Abstract

Transnational non-state actors, both corporations and non-profit groups, increasingly confront security challenges in unstable territories around the world. Existing work on how these actors behave in conflict zones demonstrates that their responses have significant political effects, but does not provide a framework for understanding of their role as security actors. We outline a new research agenda that examines the security strategies of transnational non-state actors and their consequences for violence and governance. We outline the array of options transnational organizations choose from and then a set of questions that need to be answered in order to understand why they make different choices, and the ways in which their choices impact their organization’s effectiveness as well as violence and governance in unstable territories.
“Security” in international relations has been largely thought of as the national security of states. In recent years, however, the role of private or non-state actors has not only grown in economic and social spheres, it has also grown in the security arena. This is particularly true in areas where states do not govern effectively. Since the early 1990s a variety of transnational private actors—corporations, non-governmental organizations (NGOs) and international organizations (IOs)—have operated in areas where states do not govern effectively and have faced threats. In response, more and more of these organizations have developed security strategies.

While much of the extant literature focuses on how different types of non-state actors contribute to beneficial or problematic outcomes in conflict zones, we argue that together they uncover an important new research agenda centering on the security strategies of transnational organizations. What strategies do these organizations employ and why? When are they effective? How do they affect cycles of violence? How do they affect governance? In a world where international interventions mobilize vast numbers and different types of actors, security is not the province of governments alone. The activities of non-state actors to secure themselves affect the security of others—from individuals in the local communities where they operate, to broader international security dynamics. It is important to understand the security behavior not just of states or of rebel groups but also that of transnational organizations to assess the prospects for stable and non-violent governance outcomes.

Organizations in Theory: Norms, Values, and Interests

The Cold War’s end and the “New World Order” it ushered in created an increasing role for non-state organizations in global governance – corporations, NGOs and intergovernmental organizations (Cutler, et. al.1999, Hall and Bierstaker 2002, Buthe 2004). Initial analyses were rather optimistic about the impact of this increased private sector role (Weiss and Chopra 1995, Held 1995, Mathews 1997). These analyses shared a commitment to liberal normative principles – democratic process, civil liberties, human rights, humanitarianism, development, and peace, along with a belief in the value of markets. They made two distinct claims, though, about how and why private actors would contribute to this agenda. The private governance/stakeholder arguments focused on the potential that non-state actors of all types could be mobilized into a liberal
governance process, while the NGO/advocacy literature claimed that one particular type of organization—the non-profit NGO—could act as a moral agent to persuade other actors to behave better.

The private governance perspective argues that a wide array of actors can provide rules, deliver programs, and contribute to the liberal normative framework. Some claimed that commitment to goals such as humanitarianism could mobilize state action (Finnemore 1997). When states did not act, though, analysts began to look for other tools—international organizations, NGOs and even corporations—through which to achieve particular ends. Ruggie pondered the potential for a standing UN force as a more effective tool for peacekeeping and peace enforcement in the wake of state reticence to act. (Ruggie 1998). Many claimed that NGOs could enact commitments to humanitarianism either as partners to—or substitute for—states. For example, when donor governments wanted to aid needy societies but avoid working with corrupt governments, they could funnel aid through local and international civil society groups.

Stakeholder arguments about private governance specifically include the commercial sector. They view business as a tool for achieving important goals, and see the participation of a variety of non-state actors in governance as a way to ensure the representation of multiple interests in decision-making even in the absence of a democratic process (Ruggie 2004, Haufler 2001). The corporate social responsibility movement that developed in the 1990s reflected emerging norms about the appropriate behavior of corporations. Some observers argued this political and social context encouraged companies to attend to their long-term viability, which requires policies that go beyond focusing on the immediate bottom-line shown in quarterly profit statements.
This includes action at both local and global levels in pursuit of sustainable development, human rights protection, and peace. In recent years, business scholars and practitioners have supported research and action programs under the banner of Peace through Commerce, and created organizations such as Business Fights Poverty, to promote a business role in conflict prevention and humanitarian causes. These explicitly promote the idea of business as a stakeholder in peace and development, based on both normative arguments and a bottom-line perspective. The most visible representative of this approach is the UN Global Compact, which fosters a partnership between UN agencies, businesses, and other stakeholders in upholding important norms embodied in UN principles. (www.globalcompact.org)

The second kind of argument awards attention to the role of a particular type of non-state actor: the non-profit organization. NGOs providing social services or advocating on behalf of issues are viewed as being especially committed to progressive values, and to moral action more generally. (Burgerman 2001, Wapner 1996, Keck and Sikkink 1998, Florini 2000). Whether pursuing conservation, development or humanitarian action, analysts claim that people and organizations motivated by a commitment to values rather than power or money are more likely to behave in a way that is consistent with these values. These analyses make a sharp differentiation between different kinds of private actors. Humanitarian organizations, human rights groups, conservationists, and others are more likely to reflect liberal values in their behavior and mission. In contrast, states are more likely to protect the national interest, international organizations will reflect the interests of powerful states, and corporations will pursue
material self-interest. Because of their particular moral commitments, NGOs can act as a global conscience, and put pressure on other actors (particularly states but also international organizations and corporations) to shame them into compliance with international norms. (Burgerman 2001) As a consequence, these arguments expected different types of actors to behave in very different ways. In the best of worlds they would complement one another in global governance, but they could also remain contentiously at odds. (Rosenau and Czempiel 1992, Reinicke, et al 2003, Slaughter 2004).

Both of these approaches have been questioned. Critics have charged that non-state actors of all types, NGOs included, frequently deliver ineffective or even harmful results. Many of these charges are tied to the behavior of these organizations in insecure territories. On the other hand, there have been situations where these actors have played a positive role. We need to move beyond the assumptions embodied in these works, to systematically understand the options available to actors, and the impact different choices can have.

