

The Private Sector and Atrocity Prevention

Lessons from Côte d'Ivoire's 2010-11 Electoral Crisis and the Role of the Business Community in Preventing Violence in 2020

Policy Brief – March 31, 2020

Côte d'Ivoire's economic stability is critical to West Africa's development and inextricably tied to the global economy. Past periods of conflict, including the civil war from 2002-07 and the 2010-11 electoral crisis, resulted in thousands of deaths and billions of dollars lost throughout the country and region. Côte d'Ivoire's presidential election is less than a year away, and though atrocity crimes are not currently taking place, early warning signs of violence are already visible in a country that has never experienced a non-violent transfer of power. These signs warrant immediate attention, not only from Côte d'Ivoire's political leadership and the international community, but also from business leaders.

While the Ivorian government holds the keys to stability and peace throughout the electoral process, members of the business community—both Ivorian companies and international companies with economic interests in Côte d'Ivoire—can be critical allies in preventing violence in 2020. **Business leaders should signal to the political parties that sacrificing the economy and civilian lives for political gain will not be accepted.**

Côte d'Ivoire at Risk for Mass Atrocities

Our analysis suggests that in the period before, during, and after the presidential election in October 2020, clashes between supporters of Côte d'Ivoire's main political parties could lead to violence and mass atrocity crimes.¹ The effects of the global Coronavirus pandemic are uncertain, but may heighten the risk, as unemployment skyrockets and the ability

of the government, opposition parties, civil society, and the international community to prepare for and observe the electoral process diminishes. As with past elections, risk today is heightened because of the zero-sum nature of Ivorian politics. Politicians and their supporters see the upcoming elections as a “winner-take-all” struggle for political and economic control of the country. In the past, this attitude has led political leaders to manipulate ethnic identity and economic grievances, dividing communities and inciting violence to generate political support. Immediate attention and action are required to mitigate risks, prevent violence, and save lives.

Côte d'Ivoire is...

- One of the fastest-growing economies in the world
- The third-largest economy in West Africa
- Home to the largest port in West Africa and the second-largest port on the continent
- One of the largest exporters of goods in Sub-Saharan Africa

Top Exports:

- Cocoa products, rubber, petroleum

Top Trading Partners:

- Annual Imports: China (\$1.69B), France (\$1.31B), Nigeria (\$680M), India (\$526M), Belgium-Luxembourg (\$397M), and the United States (\$281M)
- Annual Exports: The Netherlands (\$1.57B), the United States (\$1.2B), France (\$926M), Germany (\$729M), Belgium-Luxembourg (\$729M), and Malaysia (\$562M)¹

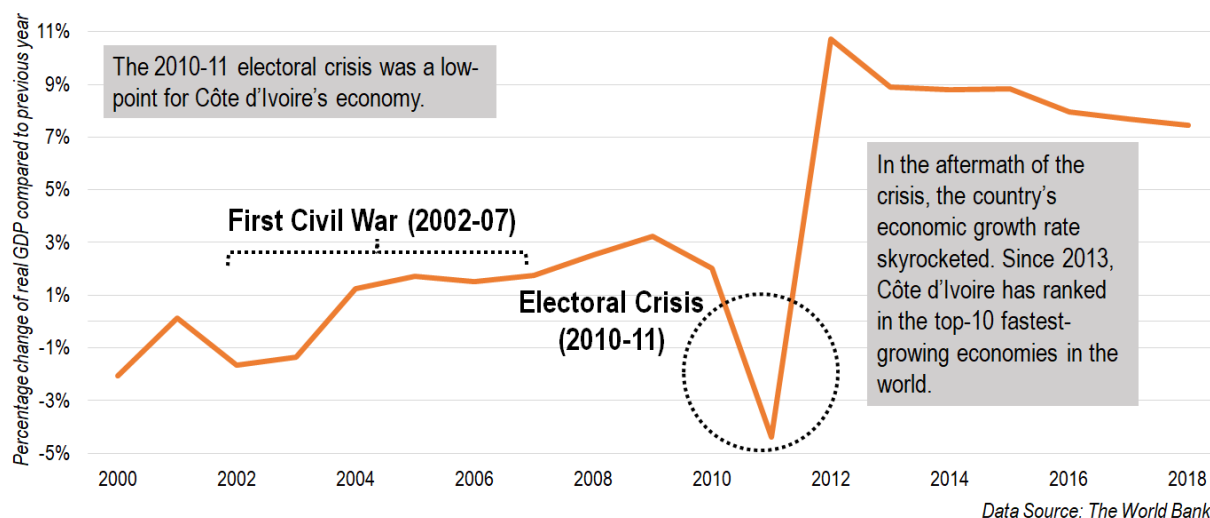
¹ Data from 2017. BACI: International Trade Database at the Product-Level. The 1994-2007 Version CEPII Working Paper, N°2010-23, Octobre 2010 Guillaume Gaulier, Soledad Zignago. Available: <https://oec.world/en/profile/country/civ/>.

