

WHY PREVENTING VIOLENT EXTREMISM IS THE PRIVATE SECTOR'S BUSINESS

This article is extracted from the [2016 Global Terrorism Index Report](#).

*By: Amy E. Cunningham, Advisor; and Dr Khalid Koser, Executive Director,
Global Community Engagement and Resilience Fund (GCERF)*

Since the publication of the 2015 Global Terrorism Index (GTI), the Preventing Violent Extremism (PVE) agenda has gained attention and become more clearly defined. Of course, reservations remain, for example concerning definitions, data, and drivers; the genesis and ultimate purpose of PVE; and the risks associated with the implementation of the agenda. Nevertheless, momentum is developing. The UN Secretary-General has published his Action Plan on PVE, a growing number of countries are developing national strategies and policies on PVE, and an increasing number of NGOs and institutions are developing a capacity for PVE.

While the PVE agenda was initially developed and promoted by a cohort of national governments, and latterly the UN, attention is now turning to harnessing a more comprehensive approach, with a particular focus on engaging the private sector.

This emphasis on engaging the private sector in PVE is a welcome one, and there are obvious reasons to do so. In many countries affected by violent extremism, businesses – from financial firms, to food and beverage retailers, to mobile phone operators – have access to, and trust within, local communities. It is at this, the grassroots level, where the solutions to PVE can be found and where efforts must begin. On the whole, the private sector is regarded as faster, more flexible, and more focused than the public sector. Certain industries have specific added-value in preventing violent extremism, including communications and social media companies which can readily produce online content to counter violent extremist narratives. More generally, the private sector excels at vocational training and is strong at creating jobs; (essentially, constructive opportunities or alternatives that may prevent an individual from adopting violent extremist narratives).

Equally, it is important to engage the private sector because at times their actions may inadvertently stoke violent extremist reactions or contribute to recruitment. For example, the risk of generating or exacerbating conflict over the extraction of natural resources is well-documented, especially where extractive industries lack transparency, are not adequately held to account, ignore local communities, fail to share benefits appropriately, mismanage funds, or excessively impact local economies, society, and environments.

As a public-private partnership, the Global Community Engagement and Resilience Fund (GCERF) has been at the forefront of engaging the private sector in its efforts to build community resilience against violent extremist agendas (in Bangladesh, Kenya, Kosovo, Mali, Myanmar and Nigeria). There is a seat for the private sector on GCERF's multi-stakeholder, constituency-based, Governing Board; country-level committees include private sector representatives; and the private sector has provided both in-kind and direct contributions to the Fund and the initiatives it supports.

The challenges of engaging the private sector should not be underestimated. On the one hand, there is a compelling business case for the private sector to engage in PVE; assets, supply chains, markets and future labor pools are all directly affected by the rise in violent extremism. On the other hand, for many companies, violent extremism and terrorism are too politically-sensitive to



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allow for their overt cooperation, while others still view the issue as the responsibility of government. Patience is also required; even on generally less divisive issues – like poverty, education, or health– where it has taken many years for the private sector to genuinely engage. As this year’s Global Terrorism Index reminds us, however, the challenge is urgent. To complicate matters, there is increasing competition for private sector resources, ranging from the new Sustainable Development Goals, to the demands resulting from the current migration and refugee crisis.

Our research and experience points to the need for a transparent, principled approach to engaging the private sector in PVE, one that takes into account their strengths as well as their weaknesses. Here we outline five key principles for engagement, including immediate and long-term challenges:

BE RISK-PRONE, NOT RISK-AVERSE

First, encourage the private sector to be risk-prone, not risk-averse. Companies, small and large, do not achieve success without failure along the way. Failing quickly, learning from those mistakes, and recovering, are lessons (in resilience, flexibility and innovation) that the private sector could impart to PVE initiatives and implementers. For the private sector to be willing to attempt innovative initiatives, even risky ones that might fail, they need to be supported by all stakeholders, most importantly government. The private sector needs a safe space for dialogue with national governments; they may also need technical expertise in PVE. Alternatively, it is possible they will seek assurances of distance and autonomy from government. The PVE field is an inherently sensitive space to operate in; convincing companies that they will not be penalized for taking a risk is imperative.

PVE AS CORE BUSINESS

Second, the private sector should be encouraged to think about preventing violent extremism as a core business objective – not just as part of philanthropic or corporate social responsibility (CSR) priorities. This will not be possible across all sectors; some are much more directly affected by PVE than others. There exist opportunities even among small and medium-sized enterprises and nationally-owned businesses that may not have dedicated CSR budgets but – because they are most attuned to social issues, are large contributors to GDP, and can influence stability through job training and employment – may be willing to incorporate PVE objectives into their core business strategies. To facilitate this shift will require directly linking, for example, the disruption of commodity prices, to violent extremism.

REALIZE THE PRIVATE SECTOR’S FULL POTENTIAL

Third, the full potential of the private sector needs to be realized. Businesses can offer more than just financial resources – for example, they have marketing and branding acumen that can help position and promote PVE objectives. Similarly, by virtue of working on the ground with communities, businesses often have intimate understandings of local contexts, cultures, and networks that governments and aid agencies may not. Development organizations, NGOs and even government should refrain from asking the private sector simply to finance their ideas. Instead, emphasis should be placed on mutually beneficial collaborations that will result in long-term partnerships – ideally ones that capitalize on the expertise and offerings of that individual company – not just the corporate cheque book.