**Private Organizations in Practice: The Challenge of Insecure Environments**

Initial analyses did not foresee that as IOs, NGOs, and corporations extended their operations into more parts of the world, they would also increasingly work in insecure environments. Though the data are incomplete, there is a general sense that risks to all these organizations have grown significantly in recent years (Fast, forthcoming, Stoddard 2006, Stoddard, et. al. 2009). In March 2008 three aid workers were killed within days of one another in Sudan – one by gunshot and two others by stabbing (Associated Press 2008). Shortly thereafter in Chad, Pascal Marlinge, the country head of Save the
Children UK, was shot dead by gunmen in that country (Ngarmbassa 2008). These incidents capped over a decade of similar reports: thirty-five local CARE employees killed in Zaire in the fall of 1994, six International Red Cross workers killed in Chechnya in December 1996, seventeen aid workers killed in Sri Lanka in 2008, and the list goes on. According to a recent report, 2008 was the most dangerous year on record for aid workers, even more risky than UN peacekeeping operations. (Stoddard 2009) UN workers in peacekeeping have also been the targets of increasing levels of violence. The UN reported that 229 UN staff died in malicious attacks between 1992 and mid-2005 (Terry 2002: 176). The past year witnessed a surge in violence against those involved in relief activities, particularly in Sudan and Afghanistan. (Stoddard, et. al., 2009) Some 1,310 aid workers were victims (wounded, kidnapped or killed) of violence between 1997 and 2007, and during that ten-year period the incidents of violence against humanitarian workers more than doubled (Global Risks 2008).

Corporations have faced a similar increase in violent threats. Six Chevron employees were kidnapped in Nigeria in 2007, and militants have repeatedly attacked Shell oil facilities and held company workers hostage on offshore oil platforms in recent years. In the Philippines, communist rebels conducted a raid against the telecommunications facility of Globe Telecom in Mindanao. India experienced a series of bomb attacks in 2008 and attacks against corporate executives, culminating in the Mumbai hotel bombings. Kidnapping is half-jokingly referred to as one of Colombia’s major industries, with business executives specifically targeted.¹ Recent news reports highlight the risk of piracy at sea, making commercial shipping an increasingly
dangerous occupation. (Associated Press 2009) In addition, since 9/11 companies have become increasingly aware of how the geopolitical risk of terrorism poses a significant threat to their operations (O’Sullivan 2005, Alexander 2004, Global Risks 2008).

Companies have been aware of political risk for a long time, but their main concern initially focused on potential disputes with host governments – such as threats to nationalize facilities (Lipson 1985, Haufler 1997, Moran 1973). In recent years companies have faced greater threats from unmediated violence. From 1966-1990, the number of cash settlements paid out by the U.S. Overseas Private Investment Corporation (OPIC) for war damage or civil strife (now part of one category – “political violence”) averaged less than one per year (.6/year) with all but one claim being for war damage settlements. From 1991-2004, however, the average number of claims for those categories was more than two per year (2.07/year) with almost all being for civil strife. More companies today feel the need to insure their operations against political risk, and major corporations hire corporate security professionals and the services of political risk consulting experts.

Within the IO and NGO communities mountains of reports have been compiled on security issues in an effort to develop appropriate responses to increasing threats. (Bryans, et. al 1999, van Brabant 1997, Martin 1999, Cockayne 2006, Stoddard, et. al.

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1 Kidnap victims are not just from the business class, however, and not all are held for ransom. The level of kidnappings in Colombia reached a high in 2002, but have since declined, although the numbers are contested. (Economist 2009)

2 See O’Sullivan 2005. Annex B lists all the claims, the tabulations are ours. The OPIC is an independent US government agency that facilitates the participation of US private capital abroad – particularly in less developed countries. Among other services, it sells political risk insurance. It was established in 1971 (from 1966-1970 OPICs programs were administered by USAID). See Sullivan 2005, Annex A. See also http://www.opic.gov/about/index.asp. Though these figures only capture damage to U.S. companies, they suggest that with the Cold War’s end came increased risks to transnational corporations from unmanaged violence.
Many of these organizations have established security plans, hired corporate security professionals, and established training programs for their staff. (Stoddard, et. al. 2008). Developing plans and policies to deal with potential violence is a new challenge for NGOs in particular, one which they have only recently begun to address.

**Insecurity and the Revisionist Critique**

The impact of insecurity on organizational practices contests the initial optimism about the role of private actors in conflict reduction and governance. In a number of instances, the presence of private actors in insecure territories has been tied to perverse outcomes. The United Nations mission in the Balkans was referred to as producing “well fed dead,” and the UN and partner NGOs who worked in the Goma camps following the genocide in Rwanda were accused of complicity in the resupply of *genocidaires* that led to war. Investments in natural resources in developing countries led to profound poverty instead of wealth, generating the perception of a “resource curse” in Nigeria, Angola, and elsewhere. (Overseas Development Institute 2006, Ross 1999)

The critics are not always careful to specify exactly what the perverse outcomes are—increased violence in general; less stable governance; a strengthened repressive state; or the sacrifice of the organization’s mission. But they generally argue that how an organization goes about attaining its goals in these unstable environments has a bad influence on these outcomes even when the goal itself is desirable. They explain the perverse outcome as a result of some failure of norms to influence behavior, as a consequence of the type or identity of the actor (commercial or non-profit), or some

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Other geopolitical risks are also increasingly considered part of the international business environment, such as the risk of global financial crisis. See *Global Risks 2008*. See recent Congressional testimony about
combination of these. Both aid organizations and commercial entities have been implicated in processes that lead to violence, conflict, and bad governance.

