

## **The Strategic Role of Social Entrepreneurship in Addressing Communal Conflicts in Indonesia**

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### **Abstract**

*This research examines the strategic role of social entrepreneurship in the resolution of communal conflicts in Indonesia, focusing on its use as a tool for mediation and community recovery. Utilizing qualitative methodologies and documentary studies, this study collects and analyzes data on how social entrepreneurship initiatives contribute to peacebuilding and social integration. The findings indicate that social entrepreneurship not only plays a role in generating economic profits but also promotes social coherence and improves the quality of life in communities affected by conflicts. This study also evaluates the challenges in the implementation of social entrepreneurship and provides practical recommendations for the development of policies and practices that support social integration and national stability. Consequently, this study offers valuable insights into the potential of social entrepreneurship as an effective tool in resolving communal conflicts in Indonesia*

**Keywords:** *Social Entrepreneurship, Conflict Resolution, Communal Conflict, Social Integration, Peacebuilding*

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## **INTRODUCTION**

Conflict resolution is generally interpreted as a series of steps aimed at preventing, limiting, and resolving conflicts without causing violence. Morton (2011) defines conflict resolution as a collection of theories and experimental studies designed to understand the characteristics of conflicts, investigate strategies that can trigger conflicts, and develop solutions to address them. Meanwhile, Johan Galtung (1969) introduced the concept of Peacemaking as a method that prioritizes meetings or reconciliation between conflicting parties. This method is part of the constructive conflict resolution process that facilitates the exchange and respect of values from each party. Galtung also emphasized the critical role of third-party intervention if the process fails to achieve resolution.

Further, Yusdarmoko and Putri (2013) define communal conflict as disputes occurring in various regions in Indonesia, often triggered by economic, social, cultural, and political factors. These conflicts not only cause loss of life and material damage but also affect national stability and social integration. Communal conflicts can disrupt security and social harmony and on a larger scale, threaten national stability and integrity, which could lead to communal disintegration.

Indonesia has witnessed several significant communal conflict incidents, including the Sampit conflict in 2001 in Central Kalimantan, involving the Dayak and Madura communities, sparked by socioeconomic issues and competition over resources. This conflict resulted in substantial losses both in terms of casualties and long-term social impacts. The Ambon riots, which lasted from 1999 to 2002, were a fierce dispute between Muslim and Christian communities in Maluku, triggered by serious ethnic and religious tensions, deeply affecting the social structure and economy of Maluku, and drawing international attention to the issue of social integration in Indonesia. Meanwhile, the Poso conflict, which occurred from 1998 to 2007 in

Central Sulawesi, was also triggered by religious and ethnic differences, and exacerbated by social and economic injustice and the influence of local and national politics.

The primary goal of this research is to explore and understand the strategic role of social entrepreneurship in addressing communal conflicts in Indonesia. Focusing on social entrepreneurship as a tool for mediation and conflict resolution, this study aims to assess how initiatives in social entrepreneurship can contribute to peacebuilding and the recovery of communities affected by conflicts. The research also strives to identify models of social entrepreneurship that have successfully alleviated tensions and promoted integration among community groups. Through concrete case analysis, this research hopes to provide practical and applicable recommendations for the development of policies and practices that support social integration and national stability.

## RESEARCH METHODS

This study employs a qualitative methodology to thoroughly understand the strategic role of social entrepreneurship in addressing communal conflicts in Indonesia. The qualitative approach was selected as it enables the research to explore, describe, and interpret the complexities of social phenomena from the perspectives of participants or observers directly involved.

This method is suitable for investigating how social entrepreneurship functions as a tool for mediation and conflict resolution, and for gaining a broader understanding of the social contexts and dynamics that affect the implementation of social entrepreneurship initiatives.

In terms of data collection, this research utilizes a documentary study method, where data is gathered from existing documents, including activity reports, published case studies, and news archives related to the practice of social entrepreneurship in the context of communal conflicts. This method allows for the collection of structured information and its descriptive analysis to build a comprehensive understanding of how social entrepreneurs mediate and resolve conflicts. Descriptive analysis will be used to present an overview of the findings and interpretations of the data, providing the insights needed to achieve the research objectives

## RESULT AND DISCUSSION

This section presents the findings from the study on the strategic role of social entrepreneurship in addressing communal conflicts in Indonesia. Employing qualitative methodologies and documentary studies, this research has gathered and analyzed relevant data to understand how social entrepreneurship can function as a tool for mediation and conflict resolution. Here, we will discuss the outcomes obtained, interpreting how initiatives in social entrepreneurship contribute to conflict resolution and create positive social impacts within communities. This discussion will also include an evaluation of the effectiveness of approaches used by social entrepreneurs and the challenges faced in their implementation. To deepen understanding of the dynamics between social entrepreneurship and conflict resolution, conflict resolution will be explored to comprehend the general framework used in approaching and managing conflicts across various contexts.

