

BUSINESS: A PANACEA FOR PROMOTING POSITIVE SYNERGIES IN CONFLICT-AFFECTED AND FRAGILE REGIONS IN NIGERIA

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Abstract

Oftentimes, the concept of business and peace building are understood to be unrelated or even opposing to each other. Though, there is increasing evidence of their association suggesting that business interests among warring communities, zones, or region if harnessed will bring a lasting peace. Thus, this study aims at identifying how businesses - small and medium scale enterprises can be used as a tool for conflict resolution and promoting positive synergies among conflict-affected areas in Nigeria. Two research questions guided the study. The study adopted survey research design. The population was 200 registered small and medium scale businesses drawn from 6 states in the north-east part of the country namely: Borno, Adamawa, Yobe, Taraba, Gombe and Bauchi. Questionnaire was used for data collection and the instrument was validated by three experts. The reliability of the instrument was ascertained using Cronbach Alpha reliability method. Data were analyzed using mean and standard deviation. The study found that business is a valuable and yet underutilized asset in peace-building. Based on the findings, the following recommendations were made: Government should provide an enabling environment by ensuring that there is political stability and security for business to thrive. On the other hand, firms can foster peace by ensuring that part of their profit is invested directly into the communities in which they operate. The academic community should teach and equip individuals with the necessary skills and competence

needed to become useful members of the society thereby promoting peace in their community and the society at large.

Keywords: *Business, Panacea, Positive synergies, Conflict affected and fragile regions*

Introduction

Today, in most countries of the world, there is persisting violence and political instability and as a result many nations spend huge and substantial amount of money on military activities each year. Yet peace and stability have become unsustainable. This therefore calls for alternative methods of peace-building. Unfortunately, there is one valuable and yet underutilized asset which is the business community. Oftentimes, the concept of business and peace are understood as unrelated or even opposing but increasing evidence of their association suggests that firms should not be excluded from the broad array of stakeholders working toward peace.

The notion of business fostering peace has become well established in the academic literature (Forrer, Fort, & Gilpin, 2012). According to the authors in their special report to the United States Institute of Peace, firms can promote stability in five broad ways: providing jobs and economic opportunity; respecting rule of law as well as international labor and environmental standards; espousing principles of corporate citizenship; conducting risk assessments unique to the political environment in conflict-affected regions; and in some circumstances engaging in track-two diplomacy. They further opined that factors that affect a firm's decision to engage in peace-promoting behavior include policies, characteristics of the firm, and operating environment. These characteristics also influence whether such behaviors are incidental, a consequence of ethical business practice, or purposeful in nature.

The word *business* has various meanings to different people depending on situations and purposes. In Nigeria for instance, a person who is self-employed, no matter the type of job he is doing, is said to be in business. However, Tonne and Nanassy (1970) in Obi (2011) defined business as 'that phase of economic system devoted to the management and distribution of products of industry and the professions; thus, it is the essential integrating element in the whole economic structure'. Obi (2011) further stated that one of the characteristics of business is that there is a need to be satisfied and this need could be either personal or societal. Talking about societal needs, we know that no country or nation is self

sufficient. In other words, no country can produce all the goods and services she needs and as a result countries engage in business (trade) among themselves in order to get those things that they cannot produce domestically. This is called international trade. There is no doubt that sometimes as countries, people and firms relate with one another there is bound to be discord or disagreement between them resulting in conflict.

Conflict is very natural and normal. One cannot talk about peace without mentioning conflict. The concept of peace itself does not necessarily mean the total absence of conflict and that is why Galtung (1975) posited that there are two types of peace namely: **negative peace** and **positive peace** and made a clear distinction between them. According to Galtung (2011), negative peace means the absence of violence while positive peace refers to the absence of structural violence and the conditions for war. This implies that conflict is a part of life and people's nature. Galtung argued that peace building is distinct from peacemaking and peacekeeping and involves, 'addressing and removing the root causes of violence – the structural and (a later addition to his work) the cultural violence – that feed into and enable direct violence' (Smith et al. 2011, 13). Thus, conflict is inevitable in human nature.

