Maximising the Role of Business in Fragile and Conflict-Affected Environments: Women’s Contributions to Peace

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Introduction

By 2030, up to 60 percent of the world’s impoverished population will live in fragile states burdened by past experiences of violence and that struggle to deliver the most basic forms of governance.¹ The linkages between fragility and inequality have been a concern of numerous high-level international agreements, most notably, the 2030 Agenda for Sustainable Development, which lays out an explicit path to arrive at more equitable and peaceful societies.² Gender equality and, more specifically, women’s empowerment are critical components to achieving those objectives. A recent report by the Organisation for Economic Cooperation and Development argues that “Empowering women and girls and strengthening gender equality in fragile settings can help transform vicious circles into virtuous ones, supporting inclusive societies, sustainable peace and development.”³ Business is in a unique position to disrupt gender-based constraints and patriarchal cultures that impede women’s agency. This piece will identify some of the ways companies, regardless of size, composition, and sector can address inequality as a central focus on the Sustainable Development Goals (SDGs) by easing access to the labour market and improving job retention for women. To illustrate this potential, this brief uses the case study of Syria and highlights how the nexus between humanitarian aid and business can respond more effectively to the needs of women impacted by war.

Expanding the impact of the private sector

By adopting inclusive business models, companies can facilitate economic elevation of those living at the base of the economic pyramid, who earn up to US$8 per day and currently constitute half of the world’s population.4 Inclusive businesses go beyond philanthropy and change the business model by integrating diversity and inclusion into their operations with a specific focus on low-income communities. According to the United Nations Development Programme, inclusive businesses transform communities by, “combating discrimination in both the workplace and society, while continuing to grow the business. With a diverse work staff, regardless of their background, sexual orientation, gender identity, or being differently abled, businesses can tap into a pool of new talents and innovative ideas to keep up with rapidly changing markets.”5 This business model has direct implications not only for specific goals of gender equality and empowering women, but for achieving other SDGs such as SDG 8 Decent Work and Economic Growth, and Goal 16 Peace, Justice and Strong Institutions. In a report for the Asian Development Bank, Endeva notes that inclusive business, “defined as private-sector business activity with systemic impact to the benefit of low-income communities, has vast potential in helping women improve their capacity to bring about economic change for themselves.”6

Inclusive business practices might not be enough to dislodge the structural inequalities that overwhelmingly affect women. In fact, discrepancies between national laws protecting women and the enforcement of those laws can have a profound impact on women’s agency and economic security. In specific contexts, entrenched cultural biases and archaic civil registration systems prevent women from acquiring a legal identity, at least until her male family members receive one. Up to one billion people, many of whom are women, are entirely excluded from civil registration and vital statistics systems.7 Without a legal identity, it is difficult, if not impossible, for women

to register significant life events, such as births, marriage, and divorce, as well as claim assets and property. Even with a legal identity, the discrepancy between law and practice is so persistent that women in half of the countries in the world are still unable to assert equal land and property rights. Equal access to property ownership and inheritance is associated with greater female labour force participation. 8 According to Anna Wellenstein, “Secure land rights are essential for women’s economic empowerment and creating incentives for investment, providing an asset that can be leveraged for agriculture or business development, and offering a solid foundation for financial stability.” 9

In a recent report, Oxfam indicates that inequality or the “great divide is based on a flawed and sexist economic system that values the wealth of the privileged few, mostly men, more than the billions of hours of the most essential work – the unpaid and underpaid care work done primarily by women and girls around the world.” 10 Many NGOs and feminist economists challenge the categorization of certain economic indicators that are often classified as leisure time. In a statement for International Women’s Day, Make Mothers Matter, argued that, “Unpaid care work is an indispensable support to the world economy. Yet, it is not recognized, not valued and generates poverty and discrimination.” 11 It is apparent that many gender-based constraints, such as those listed above and additional ones including access to clean water, sanitation, and energy supplies, which are also part of the 17 SDGs, affect women in different ways yet are not always apparent.

Companies can help deliver on many of the SDGs through pursuing inclusive business policies. However, this requires them to go a step farther than simply focusing on the narrowest definition of each goal, and to adopt firstly gender-sensitive measures to underpin each area of action on sustainable development. Gender-sensitive measures can help development stakeholders, including business to understand how gender inequality impacts women, mitigate any unintended

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negative consequences of their operations and, in turn, provide the tools and opportunities necessary for women’s economic inclusion and empowerment.

Secondly incorporating conflict sensitive implementation will also advance women’s human security, their protection and empowerment, given the pervasiveness of fragile contexts in which many women live. Conflict sensitivity “involves close scrutiny of the operational context through regularly updating the conflict analysis, linking this understanding of the context to the objective and process of achieving the activities, and adjusting these activities accordingly.”