In a series of studies involving entrepreneurship and conflict resolution, diverse approaches to this theme have been evidenced. For instance, in Rwanda, Jutta C. Tobias et al. (2023) observed that personal wealth changes through entrepreneurship in the coffee sector contributed to improved quality of life and reduced intergroup prejudice, supporting conflict

resolution and poverty reduction. Allport (1954) proposed the contact hypothesis, which argues that intergroup interactions under appropriate conditions can reduce prejudice and facilitate conflict resolution. This research is significant as it provides empirical basis on how social contact can alleviate ethnic tensions.

Bar-Tal (2000) provides a psychological analysis on the transformation of severe conflicts into reconciliation processes, highlighting the importance of deep understanding of psychological dynamics in conflicts and peace processes. This study is pertinent in understanding how narratives and collective perceptions can be altered to support conflict resolution. Brewer and Brown (1998) delineate the dynamics of intergroup relations, focusing on how stereotypes and prejudices affect social interactions and conflicts. This work is critical in understanding the impact of prejudice on social disharmony and the pursuit of conflict resolution solutions.

Kelman (1990) applies a human needs perspective in conflict and conflict resolution, particularly in the context of Israel-Palestine. This approach emphasizes the fulfillment of basic needs as key in addressing protracted conflicts. Collier (2007) and Staub (2006) discuss the relationship between economic inequality, poverty, and conflict. Both researchers suggest that inequality can trigger conflicts, and improving economic conditions may serve as a pathway to peace. Boudreaux (2007) highlights how policies supporting entrepreneurship can aid in conflict resolution through economic development, as seen in the post-genocide context of Rwanda.

Research related to social entrepreneurship and conflict resolution offers valuable insights into addressing social problems across various regions, including Indonesia. For instance, in Rwanda, social entrepreneurship in the coffee sector has successfully enhanced living standards and reduced intergroup prejudice, directly supporting conflict resolution and poverty alleviation. This underscores the vital role of social entrepreneurship not only in generating economic profit but also in creating social coherence and improving community living conditions.

In Indonesia, the implementation of social entrepreneurship models can serve as a catalyst in promoting peace and stability in areas plagued by communal conflicts. Adopting an approach similar to that used in Rwanda, utilizing entrepreneurial activities to facilitate positive intergroup contact and strengthen local economies, could have a significant social impact. Research by Allport, Bar-Tal, and others provides a theoretical foundation for understanding the psychological and socio-economic dynamics that support the reconciliation process and the fulfillment of basic needs, thereby helping to resolve prolonged conflicts and build sustainable peace. Through this approach, social entrepreneurship can be viewed as a strategic tool in mediating and resolving communal conflicts in Indonesia, demonstrating that inclusive economic renewal and effective social development strategies can yield more than just financial profits; they also advance social harmony and stability.

Throughout extensive research, social entrepreneurship is recognized as an essential means to address social issues through innovation and socially oriented business approaches. Irma Paramita Sofia (2015) asserts that social entrepreneurship is capable of formulating new business models that not only focus on profit but also support the empowerment of local communities. A. Tenrinippi (2019) adds that social entrepreneurship in Indonesia innovatively leverages resources to accelerate social change, emphasizing the resolution of social problems affecting impoverished communities.

Rintan Saragih (2017) highlights the importance of innovating in identifying and resolving social issues, using entrepreneurial principles based on a strong commitment to social goals. In line with this, Nur Firdaus (2014) identifies social entrepreneurship as an effective tool in poverty alleviation, using case studies to demonstrate the practical application of the 'social business' concept. Azel Raoul Reginald and Imron Mawardi (2014) illustrate how Pondok

Pesantren Sidogiri Pasuruan has successfully implemented social entrepreneurship principles to advance social welfare through various initiatives.