According to Okereke, (2011), conflict is an express struggle between at least two interdependent parties who perceive incompatible goals, scarce resources, and interference from others in achieving personal goals. In other words, to the author, conflict is caused by clash of interest. Deng (2000) captures this scenario when he observes that conflicts are proof of situations where interaction involving two or more parties in which actions in pursuit of incompatible objectives or interests result in varying degrees of discord between the parties which if not addressed may culminate at its worst in high-intensity violence. The question now is: how can firms and business organizations help in resolving conflict and promote peace in conflict-affected and fragile regions?

Conflict-affected and fragile regions are those areas which are more prone to conflicts situations and also suffer greatly the adverse effects of this chaos in their everyday life. The nature of conflicts that occur in these conflict-affected and fragile regions could be ethnic, religious, political, sectarian, communal, settlers-natives e.t.c (Adamu, Musa and Moniruzzaman 2016). The authors equally stated that ethno-political conflicts in Nigeria are fundamentally influenced by bad politics and bad governance. However, in the context of this research, emphasis

is laid on conflict in the Northern part of Nigeria especially the north-east zone where these conflicts occur regularly.

Northern Nigeria has three out of the six geopolitical zones in Nigeria. These are the North East, North West, and North Central zones. The North East comprises of Adamawa, Bauchi, Borno, Gombe, Taraba, and Yobe. The North West comprises of Kaduna, Kano, Katsina, Kebbi, Jigawa, Sokoto, and Zamfara while the North Central zone comprises of Benue, Plateau, Kogi, Nassarawa, Niger and Kwara States. The North East and North West are inhabited by majority indigenous Muslim population. In addition to the Muslim population, the North East and North West are also inhabited by a minority indigenous Christian population and migrant settlers of mostly Christian faith. These states share a fairly competing population of Christians and Muslims. Culturally, the dominant indigenous ethnic group in Northern Nigeria is the Hausa/Fulani. The minority ethnic groups include Birom, Afuziri, Tiv, Igede, Idoma, Angas, Tarok, Eggon, Gwari, Nupe, and Jukun. Others are Bachama, Kataf and Igala. Unfortunately, northern Nigeria has emerged as a theater for harvesting various forms of conflicts that provoke depopulation, devastation, and defoliation. Therefore, promoting trade in conflict-affected regions is a multi-faceted challenge. Trade encompasses a wide range of exchanges, within and across borders, all with specific links to development and peace prospects. In conflict-affected regions, these trade activities include small scale and day to day informal trade in agricultural produce and other products of basic necessity, which go largely unrecorded in national accounts; official trans-border international flows of trade in primary commodities and manufactured goods; as well as illegal trafficking in valuable minerals, arms and people orchestrated by armed groups and powerful informal networks. Although informal economic interactions may be given little attention in the formal decision-making process, they will often have the greatest influence on the lives and livelihoods of local people. They also will be the most exposed to violent conflict (Gündüz, Vaillant, & Banfield (2006).

That is why all hands have been on deck by various sectors of the economy to combat this menace. However, efforts are made to identify how business could serve as a panacea for combating and possibly conquering these conflicts in the region.

The word *Panacea* comes from a Greek word "*panakei*" meaning "all-healing", it originated from the name of a Greek Goddess who was the goddess of healing.

The word panacea could be used in different spheres of life. For instance, in the context of governance of human– environment interactions, a panacea refers to a blueprint for a single type of governance system (e.g., government ownership, privatization, community property) that is applied to all environmental problems (Ostrom, Janssen & Anderies 2007). Similarly, in the medical sciences, the word panacea can be defined as a hypothetical cure for all diseases and illnesses. According to the Merriam-Webster Dictionary, the term is also used to symbolize something that would make all of one's problems and troubles disappear or better still something that will make everything about a situation better. However, in this context we would make use of the second definition. In the light of this research, we are looking at business as an elixir or remedy for promoting positive synergies in areas affected by conflict in Nigeria.