*Aid Organizations*

Among the first critics of IO and NGOs were those who noted connections between humanitarian or other aid missions and increased violence or less stable and less legitimate governance. (Barber 1997) Mary Anderson and Fiona Terry are among the most prominent here and, as practitioners who participated in some of the cases they critique, offer particularly poignant analyses of how humanitarian and other aid missions operating in conflict zones exacerbate rather than ameliorate suffering.

The most obvious way in which aid missions can enhance the prospect for violence is through the transfer of resources to warring parties. Given that poverty is related to violence (Fearon and Laitin 2003) it is not surprising that aid directed toward conflict zones often dwarfs other resources in the territory. In response to the exodus from Rwanda following the genocide in 1994, for instance, the international community spent $1.2 billion between April and December – this number was 20% higher than the yearly GDP of prewar Rwanda (Jones 2001, p. 139). The sheer amount of aid resources relative to the size of economies in conflict almost guarantees there will be efforts to divert them.

Diversion of aid can enhance violence in a number of ways. Resources can be stolen by warriors to finance the war effort. They can be taxed by warriors either by demanding tax from relief workers or by taxing aid recipients. And aid can free up local resources to be used for conflict. Concerns over the transfer of resources are common

the current global financial collapse as the number one threat to international stability. (cite)

Aid can also have distributive effects that increase the prospect for violence. When aid is funneled through local groups, it often enhances the power of one rather than the other. As Anderson points our, aid is often targeted toward those who have suffered the most damage, but this means it reaches those who lost the conflict – and is taken by the winners to be a political act, sometimes inciting more violence (Anderson 1999: 46). This was dramatically apparent in the Goma camps where (legitimate) concerns about military activity there led the Rwandan government under President Kagame to attack the camps in 1996.

Less dramatic, but equally consequential for violence, is the impact of aid on war economies. The decision of aid agencies in Somalia, for instance, to use armed guards, so called “technicals,” created a surging demand for these forces and thus an incentive for young men to take up arms. In this way aid agencies redistributed opportunities and fed an economy to support the war. The consequences of aid for war economies – “patterns of production, employment, trade and services” (Anderson 1999: 42) – is something discussed at length by many (Andreas 2008, Duffield 2002).

Finally, humanitarian work to set up refugee camps or safe havens can provide protection to warriors that can be used for military purposes – and thus feed into violence (Terry 2002, Lischer 2003). According to the UNHCR, refugee camps should have an “exclusively civilian and humanitarian character” (Terry 2002: 29).³ In practice, however, camps often offer protection to militants as well. Terry highlights the safe
havens in Bosnia and their use by Bosnian militants to rest, resupply and launch offensive attacks against the Bosnian Serbs. The protection and supply to Hutu militants in the Goma camps helped them launch an offensive against the Tutsi-led government from there, which led to many critiques of humanitarian aid (Cooley and Ron 2002, Terry 2002, Lischer 2003).

Aid also has a variety of impacts on the character and degree of governance. Terry documents four ways in which humanitarian aid lends legitimacy to those deemed to be victims (Terry 2002: 44-46). First, aid delivery depends on agreements with local factions or commanders who are then implicitly recognized as authorities. Second, local authorities gain not only implicit recognition but also international and local appreciation for their efforts in supporting aid. Third, the mere presence of an international organization lends legitimacy to local authorities whether or not it endorses them. Anderson suggests that Operation Lifeline Sudan (OLS – a consortium of aid groups) has become a legitimizing force for aspiring commanders who use negotiations to increase their power as legitimate wielders of authority (Anderson 1999: 50). Finally, aid is a resource through which the authorities can fulfill social obligations to its citizenry.

By bestowing legitimacy on some individuals and groups and not others, the distributive effect of aid extends not only to the prospect for violence, but also to the character of governance on the ground. Sometimes there is some recognition by the aid community that they are supporting the “right” side, as Terry discusses regarding Honduran refugee camps. Other times this is clearly not true. In Terry’s words, “It is not unreasonable to suggest that without the presence of the NGOs in Afghanistan to meet

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3 The status of “refugee” is granted to those who flee because they are not protected by their government to a country of asylum. The host government is obligated not to return refugees to their country of origin.
the basic needs of the population in Kabul and the south, for example, the Taliban might have faced earlier opposition to their rule when the populations under their control, particularly widows and children of “martyred” warriors, were not cared for.” (Terry 2002: 46) In both cases, the pattern of governance in the territory was different than it might have been because of the humanitarian effort.

Aid not only affects the legitimacy of groups, but also their ability to control populations and territory. Aid can be a tool of control for governments or other political authorities. Donor governments often give aid more to increase influence than relieve suffering. Recipient governments or other local authorities can use aid for their own purposes. Terry documents the way the Ethiopian government of Colonel Mengistu Haile Mariam was first reluctant to allow western aid organizations access and then turned international humanitarian action to its economic, diplomatic and military advantage (Terry 2002).

The impact of aid on governance is sometimes judged to be beneficial and sometimes not. Terry claims that a consortium of aid agencies who worked through local partners in Eritrea in the 1980s had a positive outcome given the strong commitment the partners had to the public welfare of citizens. The UN-led association with the SPLA in Sudan, however, has been harmful given that organization’s predatory practices (Terry 2002: 36-7).

