MULTINATIONALS, CSR AND PARTNERSHIPS IN CENTRAL AFRICAN CONFLICT COUNTRIES

ANS KOLK & FRANÇOIS LENFANT

ABSTRACT

Attention has increased for the potential role of Multinational Enterprises (MNEs) in helping address conflict issues and/or furthering peace and reconciliation as part of their corporate social responsibility policies. However, while existing literature emphasises the importance for MNEs to collaborate with various stakeholders, including non-governmental organisations (NGOs), research on the scope, peculiarities and impact of such cooperation has been limited, particularly in those countries in Central Africa with a fragile state and weak governance structures. Furthermore, until recently, MNEs and NGOs in conflict countries had antagonistic relationships, which has created impediments for positive engagement. This article examines MNEs and conflict issues, including interactions with NGOs, and sheds light on possible MNE contributions to peaceful societies by highlighting a few innovative partnerships of MNEs and non-business partners in Central Africa. Innovative partnerships take the conflict context into account, have a learning or capacity-building component, are part of a more comprehensive development plan yet are embedded at the community level, and tackle issues directly related to the conflict, such as governance, human rights, artisanal mining and transparency. The article also discusses implications of such activities for the role of the state in fragile contexts.

KEY WORDS

Conflict, Multinational Enterprises (MNEs), NGOs, Stakeholder engagement, CSR, Central Africa, Partnership

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INTRODUCTION

In the past decade, attention has increased for the societal role of Multinational Enterprises (MNEs), also when it comes to taking responsibility in countries characterized by poverty, conflict and limited statehood. In such contexts, non-governmental organizations (NGOs) have waged numerous campaigns to highlight the impact and potential contribution of MNEs (such as Publish What You Pay, or Blood Diamonds). MNEs have become more active in promulgating corporate social responsibility (CSR) strategies, and are said to increasingly reckon with cultural, environmental, economic and cultural concerns (Eweje, 2011), leading to different approaches across sectors and countries. At the same time, however, implementation on the ground shows large variety. For example, issues such as anti-corruption, gender equality, child labour, community giving and the formal representation of workers are not included in the CSR practice of companies in Bangladesh and Pakistan (Naeem and Welford, 2009). CSR strategies in Nigeria failed to address the oil spills caused by MNEs operations (Edoho, 2008). In Uganda, public awareness may be high, but the content and scope of CSR are not yet clear (Amooti Bagire et al, 2011).

Moreover, corporate awareness of how to operate in conflict settings has been rather limited. MNEs active in conflict countries in Central Africa typically report on their economic and social impact while paying little attention to the conflict dimension and the broader context in which their (rather generic) CSR activities take place (Kolk and Lenfant, 2010). In this context, the question how CSR in conflict countries in Central Africa is constructed becomes highly relevant. Interestingly, CSR in Africa has been underexposed in research compared to other regions, as shown by Visser (2006a) in an overview chapter that covered the 1995-2005 period. In addition, while the number of publications has increased in subsequent years, the main focus has continued to be on Nigeria and South Africa, and conflict countries remain underexposed (notable for, for example, the Congos). The lack of attention for Africa (and other poor, 'difficult' settings) in research on MNEs and CSR has been shown in overview articles published in international business journals (Egri and Ralston, 2008; Kolk and Van Tulder, 2010).

Hence, while the role of business in conflict areas has received growing interest in general (e.g. Bais and Huijser, 2005; Bennett, 2002; Gerson, 2001; Haufler, 2004; Jamali and Mirshak, 2010; Nelson, 2000; Oetzel et al., 2007), including the issues faced by MNEs when operating in such a context and their positive, possibly 'leading-edge' involvement, we lack empirical evidence, noteworthy for Central Africa in particular. It is highly relevant for the Central African context, also because in quite some countries with conflict (histories) the number of MNEs is limited with thus a concomitant (potential) large impact on the local situation. Important questions in this regard are how MNEs deal with conflicts when investing in such regions, or when conflicts (re)emerge while already being present in the country; and whether they (intend to) play a particular role to exert influence and help reduce conflict. It should be noted that everything that can contribute to reducing conflict would be very welcome, not

only from the perspective of human suffering but also because of the economic cost of conflicts. For Africa, this amounted to $18 billion per year, with an average African economy shrinking by 15% as a result of armed conflicts (Hillier, 2007, p. 3). For the Democratic Republic of Congo, for example, the cost of armed conflict in the period 1996-2005 was estimated to have been 29% of the country's Gross Domestic Product (Hillier, 2007, p. 10).