In the context of further research, Helen Haugh (2005) and Tina Saebi et al. (2019) both recommend the development of more robust theory and data to advance understanding in social entrepreneurship. The article "The Emergence of Social Enterprise" emphasizes that this field is still in development and requires deeper theoretical investigation. Chantal Hervieux, Eric Gedajlovic, and Marie-France B. Turcotte (2010) discuss the legitimization process of social entrepreneurship within the nonprofit organizational context, showing the formation of a new institutional domain that integrates market initiatives as a normative solution for social mission funding.

Stephen C. Betts, Robert Laud, and Andrey Kretinin (2018) critique the darker side of social entrepreneurship, including its limitations in broadly resolving social problems and its potential to disrupt state-supported development. They also highlight gender dynamics within social entrepreneurship, noting that women's participation in the workforce significantly influences this sector. This study indicates that while social entrepreneurship has great potential, there are still challenges to be addressed to maximize its impact in society.

A thorough examination of social entrepreneurship reveals that it is not only a vital tool for social innovation and poverty alleviation but also holds potential in alleviating communal conflicts in Indonesia. For instance, Irma Paramita Sofia and A. Tenrinippi emphasize that social entrepreneurship does not merely create innovative business models but also supports the empowerment of local and impoverished communities through the innovative use of resources. This approach is highly relevant to Indonesia, where conflicts often stem from inequality and limited access to resources. Social entrepreneurship, with its focus on creating social value and economic empowerment, can help reduce tensions by providing economic opportunities and enhancing the quality of life.

Furthermore, criticisms from Stephen C. Betts, Robert Laud, and Andrey Kretinin regarding social entrepreneurship, such as its limitations in broadly solving social issues and its potential to disrupt state-supported development, underscore the importance of a more structured and well-considered approach in the implementation of social entrepreneurship. In the Indonesian context, this means that while social entrepreneurship offers many benefits, a robust framework is necessary to ensure that these activities support community resilience and make a positive contribution to conflict resolution, without inadvertently exacerbating existing tensions or creating new problems. The implementation of policies supporting market initiatives in social missions, as described by Chantal Hervieux, Eric Gedajlovic, and Marie-France B. Turcotte, could be a strategic step in ensuring the legitimacy and effectiveness of social entrepreneurship in addressing social issues and conflicts in Indonesia..

## CONCLUSION

The findings of this study reveal that social entrepreneurship plays a crucial role in addressing social issues and communal conflicts, not only in Rwanda but also in Indonesia. In Rwanda, the implementation of social entrepreneurship in the coffee sector has successfully improved living standards and reduced intergroup prejudice, directly supporting conflict resolution and poverty reduction. This demonstrates that social entrepreneurship can transcend economic profit creation to contribute to social coherence and enhance community living conditions. In Indonesia, the application of social entrepreneurship models offers similar potential in promoting peace and stability in areas experiencing communal conflicts, utilizing

entrepreneurial activities to facilitate positive intergroup contact and strengthen the local economy.

The importance of this research lies in its capacity to provide practical and theoretical insights on effective ways to implement social entrepreneurship as a strategic tool in conflict resolution. This study lays a solid foundation for policies and initiatives aimed at integrating the principles of social entrepreneurship in economic and social development. However, critiques from researchers such as Stephen C. Betts, Robert Laud, and Andrey Kretinin regarding the limitations of social entrepreneurship in broadly solving social problems indicate that this approach requires a more structured framework to maximize its positive impact without exacerbating existing issues. Therefore, this research is not only relevant for understanding the dynamics of social entrepreneurship but also crucial in designing more comprehensive and responsible strategies for addressing social conflicts in Indonesia.

This study acknowledges several limitations that affect the scope and depth of analysis in relation to social entrepreneurship and conflict resolution. Firstly, the research relies on existing data and literature, which may not fully reflect current conditions or regional variations within the Indonesian context. Secondly, successful social entrepreneurship models in Rwanda may not be entirely applicable in Indonesia without adjustments to the specific social, economic, and cultural contexts. This necessitates the adoption of more localized strategies that consider the unique ethnic and cultural nuances of Indonesia. Therefore, it is recommended to conduct further research that incorporates in-depth empirical studies of social entrepreneurship initiatives in various regions of Indonesia, to identify factors influencing the success and failure of these models in communal conflict contexts.

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