The mix of aid and insecurity can also lead to ineffective or even perverted missions. For those committed to the humanitarian ethic, their biggest challenge is how to be effective when confronting states that refuse to provide security and opportunistic militants. Anderson can be read in this light and provides a practical guide for aid givers against their will and assistance in the care of refugees is available from the UNHCR.
in a changed political environment. The report by Bryans, Jones and Stein, “Mean Times” takes a more dramatic approach arguing for a political strategy to fight for humanitarian space. (Bryans, et. al. 1999).

Among those arguing that insecurity perverts the humanitarian mission, Alex de Waal’s analysis of the complicity of famine relief agencies in Sudan, is among the most cutting. While useful for keeping aid agencies afloat, he argues, famine relief in Sudan has been either useless or counter-productive to those it is supposed to help (De Waal 1999). It has fueled violence, distracted attention from the human rights abuses behind famine in the first place, and served to remove responsibility for preventing famine from governments and rebel groups – therefore making victims worse off than they would have been without the relief. In a similar vein, Cooley and Ron’s analysis of the participation of relief NGOs in the Goma camps claims that short term worries about renewing contracts and maintaining visibility overcame the long term commitments many organizations had to their overarching mission. Terry likewise argues that humanitarians that accept instrumentalization of their actions undermine the logic on which their action is based (Terry 2002: 217).

Commercial organizations

Commercial organizations have long been accused of fostering violence and poor governance, facilitating repression, and corruption. The payment and support they provide to autocratic governments has been a constant theme in debates about the benefits foreign investment brings to developing countries. Even when companies are

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4 Duffield’s argument that the insecurity NGOs face is part of a reconfiguration of global governance where under development is seen as a danger and NGOs increasingly aim not only to deliver aid and assistance but to transform societies is a more macro view of this issue that also claims a perversion of the mission. Duffield 2002.
not explicitly working with a repressive regime, the trade and investment they bring to a
territory provides resources that can be used by both government and opposition forces in
conflict. In many ways, the critiques are similar to those discussed above regarding
humanitarian and relief agencies—companies provide resources that can be diverted,
their operations have significant redistributed effects in terms of money and employment,
their activities can increase the prospect for violence, and what they do affects
governance by lending legitimacy and support to one party rather than another.

The International Commission of Jurists recently published a three-volume report
on corporate complicity in international crimes. In its introduction, it provides a list of the
accusations against corporations:

The international community has been shocked at reports from all
continents that companies have knowingly assisted governments, armed
rebel groups or others to commit gross human rights abuses. Oil and
mining companies that seek concessions and security have been accused
of giving money, weapons, vehicles and air support that government
military forces or rebel groups use to attack, kill and “disappear” civilians.
Private air service operators have reportedly been an essential part of
government programmes of extraordinary and illegal renditions of terrorist
suspects across frontiers. Private security companies have been accused of
colluding with government security agencies to inflict torture in detention
centres they jointly operate. Companies have reportedly given information
that has enabled a government to detain and torture trade unionists or other
perceived political opponents. Companies have allegedly sold both tailor-
made computer equipment that enables a government to track and
discriminate against minorities, and earth-moving equipment used to
demolish houses in violation of international law. Others are accused of
propping up rebel groups that commit gross human rights abuses, by
buying conflict diamonds, while some have allegedly encouraged child
labour and sweatshop conditions by demanding that suppliers deliver goods at ever cheaper prices. (ICJ 2009: 1)

In the last fifty years, the literature critiquing foreign investment in the developing world has generally followed two strands of accusations regarding the role of corporations in violent or perverse outcomes. The first complains that they directly support repressive governments and strengthen their capacity (though a post-Cold War twist discussed below suggests the reverse). The second argues that they undermine governance by the selective nature of the benefits they provide and the ease with which resources can be used by government leaders, opposition forces, and even criminals. (Berdal 2000, Ballentine and Sherman 2003)

In the early decades after the end of WWII, multinational corporations were viewed as an extension of their home states and instruments for the expansion of global capitalism. When they invested in the developing world, their relationship with the host government often supported autocratic governments and corrupt leaders in Africa, Asia, and Latin America. The mission of the global corporation was to bring world markets to these territories and exploit their natural resources for the benefit of the company, which generally was bad for the lives of ordinary citizens. (Barnet and Mueller 1974) The activities of the United Fruit Company in Guatemala in the 1950s and of ITT and Anaconda Copper in Chile in the 1970s established the connection between protecting the

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5 Critiques along these lines originally came primarily from scholars and observers on the left, drawing on dependency theory, but in recent years, they have been voiced by a wider range of commentators.
6 Empirical scholarship is mixed on the actual relationship between foreign investment and various measures of human rights and repression. For instance, Richards et al find that foreign investment increases government respect for human rights (Richards et al 2001), while the ICJ report documents corporate complicity. Blanton and Blanton reverse the equation and find that respect for human rights attracts foreign investment. (2008)
interests of transnational companies and supporting the regimes of authoritarian governments. (Litvin 2003)

By the 1990s, after the end of the Cold War, the international community became increasingly concerned about civil wars in parts of Africa and the Balkans, and the role of international commercial actors in prolonging them. In examining the causes of these conflicts, activists and analysts began to pay more attention to the political-economic sources of breakdown, especially the impact of natural resource exploitation. Some argued that the civil wars that bedeviled the international community in the 1990s may not have been so much about ethnic or religious identity, but about competition for access to resources and money – much of which was linked to foreign direct investors. (Berdal 2000, Ballentine 2003, *Journal of Conflict Resolution* 2005)