UNITED STATES
HOLOCAUST
MEMORIAL
MUSEUM

SIMON-SKJODT CENTER
FOR THE PREVENTION OF GENOCIDE

Mass Atrocities Could Devastate the Ivorian Economy

Mass atrocities are economically devastating for a country, region, and the international community. For example, during the 1994 genocide, Rwanda's GDP fell more than 60%.ⁱⁱ Syria is estimated to have lost 35 years of development gains in the first two years of the crisis (from 2011-12)ⁱⁱⁱ and the World Bank estimated that Syria lost \$226 billion in GDP from 2011-2016.^{iv} Côte d'Ivoire was estimated to have lost close to \$9 billion during its first civil war.^v Rebel forces looted the central bank in Bouake in 2003, and during the electoral crisis in 2011 major international banks shut down in the face of security threats in Abidjan.^{vi} During the 2010-11 electoral crisis, the region saw a reduction in trade, a drop in remittances, and decreased investment in Côte d'Ivoire and its neighbors.



Negative effects extend far beyond the country experiencing violence. The interconnectedness of West African economies means that renewed conflict in Côte d'Ivoire would reverberate around the region. From 1990–2007—Côte d'Ivoire's first election through the end of the first civil war—West Africa lost close to \$10 billion in trade due to Côte d'Ivoire's conflicts.^{vii} In advance of the 2011 crisis, Ivorian banks issued about 60% of treasury bonds held by banks in West Africa,^{viii} and the Ivorian government favors this policy today.^{ix} The country's "instability weighs heavily on both its own and the region's trade and economic performance," and during the war, sharing a border with Côte d'Ivoire was a significant liability.^x On average, neighbors of failed states experience reduced growth rates,^{xi} and in cases where economic interdependence is high those effects are even greater.^{xii}

If there is a new crisis in Côte d'Ivoire—in addition to the devastating loss of human life—the stability of regional financial markets may be threatened, revenue will be lost, human resources may drop, and operations of banks and agricultural industries may be disrupted.^{xiii} The political upheaval and images of mass killing can negatively affect the foreign investment climate throughout the region for years to come. Neighboring countries and international donors may be required to divert resources to confront a refugee crisis and related humanitarian and security issues. There may also be substantial costs to rebuild infrastructure and rehabilitate affected communities and individuals after humanitarian assistance dissipates and recovery begins.

For those engaged in prevention, the economic argument is clear. The direct costs of conflict are highest at the national level, but so are the potential for savings if violence is averted. Lost growth accrues over time—if the economy crashes, then the country could spend years, if not decades, regaining lost ground. In effect, the World Bank has argued that "prevention leads to compounded savings over time."^{xiv} For the international community, the price tag of humanitarian aid and any possible interventions far outweigh the relatively modest cost of prevention. A 2017 United Nations and World Bank study concluded, "For each US\$1 invested in prevention, about US\$16 is saved down the road."^{xv}

How Business Leaders Can Help Prevent Mass Atrocities in Côte d'Ivoire

Business leaders—both international and domestic—have successfully taken steps to prevent or mitigate mass atrocities. The following examples illustrate the roles the private sector has taken in cases where there was risk for mass atrocities or ongoing violence. The following cases were selected as models of what would be feasible for businesses in Côte d'Ivoire to do today to prevent violence.

