1. Introduction to the role and responsibilities of international business in our contemporary world

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*International Business under Adversity: A Role in Corporate Responsibility, Conflict Prevention and Peace* is an edited volume presenting a collection of important original research papers in one field, but from a diversity of perspectives and focuses. It is a logical continuation of two preceding edited works that are each self-standing and yet, together, have a continuum in their objective. It is a thread leading the reader from the analysis of the contemporary state of affairs in international business and its non-traditional challenges, the emergence of global terrorism and the global implications of geopolitical turmoil and societal pressures, to the means and strategies to employ in times of adversity to reduce direct and indirect impacts of conflict and crisis and its hidden business costs. This volume continues by looking at the modes in which these hidden costs can be reduced or removed by preventing adversity.

The book *Terrorism and the International Business Environment: The Business–Security Nexus* (Suder 2004) sets the basis for this research. An analysis of geopolitical, economic and financial structures was completed with insight into post-09/11 developments in selected business sectors. With the intent to develop guidelines for international corporations, the material helped firms adjust to the challenges of the post-09/11 era.

The threat, actions and aftermath of global terrorism have far-reaching implications for international business and internationalization strategies, originating from global network structures of both business and terror. The second volume, *Corporate Strategies under International Terrorism and Adversity* (Suder 2006) explored the firm-level strategies to counteract terrorism in the various fields of international business, to avoid hidden costs through downstream mitigation. The main task for business was found to consist of conceptualizing the possible location of disruptions in a given network and its linkages that may be crucial to the company, and to create just enough flexibility at those points of potential weakness to ensure the
proper operation of a given business network, without excessive cost. The solutions to these tremendous network problems were mapped out in useful concept and state-of-the-art insights, and remain ultimately company-specific. This second volume concluded with reflections upon the challenges for the future, an understanding of the enemy concept and Darwinian behaviours, and the call for companies under terrorism and adversity threats to engage in peacemaking.

Let us briefly come back to Nancy Adler’s (2006) essential argument in this: The “global citizenship” that Adler encourages is based on some substantial amount of rethinking and realigning resources, implying a shift from the mentality that says the rich will be served by the corporate sector while the poor are the business of governments and NGOs. Better business for the benefit of all, as with the example of successful sustainability with a profit, is not only do-able but ultimately necessary.

The quote of Golda Meir, in this context, “War is an immense stupidity”, applies to all forms of geopolitical conflict and violence (Fallaci 1976). It also applies when corporations are, directly or indirectly, responsible for conflict and miss out on the opportunity to reduce risk and uncertainty in the community that they are engaged in, for the benefit of shareholders, stakeholders, international strategy and self-interest as much as the value of community work.

While conflict in its various forms is a very complex matter to analyse, peace can be defined in a rather simplistic manner. Peace is the balance of interests of communities, and their proper communication, dialogue and actions regarding challenges and issues they may have, acting responsibly so as to prevent violence.

One question that arises typically in this type of discussion is whether some corporate activity may well be stirring that violence. But also, one wonders what role international companies are to play in this morality, why and how. “The true nature of the threat remains poorly understood, and previously little research has been done on it”, Yves Doz Insead wrote to introduce the works of Corporate Strategies under International Terrorism and Adversity (Suder 2006). The threat is part of those core global risks that span from economic, environmental, geopolitical and societal to technological risks that are all interlinked in the international community. Kofi A. Annan pointed out many times during his role as UN Secretary General, that business input is crucial for the reduction and, better, prevention of those risks. For instance, he states for the ICT (Information and Communications Technology) Task Force that

By promoting access to knowledge, they can promote mutual understanding, an essential factor in conflict prevention and post-conflict reconciliation . . .
offer ways to reveal human rights abuses, promote transparent governance, and give people living under repressive regimes access to uncensored information and an outlet to air their grievances and appeal for help (Staußfacher et al. 2005, p. iii).

Risks tend to be idiosyncratic in that they may open opportunities to some and problems to others. However, as a community-based paradigm, if the world is faced with an issue that results in threats in a majority of cases, and hinders the healthy functioning of our ecosystem, then a majority of actors in that community need to do something about that issue. This is the case for global warming, pandemics, global terrorism and geopolitical turmoil, to name the most pertinent.

This book analyses the essential issues of corporate responsibility entailed by firms’ international activities: the often worldwide spread of specific sets of values, ways of thinking and living, infrastructures and technologies is commonly associated with the motivations of conflict, crisis and terrorism. What is the impact of international business on community values (and vice versa)? What is its impact on certainties and uncertainties in host communities? Does international business activity accelerate crisis or peace? How can we conceive the “change agent” role of a corporation in a broad cultural and socio-political context? What is the true purpose of corporate citizenship, social responsibility and engagement in community work?

An increasing number of think tanks and academic research encourages this new line of thought:

Could it be – with the right mix of innovation and entrepreneurship – that the creation of sustainable values could become the business opportunity of the 21st century? Are we actually beginning to recognize the next phase of responsible business and global corporate citizenship – and beyond? Can we anticipate a tipping point in business practice, as well as in management education and research that will redefine the very nature of business’s approach to earning profits and to positively influencing society?

This question was asked by the AoM (Academy of Management)/UN Global Forum at Case Western Reserve University in November 2006. Additionally: is this finally a recognition that international business has an essential direct and indirect role to play in conflict prevention and peace keeping – and needs to do something about this?

The objective of this book is twofold. One, it is to help understand nodes of interconnectivity between business profit and community benefit in responsible activities that respect and encourage peace. Two, it aims to provide a starting point to what the World Economic Forum Global Risk Network terms “upstream mitigation”, in which collective action should
allow the disruption to be avoided at its very roots. Figure 1.1 presents these
concepts in diagrammatic form.

In this line of argument, we now set out to analyse and review the issues
of international business: corporations as change agents on a multidiscipli-
inary level, with a role in sustainability that surpasses environmental
responsibilities, and plays a role in the legal and technological environment,
and in peace and religious harmony, through a focused approach in the field
of human rights and corporate citizenship. The volume also includes case
studies from China, India and Poland for some country focus, and on the
extractive industry and the ICT sector for industry focus. It concludes with
a tool kit for international business.

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