BUSINESS AND FRAGILITY

Fourth, contrary to popular belief, there is space for business to enter, operate and flourish in fragile contexts. Fragile states often become fragile because of government inability to fulfill its



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mandate. In some instances, this presents an entry point for the private sector to bolster reconstruction and offer basic services. While it is important to be realistic about the role and responsibility of businesses to address the underlying causes of violent extremism, equally it is clear that not only can companies invest, but also they can strengthen institutions and promote genuine state reform. In 2013 the World Economic Forum led an initiative of 300 Israeli and Palestinian business leaders, who – sharing a frustration over the lack of political progress, and supported by Western diplomats – argued that business collaboration on economic recovery could boost employment and create a more friendly investment climate, (thereby making the Palestinian Authority less reliant on foreign aid¹⁶). One of the supporters of this initiative was Coca-Cola CEO, Muhtar Kent. Kent's Coca-Cola is no stranger to investing in fragile contexts, and understands that sustainable governance is imperative to building business-friendly environments.¹⁷ If we can encourage the private sector to be risk-prone rather than risk-averse, we can create a space where the private sector can use its clout to create political space for investment and change. Engaging the private sector may help to attract politicians who otherwise may be disengaged. What is more, when investing in fragile contexts, we need to be careful not only to appeal to large multi-nationals; we must involve local business, because in the most fragile of contexts, local businesses create the majority of jobs and often step in to provide basic services when government cannot.

DO NO HARM

Fifth, and perhaps most important, the private sector must make every effort to Do No Harm. Companies, as well as those institutions and structures engaging them (civil society and governments) must be held accountable and must engage responsibly. This means not only engaging with reputable businesses and business sectors to abstain from corrupt practices, but also focusing on the outcomes of that engagement. For example, if the focus of the engagement with a community is job creation, then the jobs offered should be sustainable and commensurate with the skills of the community. One large multinational software company we spoke with operating in Nigeria reported failures in their community outreach training in IT. Having initially overlooked the fact that IT/tech was a foreign concept to the local community, they immediately became aware that creating expectations and not meeting them would surely exacerbate frustrations (thereby playing into the narratives towed by violent organizations – criminal and otherwise). Realising this misstep, the company recalibrated and introduced a shoe-making class, which according to one company leader (who spoke off-the-record) “may not have been shiny and sparkly, but it was realistic and had impact.”

CHALLENGES

There is a host of immediate and long-term challenges to engaging the private sector. A few of the most prominent ones that we have discovered include the following:

Profits: CEOs might be on-board to support PVE initiatives, but their shareholders are not. No matter how young, passionate, or socially conscious entrepreneurs and CEOs may be, ultimately they are responsible to their shareholders, whose priority is profit. It is very difficult to make the case that investing in PVE is a risk worth taking, especially when the benefits are only likely to be realized in the long term.

Vetting: If, as argued above, investing in long-term partnerships with small and medium enterprises and nationally-owned companies is the best way to shift PVE from CSR portfolios and into core business practices, we had better be sure of who we are working with. Equally as important as knowing who our partners are, is knowing who their partners are. We are operating at a time when globally, trust in government is low. Often nationally-owned



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companies have direct relationships with local and national government – the very same governments blamed for structural failures that give rise to conditions conducive for violent extremism. There is a real concern that if the wrong company or an unethical company is engaged, the risk is to do more harm to a community than good.

Language: Aside from a lack of consensus on definitions, the language of PVE is often seen as ‘toxic’. Many development agencies and NGOs do not want their initiatives to be associated with PVE, for fear the branding will disenfranchise communities, or worse yet, erode their operational safety. When it comes to the private sector, speaking about terrorism can very quickly turn a conversation from development objectives to security concerns. This is a challenge because we know that companies care about transparency; but communicating in a transparent manner while not scaring companies, is a fine line. In all reality, many of the companies approached will say “no thank you, not for us” – but some will stay. And it is in those partnerships where the PVE community can collaborate with, and learn from the private sector to build lasting partnerships.

Lift and Shift: The drivers of violent extremism are individual and specific, meaning that any preventive approach or intervention has to be localized. Donors and implementers, in an effort to fast-track solutions, try to “lift and shift” – meaning they overlook local specificities and try to apply a solution that may have worked elsewhere. Just because the indicators present themselves as similar, does not mean that the underlying causes are the same – nor the solution.

CONCLUSION

While there are good reasons to be wary about the efficacy of partnering with the private sector on PVE, if we can get this right, the rewards will outweigh the risks. What is required is more research, metrics and models to capture results, and immediate examples of success. Sustained, long-term engagement will require coordinated and holistic approaches that appeal not only to the private sector’s business case, but also to its expertise and passions. This will require bold and brave corporate leaders, patience and dedicated nurturing of relationships. At first, success will most likely be found through engaging the private sector with vested interest in the stability and prosperity of local communities – for example companies working in agriculture, extractives and telecommunications. The goal being, that eventually companies small and large, national and multi-national, will take risks and begin to incorporate PVE in their core business operations. To achieve this, the private sector must feel as though it is respected as a genuine partner. It is possible, but it will take time – and the clock is ticking.