The word synergy originally comes from New Latin *synergia*, from Greek *synergos* which means “working together”. An old saying, "The whole is greater than the sum of its parts", expresses the basic meaning of *synergy*. Synergies exist in various areas and aspects of life. For instance, the word is sometimes used in a purely physical sense, especially when talking about drugs; sometimes a "cocktail" of drugs may be more effective than the sum of the effectiveness of each of the separate drugs. But the word is best known in the world of business - the notion that, when the right two companies merge, they'll produce a profitable outcome. Synergy can be defined as a mutually advantageous conjunction or compatibility of distinct business participants or elements such as resources or efforts (Merriam-Webster dictionary, 1828). It also connotes the interaction of discrete agencies (such as industrial firms), agents (such as drugs), or conditions such that the total effect is greater than the sum of the individual effects. In the same vein, there is a link or bond between business and peace. Businesses respond differently to policies, threats, and incentives based on variations in size, ownership, and industry. The nature of the response can affect the firm's impact on peace either positively or negatively. Therefore recognizing the diversity of firms and the different ways they interact with the communities in which they operate is crucial to designing the most effective approaches to promoting peace.

Purpose of the Study

The major purpose of this study was to find out how business can be used as a panacea for promoting positive synergies in conflict-affected and fragile regions in Nigeria. Specifically, the study determined:

1. ways by which business can serve as a panacea for promoting positive synergies in conflict-affected and fragile regions in Nigeria.
2. challenges faced by businesses in promoting positive synergies in conflict-affected and fragile regions Nigeria.

Research Questions

The following research questions guided the study;

1. What are the ways by which business can serve as a panacea for promoting positive synergies in conflict-affected and fragile regions in Nigeria?
2. What are the challenges faced by businesses in promoting positive synergies in conflict-affected and fragile regions Nigeria?

Methods

Two purposes and two research questions guided the study. Descriptive survey research design was adopted for the study. This design was adopted because it provides an opportunity for collecting data from the entire population. It also describes, explains and reports events in their natural setting as they are without any manipulation of what caused the event or what is being observed (Au, 2006). Through descriptive survey, researchers obtain vital facts about people, their beliefs, opinions, attitudes and behaviour (Osuala, 2004). This research design was considered appropriate for this study because the study solicited information from business experts on how business can be used as panacea for promoting positive synergies in conflict-affected and fragile regions in Nigeria. The population for the study consisted of 200 registered small and medium scale enterprises drawn from the 6 states that make up the north-east zone which include Adamawa, Bauchi, Borno, Gombe, Jigawa, and Yobe. Due to the relatively manageable size of the population, the entire population was involved in the study; therefore, there was no sampling.

The instrument used for data collection was a structured Questionnaire titled "Business as a Panacea for Promoting Positive Synergies in Conflict-affected and Fragile Regions in Nigeria" (BAPPSICAFRN)". The questionnaire was prepared electronically using Google form. The questionnaire was structured on a 4-point rating scale of Strongly Agreed (SA); Agreed (A); Disagreed (D); and Strongly Disagreed (SD) respectively. The instrument was face- validated by three experts from the Department of Business Education, University of Nigeria, Nsukka, Enugu State. For the purpose of establishing the internal consistency of the

instrument, Cronbach Alpha reliability method was used. The reliability coefficient obtained was 0.84. The questionnaire was prepared electronically using Google form and copies of the questionnaire were distributed via e-mail to the owners of these registered small and medium scale enterprises. The questionnaire was also collected via e-mail because the SMEs were geographically dispersed and could not be accessed physically due to distance, the COVID-19 pandemic and also the nature of conflict in some of these areas. The data collected were analyzed using mean and standard deviation for answering the two research questions. Boundary limit was utilized to answer the research questions follows: 3.50 - 4.00 (Strongly Agreed), 2.50 - 3.49 (Agreed), 1.50 - 2.49 (Disagreed) and 1.00 - 1.49 (Strongly Disagreed).

Results

The results for this study were obtained based on the research questions answered. The results from research questions are presented in Tables 1, and 2.

Research question one:

What are the ways by which business can serve as a panacea for promoting positive synergies in conflict-affected and fragile regions in Nigeria?

Table 1:

Mean analysis of ways by which business can serve as a panacea for promoting positive synergies in conflict-affected and fragile regions in Nigeria?