The exploitation of high-value natural resources in particular was directly linked to violence by prominent advocacy organizations: timber in Liberia, diamonds and oil in Angola, oil in Sudan, diamonds in Sierra Leone. (Global Witness 1998, Global Witness 1999, Smille et al 2000). Karl, in a now-classic work, argued that so-called “rentier” states live off the revenue from the extractive sector, oil in particular, making them beholden to investors instead of their citizenry. This has an impact on both violence and governance. Their reliance on natural resource revenues reduces the need for the state to extract revenue from its citizens and thus be responsive and accountable. It also facilitates the expansion of corruption within elite policymakers, bureaucrats, and company managers. The system within rentier states erodes the potential for democracy and increases the possibility that violence will be used to protect the private property of investors. (Karl 1997)
For resources that require less direct investment to exploit, such as alluvial diamonds or timber, rebels and opposition groups can use the revenues from their exploitation to hire soldiers and buy weapons to prosecute violent conflict. (Ross 2006, LeBillon 2005, Karl 1997) In many instances, critics argued that companies simply turned a blind eye to how the revenues from resource development were used. In other cases, however, such as Shell and Chevron in Nigeria and British Petroleum and Chiquita in Colombia, companies were tied more directly to violence as they worked with security forces—both state and paramilitary-- to ensure their investments were protected. (Manby 1999, Nelson 2000: 134-35, Reuters 2007).

The criticisms were not new to the 1990s. Analysts had long argued that foreign direct investment had a negative affect on governance by inducing the state to use repressive means to secure the property of investors. In the 1990s, though, it became more common for investors to be active participants in securing their own property and operations either through financing a portion of the state’s forces or hiring private security forces (Reno 1998, Avant 2005). This led to a new kind of impact on governance, as documented by Reno. Instead of building effective (if repressive) state forces, rulers could opt to protect private property with non-state coercive forces. The resulting parallel forces became platforms for quasi-states, shadow states and warlords (Reno 1998). This diffusion of control over violence frequently reduced the prospect for the development of effective state institutions (Avant 2005).

Some have also suggested that when corporations use repressive strategies, either through the state or on their own, it can lead them to be ineffective in both securing their assets and gaining profits. This is the core claim behind Nelson’s argument that the
private sector must become more sensitive to the “business of peace,” i.e. reducing the negative effects of its operations and participating in conflict prevention initiatives. (Nelson 2000) Corporate policies that feed in to violence, repressive politics or shadow states undermine their ability to make profits. She argues that the growth of profits and markets cannot be realized in violent and ineffectively governed territories. Conflict has direct costs for business that outweigh any perceived benefits.\(^7\) The direct costs can be in the destruction of property, payments to security forces, the disruption of business, litigation costs, and reputational costs. The latter are especially dire when anti-corporate activism targets a particular firm, as when Talisman Oil Company in Sudan confronted a sustained campaign in Canada that threatened to lead to government regulation, and certainly helped undermine its share price. Ultimately, Talisman withdrew from its investment in Sudan (Patey 2006).\(^8\) Nelson argues in general that an environment that undermines human, social, economic, environmental and political capital has negative impacts on investment and growth (Nelson 2000: 20). Thus, though perhaps less poignant than analyses of NGOs, critics of corporate behavior also point to the way in which insecurity can lead commercial organizations to act in ways that undermine their mission.

The State of the Argument

The existing literature often speaks to big normative issues about what transnational organizations should do - and arguments are often at odds with each other over this issue. For instance, both Terry and Anderson provide similar analyses of the

\(^7\) There is a recognition that certain sectors benefit directly from war, such as the arms industry, but that others are particularly sensitive to violence, such as tourism. (Institute for Economics and Peace 2008)

\(^8\) Its share in the project was bought by a Chinese state-owned company, which was less sensitive to reputational costs.
problems NGOs have face. They also both suggest that blaming humanitarians, rather than western donors or the protagonists in violence, is ludicrous. Yet the solutions they propose are quite different. Anderson argues NGOs should continue to pursue their high-value missions, but seek to “do no harm” as they do so. Terry, in contrast, argues that NGOs should resist becoming instruments of others, pulling out when they cannot remain independent. The literature on corporations is equally divided. Some, such as the UN Global Compact, take the position that companies should continue to remain invested but should become much more “conflict sensitive” in how they behave. Others take a more critical perspective, and argue that there are conditions under which investors should simply withdraw in order to cut the link between their operations and local violence. (Gulbrandsen and Moe 2004, Shankelman 2006, Pegg 1999). Some question whether corporations really do have a role in the business of peace (Ottaway 2001, Haufler 2001), while others refer to a “peace through commerce” agenda and corporate conflict prevention policies as crucial to future peace and development. (Fort 2004, Banfield et al 2006, Nelson 2000).

These studies raise a plethora of questions about the behavior of transnational organizations in response to insecurity, and the impact of those responses on the surrounding societies. Some accept as given the assumption that NGOs are somehow unique given their motivation to help others, but how this assumption plays into their analyses differs. Terry privileges the humanitarian ethic as an enduring and distinct kind of presence and argues that when NGOs cannot maintain their commitment to this ethic they are better off withdrawing. In a world where the global public domain is increasingly populated with an array of private actors (something Terry herself suggests
has complicated long standing humanitarian dilemmas), her advice is likely to lead humanitarian organizations to remove themselves from the fray—which may have negative consequences on those most in need of their assistance.

Lischer also assumes relief NGOs are a distinct type of actor, but that distinctness, particularly a commitment to neutrality, makes them unlikely to secure themselves and thus dependent on functioning states to obtain the goals they seek. Though she suggests that NGOs might consider encouraging intervention from the international community or working toward their own security through hiring private security or training local forces, she suggests that their more choice is between withdrawal and continued problematic outcomes. Lischer’s analysis is drawn largely from the Goma camps, which she defends as a “not atypical” case. But this one case has had an enormous influence on how the humanitarian community sees itself and many observers and participants point to the case as a reminder that failing to deal with security problems is likely to reduce the authority of these actors. It is not clear that, in light of this experience, humanitarian and relief organizations will continue to pursue the same failed policies.