This article presents some findings of our ongoing research project on MNEs and conflict in Africa.[i] We first discuss some of the issues related to MNEs and conflict, with specific attention to the pressures exerted by NGOs in Central Africa, considering their various roles and foci. This includes, for example, watchdog functions but also engagement and partnership activities. Subsequently, we discuss partnerships in the context of MNEs and CSR in Africa. The following section highlights cases of MNE collaboration with non-business partners in Central African (post)conflict countries to shed light on possible MNE contributions through partnerships. Implications of such activities for the role of the state in fragile contexts are also discussed.

MULTINATIONALS AND CONFLICT

When considering MNEs in conflict areas, the questions outlined above as to vulnerability, presence, and their role/contribution come to the fore in various ways, in relation to the impact of MNEs on conflict dynamics and/or how conflicts affect their operations. NGOs have typically focused on the disruptive effects of MNEs, particularly in the extractive sector.

One of the issues to be reckoned with by MNEs when investing (or being present) in conflict-prone regions is that they, as visible and usually large economic actors, can easily become subjects of rebel attacks. The direct impact of conflict on MNEs includes threats to personnel, installations and supply lines. MNEs are thus potential victims of plundering, asset damage or extortion, which sometimes leads to the suspension of operations. This can be temporarily or definitely (divestments), both situations have been documented, generally based on anecdotal evidence, as systematic, more large-scale studies of strategic decisions by MNEs in conflict countries have been lacking (cf. UNCTAD, 2007) and more research has been called for (Oetzel et al., 2007). Various strategies of MNEs in conflict areas have been distinguished, including 'business as usual', 'engagement promoting peace', or disengagement (Westermann-Behaylo, 2010), and several factors influencing firm decision-making have been considered, such as political and institutional environments in both home and host countries, and characteristics of both the firm itself and the specific conflict (Patey, 2007; Getz and Oetzel, 2010).

What has been observed is that oil MNEs in Africa rarely leave, which may be due to the often large and long-term nature of their investments that makes it particularly costly to fully abandon their operations. Natural resources, especially oil, in which many MNEs in Africa are involved, are location bound and simply cannot be moved to a more secure part of the country (Swanson, 2002). It should also be noted that, for example in the case of Angola and Congo Brazzaville, assets of large oil MNEs (TotalFinaElf, ENI, Chevron, BP) were 'protected' by their offshore nature. Interestingly, as Swanson (2002) observes, rebel groups are not necessarily inclined to damage assets of oil MNEs for fear of losing revenues if they expect to come to power (the case of Congo Brazzaville is a case in point). For these MNEs, the fact that they

frequently remain in conflict areas might be part of an economic calculus in which expected future profits from extraction (or the risk of losing a market position) outweigh the costs traditionally associated with conflicts. Moreover, for both the company and recipient-country stakeholders, the potentially positive corporate contributions through MNE presence may also be a factor (see below).

This role of MNEs has been contested as well though, which brings us to another dimension, in addition to the 'physical' vulnerability just mentioned. MNEs have been the subject of scrutiny by NGOs (such as Human Rights Watch and Global Witness) and the press, exposing MNEs to bad publicity and the concomitant reputational effects. Aspects mentioned in this regard include MNEs' (alleged) detrimental impact on the environment and local communities (Boele et al., 2001; Reed, 2002), and (in)direct support to non-democratic regimes that are characterized by violations of human rights, corruption and weak governance more generally (Idahosa, 2002; Reed, 2002; Watts, 2005; cf. UN, 2006). In recent years, particularly oil and mining (diamond) companies have received much attention and condemnation (cf. UNCTAD, 2007). In the case of the diamond sector, this has also originated from the United Nations – a UN Security Council embargo related to Angola, and a critical UN expert panel report on the Democratic Republic of Congo (DRC) (UN, 2001).

NGO attention for MNEs and conflict settings has been large, as shown in an exploratory study in which we focused on 13 leading NGOs that had been working in or on Angola and/or DRC (see Table 1). For the period 1998-2009 alone, we found over 92 publications, most of which (80) written by NGOs engaged in lobbying and advocacy activities, often as part of campaigns targeted at specific MNEs and/or sectors, but also at governments in a quest for more/better regulation and transparency. Almost half were reports specifically oriented at MNEs, predominantly those active in DRC (34). MNEs in Angola were targeted to a much lesser extent in the period covered (8), as the NGO focus shifted from the private sector to the government after the conflict had ended in 2002.

Table 1 summarizes the peculiarities of the NGOs studied, based on various sources of evidence, considering their main focus, whether they accept funding from MNEs or not, their strategy to influence MNEs, their engagement orientation and local presence. For the characterization we relied on Bendell (2000), who classified NGO activities to influence corporate behaviour based on two major variables, the style of the activity being used by the NGO (confrontational or collaborative) and its place in relation to the market economy (whether NGO depends on the market to raise revenues). Moreover, we also used Winston's (2002) distinction between NGOs that engage (seek dialogue) and those that are more confrontational (see also the differentiation made by Den Hond and De Bakker (2007), based on NGO ideology). While some of the precise characterizations may be subject to debate and require further research in other contexts as well, Table 1 shows that service delivery NGOs with in-country field operations, with a clear focus on peace and with a learning approach are, probably as a result of their orientation and mandate, more inclined to collaborate with companies than NGOs that operate as watchdogs. Still, the latter category can also be involved in multistakeholder dialogues in which companies, NGOs and/or government authorities exchange ideas and perspectives on how to tackle a particular issue. This collaboration type will be explored in more detail in the remainder of this paper.