➤ Promote public awareness and national unity

In **Kenya**, after the widespread violence following the 2007 elections, business leaders in the Kenya Private Sector Alliance (KEPSA) came together to create the “Mkenya Diama” (“My Kenya Forever”) campaign to build national unity in advance of the 2013 election. The campaign's objective was to promote peace and inclusiveness. As part of this effort, KEPSA held joint press conferences with the Central Organization of Trade Unions to encourage political party leaders to influence their supporters not to use violence. KEPSA also worked with its members in the media sector to ensure responsible coverage of events around the upcoming elections.^{xvi} To address concerns about dangerous speech spreading violence, telecom giant Safaricom “deployed a series of filters designed to block text messages with messages of hate and the incitement of violence.”^{xvii}

➤ Clearly and publicly articulate the cost of violence to the economy

In **Northern Ireland**, business associations joined forces to publicly condemn violence between Protestants and Catholics. They educated politicians and the public about the economic impacts of the ongoing conflict and made a public case—through what came to be known as the “peace dividend paper”—that resolving the conflict would economically benefit all groups. Businesses maintained their distance from politics and politicians by engaging directly with the public through media communications and outreach to civil society campaigns and grassroots movements.^{xviii}

➤ Communicate concerns privately to political leaders

As tensions between **India** and **Pakistan** escalated over Kashmir in 2001, large **US corporations** used diplomatic channels to encourage the US government to issue an advisory note to the Indian ambassador in Washington warning about a US and UK business exodus in case the conflict intensified. The choice “between business and war” was heeded by the Indian government, which days later took action to deescalate the confrontation.^{xix} In **Kenya**, business leaders engaged with members of parliament behind-the-scenes to ensure the messages from their public campaign were reaching government representatives best positioned to take action against violence.^{xx}

➤ Directly support conflict mitigation or peacebuilding efforts

In **Cyprus**, private businesses worked to restore religious edifices destroyed by conflict to mitigate a source of inter-communal resentment.^{xxi} In **Azerbaijan** and **Cameroon**, some multinational oil companies have provided human rights training for police and military forces.^{xxii}

Conclusion

To prevent an economic crisis, it is critical to maintain peace throughout the electoral period. All sectors of society should use their positions and voices to this end. **Given their interest in Côte d'Ivoire's stability, business leaders should emphasize to government officials the devastating economic implications of electoral conflict, and publicly and privately call on political leaders to pledge nonviolence, and to provide support for local peacebuilding.**