Anderson and Bryans, et. al. privilege the humanitarian mission and thus look for ways to keep humanitarian organizations in the field. They share an eagerness to avoid the abuse of humanitarian resources and the instrumentalization of aid, but are willing to entertain changes in the way these organizations behave on the ground in pursuit of their mission. Their advice about what humanitarians may or may not do appears to be driven by what can best fulfill their mission rather than by an enduring humanitarian ethic of behavior. Anderson’s solution is to educate aid workers on how both resources and ethical messages affect conflict. She also encourages aid workers to understand those
features that draw people together and those that divide them so they can encourage connectors and discourage dividers in their daily work. Bryans, et. al. make three recommendations to relief organizations: become more politically astute; consider hiring private security to maintain humanitarian space; and when all else fails, plan for a withdrawal option. These analyses by practitioners or those in close contact with them appear to move quite a distance from the rigid pursuit of neutrality that Terry advocates. While they assume humanitarian organizations are a distinct type of organization, it is because of the mission they pursue not the ethic they embody.

The second set of arguments makes no assumption that aid or humanitarian organizations are distinct. Most of these analysts see transnational organizational behavior as driven largely by material competition – regardless of their overarching goals. Cooley and Ron make this explicit in their argument that non-profit organizations competing for contracts privilege short term contract renewal over other values, even when it undermines their mission. But de Waal, Duffield and others also claim that NGOs are part of a larger structure that constrains how they pursue their mission. For de Waal, NGO organizational survival in a world that can stomach intervention but not war leads to policies that prolong conflict (deWaal 1999). For Duffield, global liberal capitalism has merged security and development and erased the boundaries between them leading to organizations to illegitimate action that fosters resistance. (Duffield 2001).

Many of the claims about foreign direct investment make the same assumption as others about the uniqueness of NGOs and the material drivers of corporate behavior without even thinking about it. The very mission of corporations is tied to the search for profits. But competition for profits in the short run can lead corporations to violence or
poor governance (Nelson 2000, Fort and Schipani 2004). Though all organizations, whether they are for-profit or non-profit, should be concerned about undermining their mission in the longer term, competitive pressures from the market or the global governance system, can drive each organization toward ineffectiveness.

Nelson’s analysis of corporations, though, argues that corporate profit-seeking should not automatically enhance the prospect for violence and undermine governance. Indeed, she suggests the reverse can be true. The commitment by corporations to long term investment opportunities should lead them to be more attuned to the potentially perverse impact of some security policies. Nelson’s report is part of a campaign to convince corporations that this is true. Educating corporations about their enlightened self-interest and the requirements of long term profitability has been a goal of many advocacy organizations, such as International Alert and Amnesty International, and has been championed by the UN Global Compact. Corporations increasingly find themselves participants, either willingly or unwillingly, in efforts to cut the link between business and a variety of negative outcomes – including violence and poor governance. These initiatives include the Kimberly Process Certification Scheme, in which the diamond industry plays a key role in certifying rough diamonds as conflict-free; the US-UK Voluntary Principles on Human Rights and Security, which asks industry to adopt guidelines on how to secure their property without violating human rights; and the Extractive Industries Transparency Initiative, under which companies would report revenues in order to help prevent corruption.

In a more analytic but similar vein, John Ruggie argues that if corporations are where the power is, then corporations are just the actors that need to be enlisted on behalf
of global norms. In this, he is attempting to shape or construct congruence between mission, decreased violence, and a stable governance process for corporations (Ruggie 2004, Ruggie, et. al, 2004). He argues that if a variety of governance mechanisms, from standards and best practices within the business community, to advocacy and watchdog groups acting as monitors, and including state and interstate regulations, all converge around democratic ideas about engagement, then stable governance in this new institutional environment could be accomplished not just by states but also by corporations, civil society and other social actors (Ruggie 2004).

For every story about the potential for corporate behavior that ameliorates conflict, though, there is another pointing to corporate behavior that is ineffective in its efforts to influence force or complicit in fanning violence. The jury is still out on the degree to which the arguments in favor of a business role in peace have gained hold, but Nelson and Ruggie remind us that corporate behavior need not be static. Just as NGOs may change in response to painful examples that threaten their authority, so too may corporations. Both Ruggie and Nelson focus on what actors do rather than the character of their mission to assess their impact on conflict and governance.

We put aside for now the larger questions posed in these critiques about the rosy or grim character of the global system. We also remain agnostic about whether the type of organization affects its behavior. Our claim is that if we accept the proposition that organizations respond to insecurity, and also accept the argument that their behavior is likely to have consequences—for their mission, for patterns of violence, and for the kinds of governance that develops in a territory—it becomes important to understand how and
why organizational security strategies vary and how the variation affects violence and governance.

**An Agenda for Research**

What kind of research is required to gain this understanding? Below we outline five overarching questions, draw together recent research that offers potential answers, and suggest avenues for future inquiry.