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MULTINATIONALS, PARTNERSHIPS AND CSR IN AFRICA

When MNEs pay attention to conflict issues in their partnership endeavours, it is often in relation to and as part of their CSR activities; this is especially the case in Central Africa (Kolk and Lenfant, 2010). Several bodies of literature seem therefore relevant, including 'MNEs and conflict' and 'CSR in Africa'. While CSR in Africa, and in developing countries more generally, has been less studied than those in the developed countries, a question that has clearly emerged is whether companies are able to tackle CSR issues considering the respective cultural contexts (Dobers and Halme, 2009). In studies on CSR in Africa (Egels, 2005; Ite, 2004, 2007a, 2007b; Idemudia and Ite, 2006; Kolk and Lenfant, 2010; Okafor, 2003), different issues have come to the fore. One is linked to the definition of CSR in the African context, or the contextualisation of CSR. CSR, as a locally rooted notion (Hamann et al., 2005), should reflect 'African' realities, and take specific historical and cultural factors into account (Idemudia and Ite, 2006), including environmental degradation, ongoing conflicts and extreme poverty. In this regard, Carroll's pyramid has been revisited (Visser, 2006b) to account for Africa's high unemployment and low development levels, in a plea to give priority to the economic responsibilities of MNEs, followed by philanthropy, legal or ethical responsibilities.

Furthermore, CSR orientation, nature and focus are co-shaped by MNEs' interaction with stakeholders (Egels, 2005) and global institutional pressures (Muthuri and Gilbert, 2010). It has been noted that MNEs' commitment to not abuse a governance void and concomitant opportunities to earn legal yet immoral profits should be part of CSR (Dobers and Halmes, 2009). In the context of (Central) Africa, where governance is low and the rule of law is absent (especially in the DRC), pressure on companies often comes from local communities, as well as local and international civil society actors. MNEs' community involvement or community relations practices in Africa have thus received attention (Muthuri et al., 2008). Although MNEs' community involvement has been criticized because of power differentials between the firm and the community, and patron-client type of relationships (Idahosa, 2002), meaningful involvement through participatory decision making process will help MNEs bridge the gap between their perspective and local community expectations (Kemp, 2010) and to build effective relationships based on trust and avoid costly conflicts (Muthuri et al., 2008).

How the conflict context influences MNEs' CSR activities and how partnerships can best be embedded in MNEs' strategies and practices is a nascent area of study. Although partnerships have been hailed as potentially significant ways to tackle conflict-related issues, particularly corruption, poverty and social inequality (Bennett, 2002; Nelson, 2000; Oetzel et al., 2007), empirical evidence is still relatively limited. Interestingly, studies that looked at partnerships in African conflict settings concluded that collaborative activities follow a rather philanthropic model (Boele et al., 2001; Idemudia and Ite 2006; Idemudia, 2008; Ite, 2004; Ite, 2005; Kolk and Lenfant, forthcoming; Wheeler et al., 2002). The full potential of partnerships as effective and innovative collaborative modalities with an eye to tackling pressing governance issues typically found in conflict countries has not been realised yet.

Most partnerships by MNEs in conflict and low-governance areas focus on NGOs. NGOs with a presence on the ground and positive engagement strategies may help MNEs to build effective community relations, to shape their partnership portfolio and focus, and even assist them in integrating a conflict lens in their core business. NGOs are usually knowledgeable about the local context and have longstanding relationships with local actors, which could be used by MNEs as entry points in their community endeavours. Some NGOs have been involved in peace-building activities (such as early warning, advocacy, socialisation, social cohesion, service provision and intermediation between various parties) (World Bank, 2006), which could be useful for MNEs. Furthermore, in areas where governments have failed to provide local populations with basic services, it seems all the more relevant for MNEs to learn from NGOs how to operate and how to engage with communities so as to meet their expectations. MNEs often struggle to articulate their community engagement objectives (Tsang et al., 2009). In that light, partnering with NGOs provide MNEs with the possibility to take local needs into account and address conflict relevant issues (cf. Nwankwo et al., 2007).