Combining gender and conflict sensitivity into inclusive business practices can transform in practical ways the situation and possibilities for women in the economy.

*Participation and retention in the labour market*

While the evolution of women in the labour market has changed and improved over time, women’s participation does not necessarily translate into greater economic security. Irrespective of a woman’s performance in the labour market, numerous factors including education, household structure, gender differences in laws, the composition of labour market participation, and existing welfare and gender regimes influence women’s economic inclusion. Thus, economic growth remains an inherently gendered process with an array of gender-based inequalities.

Taking these points into consideration, companies can contribute to sustainable ecosystems that create robust, equitable, and stable communities and markets by easing women’s entry to the labour market and improving job retention. Becoming a diverse and inclusive workplace requires an employer to commit resources and institute policies such as:

- a safe working environment
- fair wage standards
- salary transparency

• pay parity
• flexible working hours
• work-life balance schemes
• childcare facilities
• paid parental leave for parents
• wellbeing and parenting schemes
• continuing education
• and transportation services.

During times of heightened fragility and violence, business including investors and other relevant stakeholders need to pay particular attention to the structural constraints that hinder gender equality. But this does not mean that business should perceive the inclusion, protection and empowerment of women as a humanitarian gesture. Rather, including women - who especially in such contexts account for a disproportionate share of people living at the base of the economic pyramid- as employees, customers, entrepreneurs, suppliers, distributors, or retailers is good for business and yields valuable financial and social benefits for companies and communities.14

Leveraging humanitarian responses to secure women’s economic inclusion

The humanitarian response to the war in Syria is a valuable case study to understand the nexus between business and aid and how it can facilitate the protection and empowerment of women in a highly fragile context. Since 2011, more than eleven million Syrians have been forcibly displaced from their homes with more than 3.5 fleeing to neighbouring Turkey.15 As a frontline state to the war, Turkey poses a relatively straightforward path to the economic integration and social inclusion of Syrian refugees.16 Since 2014, individuals registered with the state for “temporary protection” can access public healthcare facilities, the education system, and other forms of social

16 Unlike most signatories to the 1951 Geneva Convention, Turkey only grants refugee status to citizens from countries within the Council of Europe.
assistance. In an attempt to integrate working-age Syrian refugees into the formal labour market, the Turkish government reformed labour legislation in 2016, to allow recipients of the “temporary protection” status to apply for a work permit. Despite the creation of these temporary protections, in the absence of a rights-based approach to migration management, Syrian women, in particular, will likely remain in a state of protracted vulnerability in Turkey. According to a study conducted by UN Women, the prevalence of the informal labour market, the hurdles of entering into the formal labour market; the lack of a common language; and discrimination towards minorities, including Syrians, have made it extremely difficult for Syrian women to secure their livelihoods.17

An array of international donors, including the European Union, mobilised funding to mitigate the effects of the war on frontline states. The European Union alone has committed more than €6 billion since the onset of the conflict. In 2014, the European Union Regional Trust Fund in Response to the Syrian Crisis, the Madad Fund, was launched to ensure an “integrated European response to the massive needs resulting from the Syrian refugee crisis.”18 The Madad Fund has channeled more €1 billion to organisations that primarily focus on the educational, economic, and social needs of Syrian refugees and vulnerable host communities in Egypt, Iraq, Jordan, Lebanon, and Turkey.19 In 2016, the European Union established the Facility for Refugees in Turkey, with a total budget of €6 billion for both humanitarian relief and non-humanitarian efforts.20 Monthly cash transfers have been given to those registered under the temporary protection regime by the Emergency Social Safety Net programme, an initiative administered in collaboration with the European Union, the World Food Programme, the Turkish Red Crescent, and Turkish government institutions.21 The Conditional Cash Transfer for Education programme, a partnership between the Turkish Ministry of Family and Social Policies, the Ministry of National Education, the Turkish Red Crescent and the United Nations International Children’s Fund, has administered cash

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transfers to families whose children attended school regularly as well as a child protection outreach service.\textsuperscript{22} Besides these two flagship initiatives, funding has also been allocated to increase the quality of the public education and health systems, widen the capacity of migration management and develop municipal infrastructure of host communities.

The implications of forced displacement have left many Syrian women with little choice but to adopt negative coping mechanisms to survive. They have had to accept unfair wages, unsafe working environments, child marriage, survival sex, and have had to send children to work instead of to school to supplement the family income. The exceptional vulnerabilities facing Syrian women requires a multi-stakeholder response.\textsuperscript{23} Donor agencies, business, civil society, government, local and regional authorities, and other relevant stakeholders bring unique experiences, knowledge, and capacities to address the gendered consequences of the forced displacement crisis. The indigenous private sector and the displaced Syrian business community are particularly well-positioned to enhance the economic inclusion of Syrian refugee women who have sought protection in Turkey. In partnership with other stakeholders, business can ease the transition of Syrian women into the formal labour market and improve the chances of women remaining in the labour market.

