



Business for Peace



BUSINESS: A Powerful Force for Supporting Interfaith Understanding and Peace



Global Compact Network
Indonesia



Religious Freedom & Business Foundation

Research, Forums, Awards, Training & Networking

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About the United Nations Global Compact

Launched in 2000, the United Nations Global Compact is both a policy platform and a practical framework for companies that are committed to sustainability and responsible business practices. As a multi-stakeholder leadership initiative, it seeks to align business operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption, and to catalyze actions in support of broader UN goals. With 8,000 corporate signatories in 145 countries, it is the world's largest voluntary corporate sustainability initiative. www.unglobalcompact.org

About Business for Peace

Drawing on over a decade of experience working with the private sector to explore the role of business in contributing to peace, the UN Global Compact launched Business for Peace at the Global Compact Leaders Summit (September 2013). This leadership platform assists companies in implementing responsible business practices that are aligned with the UN Global Compact principles in conflict-affected and high-risk areas. The platform also catalyzes collaborative practical action to advance peace by leveraging business influence on the workplace, marketplace and local communities.

About the Religious Freedom & Business Foundation

The Religious Freedom & Business Foundation is a non-partisan charitable organization that educates the global business community about how religious freedom is good for business, and helps the business community join forces with government and non-government organizations in promoting respect for freedom of religion or belief, which is a universally recognized human right. The Foundation engages in four main areas of work: (1) annual global forums on business, faith and freedom beginning at the 2015 Milan World Expo; (2) biennial global awards that recognize best advances and innovations by businesses in improving respect for interfaith understanding and religious freedom, presented in host cities of the Olympic Games beginning in Rio de Janeiro in 2016; (3) research and training; and (4) facilitation of "impact investment" to empower religious and ethnic minorities through sustainable businesses and networking with companies who obtain financial and social returns on their investment.

www.religiousfreedomandbusiness.org

Disclaimer

This publication is intended strictly for learning purposes. The inclusion of company names and/or examples does not constitute an endorsement of the individual companies by the United Nations Global Compact. The material in this publication may be quoted and used provided there is proper attribution.

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“Given its role in building economies, mobilizing people around a shared purpose and pioneering cross-cultural management styles, business has an important stake in promoting intercultural and interreligious understanding. Successfully managing diversity and fostering tolerance and understanding – among employees, consumers and other stakeholders – is increasingly essential for long-term business success.”

– Georg Kell, Executive Director,
United Nations Global Compact



“Business is at the crossroads of culture, commerce and creativity. This means businesses have the resources to make the world more peaceful as well as the incentive to do so. Indeed, as these case studies show, business is good for interfaith understanding, religious freedom and peace.”

*— Brian Grim, President,
Religious Freedom and Business Foundation*

INTRODUCTION

The UN Global Compact Business for Peace platform and the Religious Freedom & Business Foundation introduce this new resource to highlight how businesses can promote interfaith understanding and peace. Indeed, interfaith understanding – and its contribution to peace – is in the interest of business. Recent research from the Interdisciplinary Journal of Research on Religion shows that economic growth and global competitiveness are stronger when social hostilities involving religion are low and Government respect for, and protection of, the universally recognized human right of freedom is high.

Interfaith understanding also strengthens business by reducing corruption and encouraging broader freedoms while also increasing trust and fostering respect. Research shows that laws and practices stifling religion are related to higher levels of corruption. Similarly, religious freedom highly correlates with the presence of other freedoms and a range of social and economic goods, such as better health care and higher incomes for women. Positively engaging around the issue of interfaith understanding also helps business to advance trust and respect with consumers, employees and possible partner organizations, which can give companies a competitive advantage as sustainability and ethics come to the forefront of corporate engagement with society.

With the shared vision of a more sustainable and inclusive global economy that delivers lasting benefits to people, communities and markets, it is clear that companies can make significant contributions to advancing interfaith understanding and peace through both core business and outreach activities. The examples in this publication offer an important step forward in providing companies with guidance on why and how they can make practical contributions in this area – in ways benefitting both their business and the societies where they operate. The approaches highlighted include:

- **Using Marketing Expertise to Bridge Borders:** Companies can make positive contributions to peace in society by mobilizing advertising campaigns that bring people of various faiths and backgrounds together, as seen in *Coke Serves Up Understanding Across Borders*.
- **Incentivizing Innovation:** Because cross-cultural dialogue and cooperation is an essential part of daily work for multinational companies, one company, the BMW Group, incentivizes other organizations to create innovative approaches to interfaith understanding through an award organized in collaboration with the UN Alliance of Civilizations. Organizations that have won this award include a tour company in the Middle East which offers new paths to build bridges and bring cultures together, as seen in *Promoting Understanding Through Tourism in the Holy Lands*. Another recognized intercultural innovator uses job placements agencies to help contribute to the religious diversity of workforces, as seen in *Helping Muslim Youth in the Philippines*.
- **Incubating and Catalyzing Social Entrepreneurship:** Business can also provide common ground where religious differences give way to shared concern and enterprise. *Opportunity and Entrepreneurship in Nigeria* describes an approach modeled by a peace-building organization showing how supporting companies and new entrepreneurs in conflict-affected areas can reduce extremism. *Petrobras Supporting Business Incubation for Afro-Brazilians* similarly shows how company support for new small enterprises can have a significant impact in developing marginalized communities.
- **Supporting Workforce Diversity:** When businesses are sensitive to the religious and cultural issues around them, they can not only increase employee morale and productivity, but also address unmet difficult social needs, as shown in *Indonesia Businesses Open Their Doors to Faith and Action*.

Through this collaborative publication, the UN Global Compact's Business for Peace platform and the Religious Freedom & Business Foundation seek to raise awareness among business, Governments and other stakeholders of the ways in which business can and are contributing to interfaith understanding and peace.

To learn more about how to engage in this issue, please contact:

- **UN Global Compact Business for Peace team** at business4peace@unglobalcompact.org and visit the website at www.business4peace.org.
- **Religious Freedom & Business Foundation** at brian@religiousfreedomandbusiness.org and visit the website at <http://religiousfreedomandbusiness.org>

BMW GROUP EMBRACES INTERCULTURAL DIALOGUE AND CULTURAL DIVERSITY



The BMW Group is a global company active in 140 markets around the world. This position drives awareness that cultural diversity and their employees' different backgrounds are important drivers of the company's success.

One manifestation of the BMW Group's global commitment to promoting intercultural dialogue and cultural diversity is its ongoing support of initiatives through the Intercultural Innovation Award that have a long-lasting, sustainable and positive impact. Created in partnership with the United Nations Alliance of Civilizations (UNAOC), since 2011 the Award provides financial and other support for ten nonprofit organizations that are promoting intercultural dialogue and cooperation around the world. The UNAOC is an initiative of the UN Secretary General which aims to improve understanding and cooperative relations among nations and peoples across cultures and religions, and to help counter the forces that fuel polarization and extremism.

Supporting the Award elevates the profile of some of the important cross-cultural work being done worldwide. The BMW Group's commitment to the awardees extends beyond financial support to include offering other resources, such as helping them become part of a global network of organizations working for intercultural and interfaith understanding.

The Award recognizes highly innovative grassroots projects in the fields of migration and integration, intercultural awareness, education for intercultural citizenship, the arts, as well as specific groups – such as faith & belief, women, youth, and media & IT organizations. For example, the 2014 project finalists come from all over the world, representing countries across six continents. The many different regions they come from underline the importance of the Intercultural Innovation Award and its commitment to the worldwide promotion of intercultural diversity and understanding. The eleven finalists will be awarded within the framework of the 6th Global Forum of the UNAOC in Bali, Indonesia in the presence of heads of state, ministers, the media and civil society organizations.

Below are two previous award-winners that focused on interfaith understanding, the theme of this series of case studies.

Promoting Understanding through Tourism in the Holy Lands

One recent Intercultural Innovation Award winner, the Middle East and Justice Development Initiative (MEJDI Tours), is a joint Jewish-Arab tour company running tours in Egypt, Israel, Jordan, Turkey and Palestine.



Seeking to foster peace and cultural understanding through the promotion of tourism, MEJDI runs the "Dual Narrative" tour, which is led by Israeli and Palestinian guides who offer their perspectives on culture, politics and religion at each tour location. This approach to peacebuilding and understanding has gained additional support from organizations such as the World Tourism Organization (UNWTO) which mentors the company as it works to build bridges between cultures.

MEJDI Tours is led by Liel Maghan, an Israeli, and Aziz Abu Sarah, a Palestinian, who came together to enable tourists to become cultural explorers and truly understand the different sides of the conflicts in the Middle East. While the two men are now good friends, they understand the challenges many Israelis and Palestinians face, particularly in perceiving and understanding those on the other side.

Helping Muslim Youth in the Philippines

Another recipient of the award is Kapamagopa (KI), a non-governmental organization that aims to promote religious understanding in the Philippines, where tensions between the nation's Muslim minority and its Christian majority have led to violence and other problems. KI mobilizes young Mus-

lims on the island of Mindanao to work as volunteers for non-Muslim organizations and companies, both foreign and domestic. By bringing Muslims into non-Muslim settings, KI aims to positively influence Christian perceptions of Muslims and give young Muslims a sense that they can take positive steps to change to their lives. UN Secretary General Ban Ki-moon praised KI, stating that the project "is addressing a long history of Muslim-Christian violence by forging communications, job creation, and promoting employment."