Given the particularities of each conflict setting, CSR and corporate community relation strategies deployed by MNEs need to take the context into account. Understanding and integrating community perceptions into CSR activities, with assistance from those NGOs with extensive knowledge and experience on the topic, can be instrumental in building more harmonious relationships with local communities. However, while community-MNE relations are a crucial CSR component, the broader context also has a considerable influence on the actual practice. In Nigeria, for example, the absence of a conducive environment was an impediment for the oil industry to engage positively with communities (Ite, 2004). Therefore, community relations efforts undertaken by MNEs failed to reduce the incidence of violent conflict (Idemudia and Ite, 2006). In that context, tripartite partnerships, which include governments, NGOs and the private sector, have been called for to ensure that collaborative CSR activities are embedded into a broader development agenda, thus increasing chances that conflicts can be reduced and/or avoided (Idemudia and Ite, 2006).

Generally speaking, however, (post)conflict countries provide a context that is less conducive to partnerships given that antagonism, fear and hostilities are still present, looming and/or lingering. Some business-NGO partnerships can be found in African conflict countries, but only a very small number deals with aspects directly related to the conflict with a wider community focus that may thus contribute to peace and reconciliation (Kolk and Lenfant, forthcoming). Besides a predominance of 'traditional' philanthropic activities and an underrepresentation of so-called engagement and particularly transformative partnerships (Kolk and Lenfant, forthcoming), the government is seldom included as partner. While understandable given governance failures and sometimes even the (in)direct involvement of government representatives (e.g. the army) in conflict issues, leaving them out may also further undermine the legitimacy and capacity of the state (Ite, 2005).

CSR activities, amongst which partnerships, that take place in weak institutional settings cannot be oblivious to governance problems such as tax evasion and corruption, as these reinforce poor governance and further undermine state capacities (Dobers and Halmes, 2009). Collaboration efforts between companies, NGOs and governments may help to increase the abilities of the state to more effectively tackle

tax fraud and corruption which are both cause and result of fragility (Dobers and Halmes, 2009). Tripartite partnerships therefore seem to hold most potential for addressing conflict as well as furthering reconciliation and institution building (Ite, 2007a). In fragile states, cross-sector collaboration and public-private partnerships that make use of inclusive and flexible engagement strategies are key for building trust and gaining credibility among communities (Abramov, 2010). Effective partnerships should be based on an assessment of needs, ensure that expectations are properly managed through dialogue and engagement, and create a structure that fosters ownership and capacity-building (Abramov, 2010).

Below we will briefly highlight diverse cases of engagement by four MNEs with non-business partners in Central African (post) conflict countries, in which attention is paid as well to the NGOs and their perspectives. The partnerships, with rather different peculiarities, illustrate how MNEs can play a constructive role, sometimes after having being accused of impacting the conflict context in a negative way. While the literature has distinguished several venues through which MNEs can help address conflict (e.g. Bennett, 2002; Nelson, 2000; Oetzel et al., 2007), collaborative arrangements can be seen as rather innovative, but they may also be more difficult to realise than individual corporate activities. At the same time, such arrangements can have a much wider influence, with both direct and indirect effects on the local situation and constituents, as well as on the institutions of fragile states, through the promotion of dialogue, trust and capacity-building, prerequisites for peace and reconciliation.

PARTNERSHIPS IN CONFLICT SETTINGS

AngloGoldAshanti collaboration with Pole Institute
The first example concerns AngloGoldAshanti (AGA) which was subject of NGO scrutiny as part of a campaign led by Human Rights Watch, and yet became eventually involved in broader engagement with a variety of stakeholders, including an NGO, Pole Institute. AGA was targeted for having provided financial and logistical support to a rebel group, FNI, in return for promises of staff and asset security. Subsequently, grave human rights violations were committed by the FNI, and AGA was blamed for not acknowledging its responsibility as 'accomplice'. The company criticized the NGO campaign for being unfair, contending that no formal relationships were forged with the rebel group. Nevertheless, the CEO admitted that an extortion payment of $8,000 had been made, not to gain any favour, but to protect his staff (Kosich, 2005). By doing so, he admitted that AGA had not been cautious in engaging the FNI although he added that distinguishing between rebels, government forces and community members was not an easy task. Still, the company stood out in the DRC as one of the few mining companies that had welcomed the renegotiation of contracts after the Luyindula commission had expressed the need for Congo to regain control over its resources (Cafod, 2006). Following these issues, AGA strengthened its partnerships with various stakeholders such as international donors, and also with local NGOs, Pole Institute in particular.

