulation of markets and the weakening of a state's economic and social protection mechanisms also show more damaging effects on women. These developments often destabilize informal markets, including the agricultural and the organized formal (i.e. social) sectors, where women comprise the majority (Nordstrom 2010: 162; OECD 2013: 42; Justino et al. 2012: 15-16). Researchers have also shown how state-backed macro finances generated through free-flowing private sources overrun the earlier donor-supported, micro-financed small- and medium-term local enterprises in which women are the main beneficiaries (Bray 2009: 15; Berdal and Mousavizadeh 2010: 41-42; Sørensen 1998: 28). The recent shift from donor-backed micro-financing to massive state-backed private macro finance investments is therefore likelier to leave women more structurally vulnerable and voiceless in post-conflict reconstruction processes (ibid).

A worrisome picture emerges, too, when we view the negative consequences of massive macro financing and private foreign investors gaining increased access to national and local markets on more free or open terms. Taking the scenario of unregulated yet abundant female productive labor, usually available in post-conflict labor markets (identified as an important legacy of the violent conflicts), we can anticipate expanding room for exploiting women's labor.

Women in post-conflict contexts are in dire need of a livelihood, seeking to make ends meet at any cost to themselves and their families (Sørensen 1998: vi). This presents quite a contrast to arguments that free and open terms of private investment have the potential to serve women's struggle for economic empowerment better, as they trigger conditions for gradual realization of a transparent, legally accountable, and regulatory environment. Along similar lines, needing serious reconsideration is the argument put forward by scholars who assign the private sector a mediating role in women's struggles. They see it as a source of empowerment and emancipation, illuminating the potential of private capital to offer women a way out of state capitalism and the welfare state (identified as the main oppressor of women's empowerment and economic independence) (Wilson 2002). Here, Fraser's (2012: 12) critique of feminists' dangerous liaison with neoliberalism merits attention. Relying on hard evidence from Iraq, East Timor, Afghanistan and Sri Lanka, critics of neoliberal feminists show the inability of free-flowing private capital to overcome the strong continuities of the past, especially in the political-economic realm of state-building in post-conflict settings. Amidst the abundance of private capital in these contexts, there remain deeply rooted oppressive social hierarchies and extensive patronage systems. They are conceived along ethnic, regional, caste, class, gender, and political party lines, serving as evidence not only of the strong continuation of the past oppressive hierarchies, but also their regeneration. This thus provides the needed justification for the elites' capture of the post-war state-building processes (Goodhand 2004: 156; Bray 2009: 4; Venugopal 2011: 75).

Conclusion

To make an economically, socially, and morally justifiable judgment call on the nexus where big business, women, and security meet, holding a heuristic device constituted with normative principles of human security, neoliberal logic⁵, and a post-colonial feminist material critique of the capitalist project - in which the role of the private bid of business actors is essentialized, is paramount. That is because the three components of our heuristic devise serve as important reminders of the big picture, where, ironically, all the relevant intersections of the nexus have become and made invisible.

As for women's nonviolent struggle for political and economic rights, some points by critical political-economy researchers are worth echoing. Christine Low reminds us that private business actors' main interest is creating a new subjectivity out of women - namely, a market-responsive subjectivity (Low 2015: 2). "Transition from war economy to peace economy does not come through external models of economic liberalization or and liberal state building, but understanding of real politics and power relations," found Goodhand (2004: 170). These theses and their main tenants of power relations have a wider applicability, especially concerning the aforementioned nexus. Only by illuminating the underlying power relations does the full picture emerge. Only then do we see the real consequences of private big business actors' activities for women, women's security, and, for that matter, all dimensions of human security.

Last but not least, before making a judgment call on the nexus of big business, women, and security, it seems necessary to find answers to a number of questions:

1. Can the market substitute women's democratic struggle and political process?
2. Can the rational economic women - the new subjectivity targeted by the neoliberal project - overcome the abiding oppressive, exploitative social hierarchies surrounding her?
3. In the long run, can big businesses mitigate conflict and strengthen the conditions for women to claim their legitimate political and economic rights and human security?

No doubt the jury is still out.

Notes

¹ OECD Development Assistance Committee (DAC), “Policy Guidance on Supporting State-Building in Situation of Conflict and Fragility” (2012). In 1995, the OECD DAC published the “DAC Orientations for Development Co-operation in Support of Private Sector Development” <http://www.oecd.org/dac/povertyreduction/34092371.pdf>

² European Commission’s “Implementing Decision of 12.8.2014 on the Annual Action Programme 2014 for the Instrument Contributing to Stability and Peace: Conflict Prevention, Peace-Building and Crisis Preparedness Component (Article 4) To Be Financed from the General Budget of the European Union” http://eeas.europa.eu/ifs/docs/icsp_aap_2014_en.pdf.

³ Evidence includes the currently popular concept of “trade for aid” applied by international financial institutions (IFIs) and Western aid donors (i.e. multilaterally and bilaterally) (Gilpin 2012: 261) and deliberations from the Third Annual Conference on Financing for Development in 2015 in Addis Ababa <http://www.un.org/esa/ffd/ffd3/>

⁴ Some of the general guidelines for multinational corporations include: Global Reporting Initiative (see GRI 2006); Guidelines for Multinational Enterprises (see OECD 2000 and 2011); Principles for Responsible Investment (see PRI 2006); Red Flags Initiative (see International Alert 2008) Norms on the Responsibilities of Transnational Corporations and Other Business Enterprises with Regard to Human Rights (see UN 2004); UN Global Compact (see UNGC 2008); Voluntary Principles on Security and Human Rights (see VP 2000: 38). Various indicators, ratings, and indices have also been introduced in business and human rights. Global Corporate Community of Practice (2012) is another initiative that aims to collect, develop, and share best practices on how to use or adapt established methods and tools of risk management to fulfill due diligence responsibilities.

⁵ Blowfield (in Barbara 2006: 586) identifies this as “the rights to make a profit by promoting the universal good of free trade, the freedom of capital, the supremacy of private property, the commodification of things, including labour, the superiority of markets in determining price and value, and the privileging of companies as citizens and moral entities.”

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