The first question to ask is empirical. How have organizations actually responded to this changed era of insecurity? What is the range of possible strategies? An initial survey of the field reveals five broad strategies. The first, an “acceptance strategy,” is one in which an organization seeks to protect itself by operating in a territory only when local actors accept it as a neutral, apolitical party. The second, an “avoidance strategy” leads organizations to withdraw from operations in high-risk areas. The third, a “fortress or protection strategy” emphasizes the physical security of an organization’s people and assets and seeks to thwart or debilitate those who would threaten them. A fourth is an “alliance” strategy in which the organization relies on the state for protection without regard for its impact on conflict more broadly. And finally an “engagement” strategy refers to active efforts to build relationships with a broad array of local and international stakeholders and an active commitment to reduce the prospect for violence. The prominence of two of these alternatives are illustrated by a 2008 newspaper article on mining companies operating in Congo, “Given the potential for unrest, companies are

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9 Corporations also utilize financial mechanisms such as insurance, or organizational strategies such as diversification, to protect themselves and their bottom line. As these strategies are not about managing or preventing conflict but instead simply make the conflict bearable in financial terms in order to sustain the overall organization, they are unlikely to affect the variables we seek to understand and we do not include these strategies here.
either turning their concessions into secure fortresses, as Freeport-McMoRan has, or attempting to reach an accommodation with the diggers.” (McCrummen 2008)

Though some organizations adopt one strategy exclusively, many organizations have developed security policies that draw from several different approaches. Among the NGO community, many have come to believe that the traditional acceptance strategy is not sufficient to protect personnel in the field. They are, however, reluctant to completely withdraw from insecure areas or take actions such as allying with intervening states that may be seen as political by those on the ground. In formulating a policy they have triangulated to avoid both the risk of rejection (because they are seen as partial to one side or another) and the risk of instrumentalization (particularly the siphoning off of resources). A framework dubbed the “security triangle” takes elements of acceptance and adds elements of protection and deterrence – pulling from both fortress and engagement menus. A fundamental part of the framework also specifies the conditions under which the organization should simply withdraw (van Brabant 1997, Martin 1999).

Corporations historically mitigated risk by allying with governments, and adopting strategies that focused narrowly on protecting their property and personnel – putting in physical security systems, engaging with state forces, and hiring private security companies. In response to both increased risks and criticism of strategies that were seen to exacerbate violence or poor governance, some corporations have also adopted a multifaceted security strategy that pursues engagement with the local population and international actors, but retains elements of protection from the fortress menu and also stipulates the conditions under which they pull out personnel or close operations (Avant 2007). Thus far most of these analyses are anecdotal or pull from a
small sample of organizations. Much more could be done to identify systematically the range of strategies organizations employ. This will be an important step crucial to answering many of the questions we ask below.

The second obvious question to ask is how effective are these policies? Do some organizations have more effective security than others? How can we best think about the security effectiveness of private organizations? Many of those advocating a conflict prevention agenda for corporations have yet to evaluate thoroughly whether they are effective in their stated aims. (Haufler 2008) Though it may appear counterintuitive or even ethically problematic to some, both NGOs and corporations can learn from studies of the security effectiveness of states. The critical component of military effectiveness is integration. To be effective, military plans must focus, first and foremost, on overarching state goals and activities should be internally consistent and mutually reinforcing (Brooks 2007: 10, Avant 1994). This element echoes the arguments some practitioners make about the security triangle. The key, they argue, is to focus on the mission. Protecting staff from violence is important, not as an end in itself, but because it allows for a successful mission. Elements of acceptance, protection and deterrence are ideally deployed with an eye toward the most effective pursuit of that mission. Trade offs – even a contemplation of withdrawal – are made with an eye toward the mission. Furthermore, a security plan is, according to many practitioners “a management challenge.” To be effective, it must be integrated throughout the organization and its activities should support one another.

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10 Interview with Mike O’Neill, security officer for Save the Children. See also Avant 2007.
11 For corporations, the ability – or inability—to integrate goals across the organization is the foundation of much of the principal-agent literature, and highlights problems that arise between headquarters and subsidiaries of the same company.
Though integration is the most important, there are three other features of effectiveness in militaries. These are the skill of personnel, the quality of material, and the responsiveness of the military to the context or external constraints (Brooks 2007). One would imagine these could play a similar role in the security effectiveness of other types of organizations. Those with skilled staff, quality material, and responsiveness to respond to changes in the environment – all with a continued focus on their overarching mission – should, all things being equal, be more effective than organizations with fewer skills, poor quality material, or who are locked into routines that do not respond to the environment or are not well attuned to the organization’s mission. NGOs often have dedicated staff but, drawing on volunteers, they are not always well trained, and their material resources can be limited. Their responsiveness, however, may be variable across organizations. Corporations often have skilled staff and quality material, but are surprisingly unresponsiveness to their environment.

The focus on mission moves away from a uniform vision of security effectiveness among transnational organizations. For some organizations, such as those who are most committed to the humanitarian ethic as Terry describes it, choices may be drawn mostly from the acceptance and withdrawal menus. There may be alternatives available to maintain stricter control over resources to prevent their diversion, drawn from the protection menu. Threats of withdrawal could be construed as either deterrence or engagement with the population, depending on the prevailing attitudes towards the organization. For others most concerned with maintaining their place in the field, particularly companies that are deeply invested in resource development, effective security may require a good deal more from the protection menu, but increasingly
requires more engagement given the current environment of demands for social responsibility.

An important part of the context that organizations must contend with in these insecure territories is that their effectiveness depends, in part, on the behavior of other actors. Even corporations must decide how to work with state forces, transnational advocacy groups and local groups or individuals over whom they have little control. Aid workers almost always work in tandem with other NGOs, IOs and local officials. Again, the military effectiveness literature holds some potential insights. Studies of effectiveness among military alliances tell us that they pose trade-offs.