In 2008, AGA participated in a multistakeholder forum with local civil society actors (amongst which Pole Institute), government officials, and academics where various themes related to governance in Eastern Congo were debated, such as how to improve commerce and the banking systems, how to deal with the informal (mining)

sector and how to break the troubled relationships between private operators and public authorities. Pole had invited AGA representatives to join this multistakeholder forum based on the understanding that all actors that matter to tackle governance-related issues needed to be included at the table. The NGO noted to be satisfied with the contribution of the company to the debates.[ii] The goal was not only to influence practice, but also to discuss the issue of resource extraction, community participation and come up with solutions to governance issues. Pole stresses that their engagement with all actors, private sector and government alike, is primarily constructive and aimed at inclusion, learning and improving practices. With regards to funds, it refuses private sector funding for fear of being co-opted; interestingly, this is not for lack of trust, or due to sheer ideology, as it also refuses funds from the DRC government. Maintaining neutrality in a challenging environment seems the major reason accounting for Pole's refusal to accept private and public sector financing.

De Beer and DDI
The second brief case relates to a multistakeholder initiative that De Beer helped establish – the Diamond Development Initiative (DDI) – which is thus a much broader and rather different collaboration with a wide range of partners. DDI is an important complement to the Kimberley Process, a system for the certification of the source of uncut diamonds to prevent the trade in conflict diamonds. Other founding partners of DDI are NGOs such as Global Witness and Partnership Africa Canada, the World Bank hosted Communities and Small Scale Mining Initiative, and the International Diamond Manufacturers Association. All partners share the same vision on artisanal mining. While the Kimberley Process was supposed to lead to the eradication of conflict diamonds through incorporating the diamond industry and governments of producing countries in a certification system, the issue of artisanal, informal mining was left unaddressed. The focus was on legal and procedural aspects rather on improving livelihoods of poor small-scale artisanal miners. This has left a real gap given the fact that more than a million African artisanal diamond diggers (including an estimated more than 800,000 in DRC alone) and their families live and work in poverty, outside the formal economy (DDI, 2010).

Therefore, DDI was set up to help address poverty affected artisanal diamond diggers by converting diamonds into an engine for development through the formalization of the economies surrounding artisanal diamond mines. It focuses on the following areas: action research, education, policy dialogue and project implementation. The DDI seeks projects and initiatives that have a direct impact on the communities involved and create a constructive dialogue among all stakeholders involved with the goal of improving the socio-economic conditions of artisanal miners and their families. It supports micro-projects to improve the situation of artisanal miners while also addressing the wider socio-economic impacts of informal digging. Through DDI, De Beer is also actively involved in public policy dialogue and action to tackle poverty issues related to artisanal miners and improve their livelihoods with a specific focus on developing an effective engagement framework in Angola or DRC in the future, were De Beer to develop a mine Angola or in the DRC (De Beer is currently in an exploration phase).

Anvil's CEP and PACT collaboration
The third, somewhat more extensive, case involves a company that was also targeted

by NGOs, and that evolved to different collaboration modalities with interesting broader implications for interactions with communities and government. Anvil was accused (in a campaign led by RAID) of being complicit in human rights abuses committed by official Congolese army forces through the provision of assets that were confiscated by the army. The company contested the allegations and mentioned having been 'forced' to surrender some of their assets prior to the massacres. There was a controversy that lasted several years, a period in which Anvil took several steps.

Emeritus Professor Freedman was asked to review the company's practices against OECD standards, for which a compliance score of 86% was obtained. He also commented upon the human rights abuses by stating that other mining firms have far worse records than Anvil, which scored "relatively well" in comparison. Furthermore, Freedman (2006, p. 3) noted that "hardly anyone in Katanga holds Anvil accountable for these incidents in spite of the international media attention these events have received or the reports of human rights activists from the DRC and abroad. Other mining firms, international NGOs and senior government officials believe Anvil was a victim of Katanga's volatile political atmosphere in which a myriad of groups and a few powerful politicians oppose one another and compete for controlling the precious mineral trade. The general view is that Anvil was caught unaware..."

In addition, the company also took steps towards community engagement. This included a request to Corporate Engagement Project (CEP) in 2005 to conduct an assessment of Anvil operations. While CEP carefully assessed whether they would have enough room to carry out an independent study, it specifically mentions in its report not to have explored details of the incident "as other organizations are more qualified to do so" (CEP 2006, 7). The NGO visited Anvil operations in the Katanga province in November 2005, interviewed more than 200 stakeholders, ranging from staff to community and religious leaders to army officials. CEP's report raised the issue of Anvil's failure to manage community expectations. Given the poor social track record of government-owned mining operations in the region, communities expected Anvil, a private operator, to better cater for them by building schools or health facilities.

Anvil started a multistakeholder process to clearly define what the "roles and responsibilities are of the company, civil society, government and community members" (CEP 2006, 3) and decided to invite PACT, a US-based NGO with offices throughout Africa, for collaboration. The company approached PACT to assist them in setting up a community fund program as part of a profit sharing mechanism to ensure that local communities would profit from the mining operations. After careful consideration and active involvement of both PACT's board in the US and its Africa regional office, and a period in which negotiations were suspended because of the human rights violations noted above, PACT decided to enter the partnership because "not engaging is worse than engaging".[iii] Partnership through the community fund is a strategy for PACT DRC to encourage responsible business behaviour, improve transparency, strengthen community capacity and provide economic opportunity.