THE COCA-COLA COMPANY SERVES UP UNDERSTANDING ACROSS BORDERS WITH SMALL WORLD MACHINES



In 2013, the Coca-Cola Company initiated a project to promote understanding and dialogue in an area experiencing one of the longest running conflicts on earth by installing two Small World Machines in New Delhi, India and Lahore, Pakistan. These machines offer users a live communications link to other people using Small World Machines elsewhere in the world. Long separated by a border that has seen a number of wars, Indians and Pakistanis were able to use the machines' live video feeds and large 3D touch screens to speak to and even "touch" the person on the other side. As a three-minute advertisement by Coca-Cola shows, people on both sides of the border who had never met exchanged peace signs, touched hands and danced together.

The idea came about as Coca-Cola was looking to increase sales in Pakistan. Instead of addressing Pakistan as a separate market, the company decided to treat the two countries as one after its teams on the ground observed that Indians and Pakistanis sought new avenues for dialogue and communication. This ultimately led to the Small World Machines and the coming together of people.

The project required months of extensive cooperation between company teams in India and Pakistan that only met in person when the Small World Machines launched.

While technological issues and security threats caused delays, the machines went live in March 2013 in two popular shopping malls, allowing over 100 participants to meet and interact with someone on the other side of one of the most heavily guarded borders in the world.

Coca-Cola's goal for the campaign was to "create stories around shared experiences" and the company worked with an advertising agency to show the positive role a brand can play in society. When the Small World Machine was conceptualized, the technology did not yet exist for web camera communication where people at one machine could interact with those at another as if they were separated by a piece of glass. This led the agency to create innovative new technology that simulates this in-person experience. Coca-Cola believes that the Small World Machine campaign has potential to help bridge other conflicts and plans to introduce them in additional locations.

INDONESIAN BUSINESSES OPEN THEIR DOORS TO FAITH AND ACTION



In Indonesia, a number of businesses are undertaking a variety of efforts to promote interfaith understanding. One example is EXPRESS Taxi. With a fleet of more than 10,000 taxis in Jakarta, the company promotes a faith-friendly workplace by setting up prayer rooms and facilitating Muslim and Christian observances, as well as celebrations of Chinese New Year. Such efforts not only foster interfaith understanding but also increase worker productivity and satisfaction.

In addition to accommodating religious practice in the workplace, Indonesian businesses also help meet the social and religious needs of employees outside of work, while at the same time increasing safety and employee retention. For instance, PT Kereta Api Indonesia, an Indonesian railway company, provides free rail transportation for its Muslim workers to return home to celebrate Eid. This is important because many would choose the more affordable but dangerous option of riding a motorcycle home. In addition to being safer, increasing the number of people on mass transportations relieves congestion across the island of Java and lowers overall driving accident rates. PT XL-Axiata, a mobile telephone company, also arranges free transportation home for religious observance. In cooperation with Giant Hypermarket, the company helped, in total, 6,000 shopkeepers return home for Eid over five years.

On top of offering logistical assistance to employees for religious observances, businesses in Indonesia have also made contributions to fix large, seemingly intractable social problems. For instance, companies in Jakarta, along with civil society groups and the government, helped 4,541 low-income couples in interfaith marriages to receive the proper marriage licenses. Up to that point, these couples could not obtain marriage certificates for financial or legal reasons, which prevented them from receiving birth certificates for their children. Without ID cards, marriage certificates and birth certificates, the families often did not have access to national health care, public education, legal rights and employment. Having the necessary certificates, the businesses can further help them with the education scholarship, skills training and job opportunities.

Supported by the Global Compact Network Indonesia and a variety of businesses, including Rajawali's B Channel (now Rajawali TV), Coca-Cola, Sari Roti, So Nice Sausage, Kopi Kamu, Papa Ron and religious organizations, The House of Love Foundation established and ran the marriage initiative in collaboration with the Jakarta Municipal Government. The program saw Muslim, Protestant, Catholic, Buddhist, Hindu and Confucian couples from across the capital take part. This initiative also promotes intercultural and interfaith understanding within the community.

PETROBRAS SUPPORTING BUSINESS INCUBATION FOR AFRO-BRAZILIANS



Brazilians of African descent still face discrimination for their appearance and beliefs, including their religious beliefs. Petrobras, a semi-public multinational energy company based in Brasil listed on the Dow Jones Sustainability Index since 2006, has supported the Afro-Brazilian Incubator in order to fight discrimination by promoting entrepreneurship among Afro-Brazilians. The support from Petrobras enables the Incubator to offer a host of free services for aspiring entrepreneurs, ranging from management training to assistance with marketing and accounting. As of July 2014, the Incubator supports over 1,000 businesses and has helped establish over 2,500 small enterprises in the metropolitan area of Rio de Janeiro.