S/N	Item Statement: Business can serve as a panacea for promoting positive synergies in conflict-affected and fragile regions in Nigeria through	$\bar{x}$	S.D.	Remarks
1	Provision of employment to increase the standard of living of the people	2.75	1.06	A
2	Price differentiation between indigenes and non-indigenes	2.48	1.11	D
3	Levying taxes based on religious inclinations, ethnic group or political affiliation	1.79	.89	D
4	Showing preferential treatment to people based on their religious sect or belief	2.06	1.08	D
5	Corporate social responsibility such as providing			

	social amenities like electricity, pipe-borne water, good road network for host communities	3.38	.89	A
6	Ensuring security of lives and property	2.84	1.15	A
7	Educating people about the importance of co-operation and peace in the community and society at large	3.37	.91	A
8	Educating the public about respecting the rule of law and engaging in peace-promoting behavior	3.22	1.12	A
Grand mean		2.61	.54	A

n= 173, $\bar{x}$ = Mean. S.D. = Standard Deviation. A = Agreed. D = Disagreed

The result in Table 1 shows the responses of the respondents on ways by which business can serve as a panacea for promoting positive synergies in conflict-affected and fragile regions in Nigeria. The result shows that the respondents agreed with items 1, 5, 6, 7 and 8 with mean scores of 2.75, 3.38, 2.84, 3.37 and 3.22 and standard deviations 1.06, .89, 1.15, 0.91 and 1.12 respectively. This indicate that provision of employment to increase the standard of living of the people, corporate social responsibility such as providing social amenities like electricity, pipe-borne water, good road network for host communities, ensuring security of lives and property, educating people about the importance of co-operation and peace in the community and society at large, educating the public about respecting the rule of law and engaging in peace-promoting behavior are ways by which business can serve as a panacea for promoting positive synergies in conflict-affected and fragile regions.

Similarly, the result in Table one further shows that respondents disagreed with items 2, 3, and 4 with mean scores 2.48, 1.79, and 2.06 and standard deviation 1.11, .89, and 1.08, respectively. This indicates that price differentiation between indigenes and non-indigenes, levying taxes based on religious inclinations, ethnic group or political affiliation, showing preferential treatment to people based on their religious sect or belief are not ways by which business can serve as a panacea for promoting positive synergies in conflict-affected and fragile regions.

Research questions two:

What are the challenges faced by businesses in promoting positive synergies in conflict-affected and fragile regions Nigeria?

Table 2:

Mean analysis of the challenges faced by businesses in promoting positive synergies in conflict-affected and fragile regions Nigeria

S/N	Item Statement: Challenges faced by businesses in promoting positive synergies in conflict-affected and fragile regions Nigeria include:	$\bar{x}$	S.D.	Remarks
1	Lack of capital	2.67	.94	A
2	Conducting risk assessments unique to the political environment in conflict-affected regions	1.95	1.06	D
3	Land tenure system	1.66	.90	D
4	Lack of access to loans and credit facilities	3.31	.88	A
5	Government regulations and fiscal policies	3.80	1.00	A
6	Constant insecurity of lives and property	3.34	.65	A
7	Lack of positive interventions by government	3.31	.81	A
Grand mean		2.57	.76	A

N = 173, $\bar{x}$ = Mean. S.D. = Standard Deviation. A = Agreed. D = Disagreed

The result in Table 2 shows that the respondents agreed with items 1, 4, 5, 6 and 7 with mean scores 2.67, 3.31, 3.80, 3.34, and 3.31 and standard deviation of .94, .88, 1.00, .65 and .81 respectively. This indicate that lack of capital, lack of access to loans and credit facilities, government regulations and fiscal policies, constant insecurity of lives and property and lack of positive interventions by government are some of the challenges faced by businesses in promoting positive synergies in conflict-affected and fragile regions Nigeria.

Similarly, the result in Table two further show that respondents disagreed with items 2, and 3 with mean scores 1.95, and 1.6 and standard deviation of 1.06, and .90 respectively. This indicate that conducting risk assessments unique to the political environment and land tenure system are not part of the challenges

faced by businesses in promoting positive synergies in conflict-affected and fragile regions Nigeria.