The engagement takes place at two levels: at the community project level (e.g. how to involve communities in project design and management) and at the business level (integration of a Human Rights lens into operations, consideration of how to use security forces and how to engage with government forces and rebels). PACT staff interviewed stated that companies in general and Anvil in particular complained about the lack of information about how to deal with, for example, rebels, and had difficulty making sense of all international guidelines and codes drawn up in recent years.

Hence, while the main goal of the partnership is to build good company-community relationships through the creation and the management of a trust fund and a social investment program, the partnership creates space for engaging local government on transparency and livelihood issues, and for providing assistance in complying with international global voluntary standards (Voluntary Principles, Global Compact, OECD guidelines).

PACT staff acknowledged that accepting funds from Anvil was a challenge and exposed them to criticism from other NGOs, but the organization partnered with Anvil in full consciousness of the damage it could inflict on its reputation. In addition, PACT saw the management of the community program as an entry point to starting a dialogue with Anvil on a wider range of issues related to its core business, such as mining practices or how to deal with artisanal miners. PACT staff interviewed mentioned the artisanal mining issue as a success: PACT was able to change Anvil's unsafe mining techniques and assisted Anvil, with local government authorities and civil society organizations, in designing and managing a comprehensive plan of training artisanal miners and providing them with an alternative income.

Like other NGOs (such as CEP and Search for Common Ground), PACT recognizes the work conducted by watchdog NGOs in raising governance and accountability issues related to business operations in conflict areas and attempting (from a distance) to improve corporate behaviour. However, their local presence motivates them to adopt another attitude. Engaging, dialoguing, entering partnerships is seen as more beneficial than naming and shaming, although PACT staff understand that without the threat of being named and shamed, MNEs may lack incentives to enter into partnerships with NGOs. Watchdog NGOs, by playing their role, may be pushing MNEs towards collaboration with other more engagement-oriented NGOs.

Chevron with Search for Common Ground and the Angola Partnership Initiative
The final case, Chevron, bears some resemblance to the Anvil case in that it also established multiple lines of collaboration and partnered with an NGO with a rather similar orientation as PACT. Via its partnerships, Chevron reached out to a range of other partners as well. This case, however, focused on Angola based on experiences the company had in Nigeria. Hence, we see transfer of knowledge across locations as well as corporate learning, with a large multistakeholder initiative (Angola Partnership Initiative) that seems to embody a real innovative approach that may perhaps be (partly) replicated and extended elsewhere.

In 2006, Chevron began working with Search for Common Ground (SCG) to strengthen local capacity to address conflicts constructively. SCG had been active in Angola since 1996 to support the reconciliation and reconstruction process. Although Chevron was already involved in development projects in Angola, they did so in a fairly traditional manner, focusing on infrastructure, e.g., building schools. The main objective of the SCG engagement with Chevron was to create a more peaceful environment and to change potential conflict dynamics by building connections between the company and local communities, in which SCG acted as a social buffer. The partnership consisted of a six-phase community engagement process which included training, problem identification, priority setting, development and implementation of infrastructure project and assessment.

SCG's approach with regard to engaging businesses is similar to that of PACT. It emphasizes dialogue, open communication, capacity building and community

engagement. Before engaging in a partnership, SCG carefully assesses MNEs' track records, and the organization accepts to collaborate with companies with lower social track records only if a company shows willingness to change through dialogue. SCG would only work with MNEs with a bad reputation if it is confident that through their engagement, further damage could be avoided. SCG also welcomes the tactics used by watchdog NGOs claiming it paves the way for them to engage with MNEs. As with PACT, SCG engagement is a mix of community delivery project and change in practice at core business level. Like in the Anvil-PACT case, SCG's engagement with Chevron was the result of years of negotiating; funding opened the door for engaging about other issues related to the company's core business, and not engaging was not seen as an option.

Chevron has also been involved in broader tripartite efforts in Angola, similar to what it did in Nigeria. In Nigeria, the company signed Global Memoranda of Understanding with eight clusters of communities and their state governments in the Niger Delta, an approach that was evaluated fairly positively by three external organizations, among which Search for Common Ground, in 2008 (Research Triangle Institute International et al. 2008). The overall goal of the Angola Partnership Initiative (API), launched in 2002, was to promote peace and stability, improve health and education through building upon Angola's human capacity to realize greater economic stability and an improved standard of living for many communities in the country. By doing so, it helped build the capacity of Angolan NGOs and government development agencies. Chevron initially invested $25 million and managed to leverage $31 million from other sources (Chevron 2010a, 7). In 2009, more than 2 million people and 70 organizations benefited from API; about $14.3 million has been invested in community social projects in Angola. Community engagement projects covered 16 of the 18 provinces of Angola (Chevron 2010b, 3). After a positive evaluation, Chevron decided to commit $2,85 million per year to API through 2012 (Chevron 2010a, 7).