Working in partnership with the United Nations Development Programme, the Incubator aims to foster greater acceptance of Afro-Brazilians by advancing greater economic integration. One example is Nildilene Silva, the owner of a candy distributor in Rio de Janeiro. She was able to use business advice and management skills provided by the Incubator to help create a food service business that now employs nine other people. Her ability to grow her business in spite of the challenges she faced is one example of the Incubator's work to enhance the professional recognition of African-Brazilian entrepreneurs in the country.

OPPORTUNITY AND ENTREPRENEURSHIP IN NIGERIA



In Nigeria, businesses and economic development NGOs are working to stop widespread violence, which has already taken hundreds of lives and threatens to lead to civil war.

In Adamawa State in northeast Nigeria, young adults in many of Adamawa's poor rural and marginalized communities lack the necessary entrepreneurial skills they need to break out of the poverty trap that often feeds violent religious extremism. The majority of youth in the area have no employment. In Adamawa, and throughout Nigeria, the population doubles every 30-35 years, so assisting people to create their own jobs is perhaps the most immediate solution to unemployment.

The Yola Innovation Machine and others are helping a new generation of entrepreneurs create businesses. For instance, they helped create and nurture a new business called Yola EcoSentials (YES), which recycles discarded materials into sellable goods such as purses, mats, handbags and wristlets. The goods are made from "plarn," a yarn spun from recycled plastic grocery bags. Every item sold by Yola EcoSentials generates income and employment, and at the same time helps protect the ecological environment.

In the Plateau State in the country's center, Muslim and Christian business people are cooperating to work around religious violence. In Jos, Plateau's capital, there is an unwritten rule that when religious tensions flare up, Christians and Muslims should not cross certain city boundaries. This divide can be devastating for fresh produce vendors and other businesses that serve people on both sides of the divide.

In response, business people have taken it upon themselves to work around these limitations, risking their lives and not just their livelihoods to keep business moving across the religious divide. For example, one Christian vegetable seller and widow raising seven children often cannot go to the market to restock her supply of vegetables due to religious violence or warnings of possible violence. However, a cell phone call to her Muslim supplier can solve the problem. They find a discrete place to meet, agree on a price and make the transaction.

An improved economy and new opportunities, such as those created by the Yola Innovation Machine, could be an effective tool in reducing violent extremism as employment is created and people from different faiths work together to solve business problems.

CONCLUSION

As these examples show, business has the capacity to be an important partner in increasing interfaith understanding and peace in a wide variety of ways. Companies are encouraged to take adequate steps to identify the interaction between their core business operations, government relations, local stakeholder engagement, strategic social investment, and how these factors can impact possible social tensions or influence positive outcomes. Resources for considering how companies can implement responsible business practices in complex environments – such as the UN Global Compact's Guidance on Responsible Business in Conflict-Affected and High-Risk Areas: A Resource for Companies and Investors – aim to assist businesses wrestling with these issues.

The examples included here range from advertising campaigns to incentivizing innovative approaches to interfaith understanding through community outreach and awards programmes. Some businesses offer new modes of cross-cultural engagement, such as tourism, while other types of businesses can play a role in building interfaith understanding by preparing employees to work cross-culturally.

When companies are sensitive to the religious and cultural issues around them, they can strengthen their social license and increase employee morale and productivity, while also addressing difficult social needs. Business can often be at the forefront of creating space where people from different cultures and religions meet and cooperate. Given their role in building economies and their pioneering work in cross-cultural management, business has an important stake in promoting intercultural and interreligious understanding. Tensions along cultural, religious and ethnic lines undermine stable, sustainable business environments. At the same time, successfully managing diversity and fostering tolerance and understanding – among employees, customers and other stakeholders – is increasingly recognized as critical for long-term business success.

Ultimately, the examples offered in this resource and elsewhere demonstrate that business can help to transform religious and intercultural differences that might otherwise erupt into violence into shared understanding and productive enterprise. Making common cause with other companies, organizations and stakeholders on this crucial issue can help both business and society thrive.



The Ten Principles of the United Nations Global Compact

HUMAN RIGHTS

- Principle 1 Businesses should support and respect the protection of internationally proclaimed human rights; and
Principle 2 make sure that they are not complicit in human rights abuses.

LABOUR

- Principle 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
Principle 4 the elimination of all forms of forced and compulsory labour;
Principle 5 the effective abolition of child labour; and
Principle 6 the elimination of discrimination in respect of employment and occupation.

ENVIRONMENT

- Principle 7 Businesses are asked to support a precautionary approach to environmental challenges;
Principle 8 undertake initiatives to promote greater environmental responsibility; and
Principle 9 encourage the development and diffusion of environmentally friendly technologies.

ANTI-CORRUPTION

- Principle 10 Businesses should work against corruption in all its forms, including extortion and bribery.