Discussion of findings

The study with regards to research question one on ways by which business can serve as a panacea for promoting positive synergies in conflict-affected and fragile regions in Nigeria. It was revealed that provision of employment to increase the standard of living of the people, corporate social responsibility such as providing social amenities like electricity, pipe-borne water, good road network for host communities, ensuring security of lives and property, educating people about the importance of co-operation and peace in the community and society at large, educating the public about respecting the rule of law and engaging in peace-promoting behavior are actually ways by which business can serve as a panacea for promoting positive synergies in conflict-affected and fragile regions.

However, the study also found out that price differentiation between indigenes and non-indigenes, levying taxes based on religious inclinations, ethnic group or political affiliation, showing preferential treatment to people based on their religious sect or belief are not ways by which business can serve as a panacea for promoting positive synergies in conflict-affected and fragile regions. The result indicates that business is an important tool in peace-building and conflict resolution and thus can serve as a panacea for promoting positive synergies in conflict-affected and fragile regions in Nigeria through provision of employment to increase the standard of living of the people, corporate social responsibility such as providing social amenities like electricity, pipe-borne water, good road network for host communities, ensuring security of lives and property, educating people about the importance of co-operation and peace in the community and society at large, educating the public about respecting the rule of law and engaging in peace-promoting behavior. The study agrees with Forrer, Fort, & Gilpin (2012) who stated in their special report to the United States Institute of Peace that firms can promote stability in various ways among which include: providing jobs and economic opportunity; respecting rule of law as well as international labor and environmental standards; espousing principles of corporate citizenship and so on. The study is also in line with Christine (2012) who opined that cooperation through trade, cross-societal understanding, and economic development are among factors suggesting that trade promotes peace. The author also stated that Free trade agreements have the potential to lift

environmental, labor, human rights and living standards. If designed and implemented that way, trade can indeed reduce root causes of destructive conflict.

Similarly, the study with regard to research question two on challenges faced by business in promoting positive synergies in conflict-affected and fragile regions. It was revealed that lack of capital, lack of access to loans and credit facilities, government regulations and fiscal policies, constant insecurity of lives and property and lack of positive interventions by government are some of the challenges faced by businesses in promoting positive synergies in conflict-affected and fragile regions Nigeria. This study is in agreement with Gündüz, Vaillant, & Banfield, (2006) who stated that the provision of initiatives in conflict-prone and conflict-affected countries and regions, frequently supported by the EU through local providers, such as micro-finance that target disadvantaged groups, can help promote more equitable access to financial services. They also posited that where appropriate and relevant, policies on non-discrimination, for example, could be made a pre-condition for access to EU-funded financial services.

Conclusion

Business can foster peace in a multitude of ways and enhance movement from dependency on foreign aids to self-sustained progress. Business encourages cooperation and increases understanding among communities and societies through contact and communication. To successfully create and maintain beneficial trade relationships, partners need to focus on common interests rather than differences. This will help the partners to better understand the other and reduce conflict-causing misunderstandings. However, the study found out that the role of education in peace-building cannot be overemphasized. Therefore, business education through skills training can promote peace. When individuals are equipped with the right skills and competence, they will drop weapons and war itself as a means of livelihood and, through the reintegration process, replace these livelihoods with ones that contribute to stability, peace and growth. It is the reintegration phase that links them directly to the peace-building process.

Recommendations

Also based on the findings, the following recommendations were made:

1. Government should provide an enabling environment by ensuring that there is political stability and security for business to thrive as firms employs greater percentage of the working population.
2. Government should also introduce initiatives, incentives such as microfinance, subsidies and subventions to encourage and support local businesses. Government at the local level can also foster peaceful relationships in a number of ways which include peace education, enhance security measures, or involve businessmen in policy development that concerns them.
3. Firms can foster peace by engaging in corporate social responsibility which includes providing social amenities such as electricity, pipe-borne water, good road network et.c. They should also ensure that part of their profit is invested directly into the communities in which they operate.
4. The academic community should teach and equip individuals with the necessary skills and competence needed to become useful members of the society thereby promoting peace in their community and the society at large.

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