The success of the API is seen to result from two major characteristics: its inclusion of context characteristics and awareness of the challenges and dilemmas of going through a 'triple' transition phase: from war to peace, from state controlled to market based economy, and from devastated country to developed country. The peace that was reached in 2002 needed to be consolidated, the economy was fragmented, the infrastructure was devastated, there was a lack of confidence from the international community, a huge population at risk and weak civil society representation. API actually meant a paradigm shift: from donor based development to sustainable development, from project-based to sector-based development, from a single donor to a partnership, from foreign-driven priorities to national priorities, and from a regional to a national focus. The socio economic development process consisted in conducting needs assessment (at sector, community and government levels) to identify priorities, select areas of interventions, and design, develop, execute, monitor and evaluate programs. Sectors prioritized were: small enterprise development (with special emphasis on micro finance, vocational training, business development, and creating an enabling environment), education, agriculture, and selected infrastructure projects. The other success factor of the partnership lies in the holistic approach to community development, from improving access to basic human needs and education to supporting sustainable income sources such as agriculture, fisheries and small enterprise development.

As Jane Nelson, director of the Corporate Social Responsibility Initiative at

Harvard's Kennedy School of Government, put it in Chevron's 2008 CSR report (Chevron 2009, 32): "The more holistic and systemic approach to community engagement that Chevron is developing through programs such as the Angola Partnership Initiative offers some valuable lessons, both for other corporate responsibility initiatives and the development community more broadly. Many corporate community engagement programs are focused on individual projects and issues and tend to be transactional rather than transformative in nature. Implementing a more systems-based approach requires a variety of different but integrated projects; a challenging combination of diverse partners, from national governments and donor agencies to other companies, NGOs and community-based organizations; and a focus on both short-term outputs and long-term local capacity building and institution strengthening."

DISCUSSION AND CONCLUSIONS

This article has helped to shed light on multinationals and partnerships in Central African conflict countries by discussing engagement patterns of NGOs and highlighting four companies and their range of collaborative activities with a variety of non-business partners. In settings where partnerships are not common given lack of trust and reigning antagonism, collaboration that addresses conflict reduction, peace and rehabilitation is relatively scarce. The cases presented in this article thus embody innovative approaches that may be (partly) replicated or extended elsewhere, or serve as inspiration by providing insight into the dynamics of and motivations for engagement. Main partners in the initiatives are usually MNEs and NGOs (cf. Kolk and Lenfant, forthcoming). The article suggests that engagement patterns between these two types of actors in conflict countries are shifting from confrontation to more positive types of collaboration; this evolution has also been observed in non-conflict settings (Yaziji and Doh, 2009). Regardless of the goal of the partnership, issues directly related to the conflict (broader governance issues, but also ethnic divides, community-government relations, artisanal mining, transparency) will influence the collaboration. Therefore, taking the conflict context into account in partnership design and implementation is key. Alleviating existing tensions, promoting dialogue and fostering a climate of trust should, if not the main goal, be an important element of all partnerships in conflict settings.

It seems that service delivery NGOs with a broad development focus and a presence on the ground are more likely to engage with MNEs through (formal) partnerships involving funds than research and advocacy NGOs. Other NGOs with a clear focus on peace and conflict matters, such as Search for Common Ground and International Alert, that have learning as engagement strategy, are also likely to interact positively with business through partnerships. These partnerships enable MNEs operating in conflict areas to adopt practices that are more responsive to the context in which they operate. The examples presented in this study also indicate that MNEs, in response to calls from practitioners and academics, are able to carry out CSR activities which go beyond philanthropy, and to gear their CSR activities better to the conflict context. The article also shows that service delivery and peace NGOs can play an important role to assist MNEs to integrate conflict-related issues, such as livelihoods, artisanal mining, and transparency in their CSR activities and partnership endeavours. A recommendation to companies with operations in conflict countries is

to look for asistance from NGOs on how to shape and articulate their community relations and CSR strategy in such a specific context by tapping on NGOs' vast experience on that matter. This may not always be easy, as some NGOs are less inclined to collaborate with companies for fear of being co-opted. Still, our article indicates that such (non-financial) cooperation that involve learning and exchange is possible and can be beneficial for all parties.