Notes

- ⁱ Arsène Brice Bado and Mollie Zapata, (2019). Election Uncertainty, Preventing Atrocity Crimes in Cote d'Ivoire. United States Holocaust Memorial Museum (2019). Available: <https://earlywarningproject.ushmm.org/reports/election-uncertainty-preventing-atrocity-crimes-in-cote-d-ivoire>.
- ⁱⁱ "Rwanda," World Bank national accounts data, and OECD National Accounts data files. Available: <https://data.worldbank.org/country/rwanda>
- ⁱⁱⁱ Nabil Marzouk et. al., (2013). The Syrian Catastrophe. The Syrian Centre for Policy Research (SCPR) for the United Nations Relief and Works Agency (UNRWA). Available: <http://www.unrwa.org/userfiles/2013071244355.pdf>.
- ^{iv} The World Bank, (2017). The Toll of War: The Economic and Social Consequences of the Conflict in Syria. Available: <https://www.worldbank.org/en/country/syria/publication/the-toll-of-war-the-economic-and-social-consequences-of-the-conflict-in-syria>.
- ^v The study focused on 10 countries: Benin, Burkina Faso, Côte d'Ivoire, Ghana, Guinea, Guinea-Bissau, Mali, Niger, Senegal, and Togo. Ankouvi Nayo & Philippe Egoumé-Bossogo, (2011). Feeling the Elephant's Weight: The Impact of Côte d'Ivoire's Crisis on WAEMU Trade. IMF Working Papers. 11. 10.5089/9781455226085.001. Available: https://pdfs.semanticscholar.org/9b46/1f563c8044343a81e9a304258aa759512fd7.pdf?_ga=2.138201013.424550797.1580143634-1126310697.1580143634
- ^{vi} Associated Press in Abidjan, (2011). "Ivory Coast crisis intensifies as largest bank shuts its doors." Associated Press. Available: <https://www.theguardian.com/world/2011/feb/17/ivory-coast-banks-shut-gbagbo-protest>.
- ^{vii} Ankouvi & Egoumé-Bossogo, (2011).
- ^{viii} "The Conflict in Côte d'Ivoire and its Effect on West African Countries: A Perspective from the Ground." (2011) United Nations Development Program (UNDP) Issue Brief. Available: <http://www.undp.org/content/dam/rba/docs/Issue%20Briefs/The%20Conflict%20in%20Cote%20d%27Ivoire%20and%20its%20Effect%20on%20West%20African%20Countries%20a%20Perspective%20from%20the%20Ground.pdf>.
- ^{ix} Adama Koné, (2019). "Debt management in a challenging environment: Lessons from Côte d'Ivoire." Africa In Focus Blog, Brookings. Available: <https://www.brookings.edu/blog/africa-in-focus/2019/02/13/debt-management-in-a-challenging-environment-lessons-from-cote-divoire/>.
- ^x Ankouvi & Egoumé-Bossogo, (2011).
- ^{xi} Lisa Chauvet, Paul Collier, & Anke Hoefler, (2007). "The Cost of Failing States and the Limits to Sovereignty," WIDER Working Paper Series 030, World Institute for Development Economic Research (UNU-WIDER). See also: "The Conflict in Côte d'Ivoire and its Effect on West African Countries: A Perspective from the Ground."
- ^{xii} Paul Collier & Stephen O'Connell, (2008). Opportunities and Choices. Oxford University and Centre for Study of African Economies; and Swarthmore College and Centre for Study of African Economies. Available: http://www.swarthmore.edu/SocSci/soconne1/documents/Chap2_PCSOC.pdf. See also: "The Conflict in Côte d'Ivoire and its Effect on West African Countries: A Perspective from the Ground."
- ^{xiii} "The Conflict in Côte d'Ivoire and its Effect on West African Countries: A Perspective from the Ground."
- ^{xiv} United Nations; World Bank, (2018). *Pathways for Peace : Inclusive Approaches to Preventing Violent Conflict*. Washington, DC: World Bank. © World Bank. <https://openknowledge.worldbank.org/handle/10986/28337> License: CC BY 3.0 IGO.
- ^{xv} United Nations; World Bank, (2018). *Pathways for Peace*.
- ^{xvi} P. Oboth & V. Owuor, (2016). The Kenyan Private Sector's Role in Mass Atrocity Prevention, Cessation, and Recovery. In J. Forrer & C. Seyle (Eds.), *The Role of Business in the Responsibility to Protect* (pp. 116-137). Cambridge: Cambridge University Press. doi:10.1017/CBO9781316659397.007
- ^{xvii} Conor Seyle, (2015). "The Power of the Private Sector – An Untapped Source of Atrocity Prevention," The International Coalition for the Responsibility to Protect. Available : <https://icrtopblog.org/2015/03/12/the-power-of-the-private-sector-an-untapped-source-of-atrocity-prevention/>. See also, Lucy Purdon, (2013). Corporate Responses to Hate Speech in the 2013 Kenyan Presidential Elections. Institute for Human Rights and Business. Available : <https://www.ihrb.org/pdf/DD-Safaricom-Case-Study.pdf>.
- ^{xviii} The Portland Trust, (2013). The Role of Business in Peacemaking: Lessons from Cyprus, Northern Ireland, South Africa and the South Caucasus. The Portland Trust. Available: https://portlandtrust.org/sites/default/files/pubs/role_of_business_2.pdf
- ^{xix} Jonas Claes, (2016). The Responsibility to Prevent, Inc. In J. Forrer & C. Seyle (Eds.), *The Role of Business in the Responsibility to Protect* (pp. 98-115). Cambridge: Cambridge University Press. doi:10.1017/CBO9781316659397.006
- ^{xx} P. Oboth & V. Owuor, (2016).
- ^{xxi} T. Fort & M. Westermann-Behaylo, (2016). Why Not Business? In J. Forrer & C. Seyle (Eds.), *The Role of Business in the Responsibility to Protect* (pp. 51-68). Cambridge: Cambridge University Press. doi:10.1017/CBO9781316659397.004
- ^{xxii} J. Shankleman, (2016). R2P and the Extractive Industries. In J. Forrer & C. Seyle (Eds.), *The Role of Business in the Responsibility to Protect* (pp. 138-161). Cambridge: Cambridge University Press. doi:10.1017/CBO9781316659397.008