Gaining the benefits of international cooperation and keeping the participating states focused on a common set of objectives may require military activities that sacrifice technical proficiency. The mechanisms required to retain political strategic integration may reduce the integration, skill, and responsiveness at the operational and tactical levels…However, these battlefield costs of international cooperation may be worth paying because of the strategic benefits that can be gained by enhancing the legitimacy of a military operation.” (Bensahel 2007, pp. 186-7)

While the dynamics of organizational security may be different from international alliances for prosecuting war, the general point that there may be a trade off between enhancing legitimacy via a cooperative framework and maintaining integration within an organization is important to consider and will come up again when we consider the relationship between organizational security and governance. Maximizing effectiveness at one level might entail compromises at another.
Third, what is the relationship between effective organizational security and violence? While the implicit message in the critiques above is that the right strategy will yield less violence, the relationship may be more nuanced than that. In an exploratory study on why some NGO personnel are targeted for violence, Larissa Fast argues that engagement strategies are associated with higher violence toward these personnel (Fast 2007). Her study of NGOs in two insecure countries, Angola and Sierra Leone, and one less insecure, Ecuador, distinguishes safety threats (accidents or health risks) from security threats (acts of violence), and ambient security risks (by virtue of simply being in a dangerous environment) from situational security risks (aggression directed at an individual or organization). She finds that overall contextual factors explain differences in ambient security but not differences in situational security. Organizations face higher situational security risk when they carry out multiple activities along with providing material aid; are operational NGOs; and act impartially and integrate with the community in which they operate. Her analysis presents something of a “security dilemma” for NGOs. The very practices that are deemed to be more likely to resolve conflict also appear to increase the insecurity of personnel that work for NGOs.

The effectiveness framework we suggest above would caution against looking at the security of staff separate from the overarching mission. But Fast’s study reminds us that violence can do more than go up and down, it can also target different people. This targeting may not suggest ineffectiveness, in fact, quite the reverse. As Mary Anderson discusses, violence against aid workers (international or local) or the populations they work around are sometimes a desperate response by those who would benefit from the continuation of conflict. Similarly, the violence sometimes targeted at corporate
operations is often a desperate response by those who are disappointed when they are not offered employment. Violence does not only move up or down, its character can also change. Charting the patterns of violence may be as important as charting the total amount.

The overall relationship between the security effectiveness of organizations and violence is worth a good deal more thought. It is certainly the case that effective security should reduce the capacity of militants to use the resources of corporations or NGOs, tax populations in camps, and forcefully recruit from camp populations. In the end, however, by their very presence, both commercial and aid organizations are disturbing the status quo, and creating new winners but also new losers. There has been a serious debate about whether humanitarians or corporations should seize this new role in security affairs – and with what degree of enthusiasm. How an organization thinks about its mission in this light can lead to equally effective but quite different strategies. Having an effective security strategy will lead humanitarian organizations to fewer serious disasters like the Goma camps, but will not resolve the ethical dilemmas where the mission will likely lengthen the conflict or where the strategies the organization uses to reshape conditions on the ground could enhance the prospect for attacks by the losers. Likewise, an effective security strategy may lead companies to avoid paying off paramilitaries and prolonging conflict, as Chiquita Brands did in Colombia, but will not resolve all the dilemmas involved in raising expectations about the role of corporations in peace and development.

Fourth, what is the relationship between an organization’s security effectiveness and the pattern of governance? As we mentioned above, there may be trade offs between an organization’s security effectiveness and its ability to work with other organizations
on the ground. If that is true, a single organization’s effective security strategy may have a more tangential (or more negative) relationship with governance than many have assumed. Security effectiveness may help maintain stability at the margins, but the pattern of governance over all may have more to do with the relations among organizations than the effectiveness of any one organization. To the degree that organizations adopt similar patterns of security and patterns that are coordinated with other actors on the ground, one might imagine greater potential for stable governance outcomes. This would accord with Ruggie’s analysis but much more needs to be understood about the conditions under which different organizations work together or not.  

The engagement strategy presupposes that building relationships among a variety of stakeholders will bring about both more security for the organizations involved, and more generalized security in society as a whole. But we have little evidence as yet that allows us to evaluate this claim.

Fifth and finally, what explains the security strategies of different organizations? Do corporations, on average, exhibit a different mix of protection, engagement and the like than NGOs? Do norms, competition, or both together lead transnational organizations to behave in similar ways? Are some transnational organizations better at generating effective security than others? Why? Does it have to do with the motivation of organizations? Or does it have to do with other internal characteristics such as their mission, their culture, or their constituency? The answers to these questions have important consequences for theoretical debates about the character of the variety of non-state governors on the global stage. While there are those who argue in favor of a

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12 As Paris points out, what is often called lack of coordination actually masks more fundamental tensions (Paris 2008).
convergence thesis, initial evidence points to a variety of responses regardless of broad organizational type. We may need to characterize organizations differently than simply identifying them as commercial or non-profit.

**Conclusion**

The concept of security has been long been associated with the sovereign state and its interests. In the era of globalization, non-state actors of all sorts reach across borders and conduct operations in places where sovereignty is contested and security is not provided by states. In these areas, we have seen private actors to take on the burden of providing protection, to themselves and at times to the larger community. As private organizations have operated in insecure territories they have faced criticism for their impact on violence, their impact on governance, and their ability to be true to their mission. Implicit in this critique is an important new research agenda focusing on the security strategies of organizations. Transnational organizational choices—their security strategies—can feed into existing grievances and increase insecurity, or they can ameliorate conflict in ways that decrease violence. A research agenda on organizational security provokes questions about the range of security strategies transnational organizations choose from, how these strategies matter for organizational effectiveness, violence, and governance, and what explains why organizations choose the strategies they do. Asking these questions promises to change the way security in the 21st century is conceived and theorized. In answering them, scholars can hope to change the way 21st century security is experienced.
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