However, partnerships between MNEs and NGOs are not the panacea in tackling conflicts reigning in Central Africa. In the CSR in Africa literature (Ite 2004, 2007a, 2007b; Idemudia and Ite 2006; Okafor 2003) attention has been paid to the potentially disruptive aspects of social investment activities undertaken by MNEs, also in partnerships with NGOs. Such interventions in the social domain can create a culture of dependency (Boele et al. 2001; Ite 2004; Okafor 2003) with the potential of weakening the role of government. It also raises the issue whether MNEs are supposed to (partly) take over government functions with corporate social responsibility substituting the responsibility of the state (Ite 2004). When non-state actors, individually or jointly, carry out tasks or provide services, such as health or education, that are normally seen as belonging to the domain of the state, this cannot only undermine state capacity but also lead to questions about its legitimacy and credibility (Idemudia and Ite, 2006). Even if these non-state actors undertake these activities in an efficient, effective, accountable and participatory manner, i.e. taking the needs and views of the communities they are serving into account, the state may then lack an incentive to care for its own citizens. Other side effects of business-NGO partnerships are dwindling citizen trust and confidence in public authorities, which will hinder state efforts or intentions to levy taxes, which, in turn, makes fragile states even more dependent on external donors.

Often, local community expectations vis-à-vis MNEs are large in a context in which states fail to adequately provide services to its citizens (Eweje, 2006). As a result, MNEs feel tremendous pressure to proceed to social investments in the communities in which they operate in order to earn their societal license to operate. At the same time, their intervention may weaken or even 'crowd out' the state. The way out of this dilemma may be tripartite partnerships that thus involve government (agencies) and that focus on capacity and institution building. Still, tripartite partnerships seem problematic in countries characterized by fragile or even largely absent states. Some of the cases highlighted in this article appear to be a step in between as the MNEs and NGOs involved take innovative approaches by engaging in dialogue with a large number of actors, including government representatives, taking steps to improve understanding of and compliance with standards and regulations, and undertaking concrete activities to further reconciliation, reconstruction and development more broadly.

In this respect, it is interesting, as a final note, to quote the view of the Katanga Mining company to the 'crowding out' dilemma (Katanga 2010): "We believe that private industry cannot, and should not, replace the legitimate role of government in the development, funding and rebuilding of infrastructure and social services. By running an efficient and profitable mining operation we will generate taxes and royalties that will help fund this process. However, the balance between government responsibility and good corporate citizenship is a fine one, particularly in a post-conflict environment. The majority of government capacity within the DRC has been dedicated to high-level reconstruction efforts, leaving few resources to focus on meaningful

social development initiatives on a local level. As a socially responsible company, Katanga will continue to provide support for rebuilding the country's social infrastructure in key areas of mutual need such as healthcare, infrastructure, economic diversification and education."

This statement underlines the complexity of operating in (post)conflict countries and the balancing act faced by public, private and nonprofit actors in such settings. This article has aimed to provide more details about emerging innovative approaches as input for further research, for management practice and policy-making, and for those involved in advocacy, and local community and capacity building.

NOTES

[i] This is part of a longer-term project in which both primary and secondary information has been collected from and about NGOs, MNEs and other relevant governmental and non-governmental actors (this has included systematic analyses of all publications and websites of MNEs and NGOs as well as surveys and interviews carried out by the second author). This article, which is relatively short reflecting the nature of the outlet in its focus on innovative examples and policy relevance, builds on and extends other research reported in our earlier publications (Kolk and Lenfant, 2010, forthcoming).

[ii] Interview with Pole Institute staff, November 2008.

[iii] Interview with PACT staff, November 2008.

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Table 1. Engagement type per NGO studied in Angola/DRC

NGO	Thematic focus	Presence on the ground	Funding from MNC	Strategy	Engagement type
Amnesty International	Human Rights	No	No	Research and advocacy	Monitoring + Dialogue
Broederlijke Delen	Development	No	No (incidental)	Hybrid	Monitoring + Dialogue
CEP	Development Community engagement	No	Yes - assessment	Learning	Assessment
Global Witness	Development	No	No	Research and advocacy	Monitoring + Dialogue
Human Rights Watch	Human Rights	No*	No	Research and advocacy	Monitoring + Dialogue
International Alert	Peace	Yes	Yes - assessment	Learning	Partnership Assessment - Learning -
IPIS	Research	No	No	Research and advocacy	Monitoring
PACT	Development	Yes	Yes - project	Service Delivery	Partnership – Project
Oxfam	Development	Yes	Yes - project	Service Delivery**	Partnership - Project
Pole Institute	Development	Yes	No	Research and advocacy	Dialogue
RAID	Development	No	No	Research and advocacy	Monitoring + Dialogue
Save the Children	Development	Yes	Yes - project	Service Delivery**	Partnership - Project
Search For Common Ground	Peace	Yes	Yes - project	Learning	Partnership – Assessment Learning

* makes use of researchers, may have some small operational facilities, but no field office

** service delivery is the main strategy in the country; however, the network with which these NGOs are affiliated also make use of research, lobby and advocacy activities.