As mentioned, recipients of the “temporary protection” status can apply for a work permit through an employer. Acquiring a work permit gives an employee eligibility for private health insurance, a pension, workers’ compensation, and right to sue for non-payment of wages. Although the government has reformed labour legislation, significant barriers to the formal labour market remain. Employers who wish to employ an individual with “temporary protection” must demonstrate they are unable to hire a Turkish citizen who can perform the same duties and adhere to the employment quota unless they receive an exemption. Number of iterations to the registration

\textsuperscript{22} European Commission, ‘Conditional Cash Transfer for Education Programme for Refugee Children in Turkey’, updated 8 May 2018.

process, existing fees for the work permit, and perceived loss of a competitive salary advantage by Syrians have enticed many employees and employers to pursue the informal route to employment. With more than one million Syrians of working-age (between 15 and 65) residing in the country, only 15,000 work permits were granted to holders of the temporary protection regime in 2018.24

Despite barriers to the formal labour market that arise as a result of public policies, the indigenous private sector and the displaced Syrian business community have mechanisms to formally incorporate Syrian refugee women into their operations. Local chambers of commerce and industry particularly those operating in southeastern Turkey have devised education and employment generation strategies with sister Syrian private sector associations and other organizations, some of which have received financial support from the European Union Regional Trust Fund.25 Aside from the Union of Chambers and Commodity Exchanges of Turkey, the national private sector has mostly remained absent from the discussion on the economic integration and social inclusion of Syrian refugees. In many regards, the Turkish Industry and Business Association (TUSIAD) and the Turkish Enterprise and Business Confederation (TURKONFED) drive the agenda on inclusive business practices, good governance, corporate social responsibility, and the role of the private sector in influencing the democratic trajectory in Turkey. TUSIAD and TURKONFED also have the possibility to complement efforts by international level stakeholders including the International Labour Organisation, International Organisation for Migration, United Nations Development Programme, the Turkish Employment Agency, and local civil society organisations to improve employability, expand career development and generate employment opportunities for Syrian refugee women and women from vulnerable host communities. The recently formalised partnership between the United Nations Development Programme Turkey Office, TURKONFED and TUSIAD to mobilise the private sector to work more effectively with aid agencies is a positive step. It illustrates how local and regional efforts can link to global initiatives, creating integrated solutions to transform fragile contexts.

Many recipient organisations of European Union funding, including those with a business and livelihoods security element to their operations, have focused on skills development and income

generation strategies for beneficiaries. A significant number of vocational education and training programs reflect traditional expectations for women beyond schooling. Programs often emphasize classical sectors such as textile and food and equip beneficiaries with the skills necessary for conventional professions or small-scale income generating-activities which can be pursued inside the home. For instance, Muhra, a social enterprise, offers women from the refugee community apprenticeship opportunities to sharpen their craft-making skills. It is imperative implementing organisations are sensitive to cultural norms and the operating environment. However, it is also essential to present female beneficiaries with progressive forms of human capital development to expand their chances of participating in the formal labour market as employees and the economy as business owners and investors. Some organizations have devised training programs that focus on traditional sectors and emphasize market-oriented skills for beneficiaries. For instance, the Women Entrepreneurs Association of Turkey and the Foundation for the Support of Women’s Work deliver training sessions to beneficiaries many of which have a business connection in financial and investment literacy. Specialising in the food industry, the Livelihoods Innovation through Food Entrepreneurship Project provides business development skills for micro, small, and medium-sized companies involved in food production or processing.

*Challenges of unintended negative consequences*

Implementing women inclusion and economic empowerment programming entails certain risks. Conflict and gender-sensitive approaches as part of a focus on human security can provide a starting point for stakeholders, including donors, companies, and implementing organisations to understand those risks and to identify possible negative impacts of gender measures. These approaches provide stakeholders with an opportunity to assess and adjust programming accordingly, to work more effectively with public aid organisations and to reduce any unintended negative consequences of their activities or render the intervention ineffective. As an example of the pitfalls business needs to be aware of, studies including those published by the International Crisis Group indicate that local perceptions of security risks, cultural dissonance, and labour market grievances are factors that have contributed to an increase in tensions between the Syrian refugee and host communities in Turkey. Programming that aims to secure the livelihoods of beneficiaries risks further disrupting community relations if implementing organisations are
perceived to favour one group over the other. For instance, while vocational training that aims to improve Syrians’ employability and expand their career development opportunities is a positive measure, it can also spark resentment among host communities that do not benefit from the same initiatives.26

Not dissimilar from other conflicts, the gendered consequences of the war in Syria have had a profound impact on established norms of gender and power.27 In part, because Syrian men are either absent or unable to fulfill their traditional roles as breadwinners, Syrian women increasingly assume responsibility for generating an income and ensuring a family’s basic needs are met, all the while continuing to care for family members. According to multiple sources, a significant number of Syrian households in refugee-hosting countries are now female-headed.28 In light of this growing phenomenon, Syrian women face additional vulnerabilities as they search for the means to generate an income.29 Lacking adequate legal protections in professional and personal spheres women are more susceptible to exploitation and gender and sexual-based violence. By emphasising livelihood security strategies, implementing partners may unknowingly compound risks and thrust Syrian women into situations where economic empowerment challenges cultural and social norms. Furthermore, many Syrian women are living with post-traumatic stress disorder and related symptoms of depression, anxiety, inattention, and survival guilt that might hinder their ability to perform tasks as easily as they would if they had not experienced war and forced displacement. In some instances, smaller enterprises have partnered with local municipalities and primary healthcare facilities to provide trauma-informed care for employees and their family members. Other larger companies such as Chobani and Maya Holding have focused on the wellbeing of refugees through their social investments. As Syrian women transition to new roles and responsibilities it is imperative that in order to be positive and transformative, interventions

including business mitigate any risks that they are potentially exposed to as they claim their space in the economic, social, cultural and political arenas in the post-war recovery of Syria.

**Conclusion**

It is paramount that business is included in development and peacebuilding strategies as companies increasingly are able to shape the conditions that determine whether instability will evolve into a durable peace or collapse into armed conflict.\(^3\) Inclusive business models assist companies to go beyond social investments and philanthropy to incorporate diversity and inclusion principles into their mainstream operations with a specific focus on low-income communities. Private sector entities (companies, business associations and investors) should strive to understand the social context including gender-based constraints that affect operational and investment decisions. Equipped with this knowledge, they can better incorporate women as employees, customers, entrepreneurs, suppliers, distributors, or retailers and derive associated social and financial benefits. Conflict and gender-sensitive approaches provide a starting point for stakeholders, including development agencies, business, civil society, and the government to operate collectively and maximise positive outcomes for interventions that seek to promote women’s economic inclusion and empowerment and to mitigate implementation risks of women inclusion strategies. While companies can address gender-constraints, business cannot substitute the need for strong institutions, fundamental reforms of governance structures and commercial practices. But through its interactions with the government, business can provide useful input to that end. Defining respective areas of responsibility and intervention between public, private and civil society actors, and better understanding of the scope for collective effort is an important part of the process of achieving integrated and durable solutions.

The humanitarian dimensions of the war in Syria reveal important lessons on how to enhance human security through the protection and empowerment of Syrian women enabled by business. Although Turkey, a frontline state to the conflict, enacted policies for the economic integration and social inclusion of Syrian refugees, they remain inadequate. Just as there have been gendered

consequences to the war, there will be gendered repercussions of the post-conflict recovery of the country that would require adjustment and innovative business practices. It is paramount stakeholders, not just business, but also civil society, and the government recognise that a human security approach which encapsulates rights and protections as well as pathways to increased agency and dignity are necessary for improving women’s equality and economic inclusion. The “meaningful investment in new approaches supporting locally led efforts,” is one way for that to become a reality.\(^{31}\)

*Policy and Practice Recommendations*

- International organisations such as the United Nations and the European Union should implement more robust monitoring, verification, and evaluation mechanisms to identify and mitigate the potential negative impact of aid on the position of women in fragile contexts.
- Partner organisations that receive funds from international organisations should be required to incorporate conflict-sensitive and gender-sensitive principles into their operations.
- International organisations should designate sufficient funding to create additional institutional capacity of implementing partners, especially smaller non-governmental organizations, but also among private businesses.
- Donor agencies and international financial institutions such as the International Finance Corporation should strengthen the ecosystem for women-inclusive business and provide more recognition for gender-sensitive private sector investment in livelihood interventions.
- Private sector entities should liaise with governments to identify and address barriers in legislation to increased women’s participation and retention in the labour force.
- Targeted action by development actors to identify companies who are either interested in pursuing or who have already incorporated women-inclusive models should be accelerated.
- Inclusive businesses should identify ways to work more closely with one another to expand sectoral and cross-market opportunities to enhance women’s economic security.

\(^{31}\) Kantowitz, Riva, ‘Radical Flexibility: Strategic Funding for the Age of Local Activism’, *Peace Direct*, 2020, p. 3.