

Transnational Actors and International Organizations in Global Politics

By Peter Willetts

From J. B. Baylis and S. Smith (eds.), *The Globalisation of World Politics*, (Oxford and New York: Oxford University Press, second edition, 2001), pp. 356-383. This copy does not contain the various boxes and diagrams that are in the book.

Please note that this document is set for A4 paper, so US users should change the File-PageSetUp-PaperSize to Letter before printing.

- Introduction
- Problems with the State-Centric Approach
- Transnational Companies as Political Actors
- Non-Legitimate Groups and Liberation Movements as Political Actors
- Non-Governmental Organizations as Political Actors
- International Organizations as Structures of Global Politics
- Issues and Policy Systems in Global Politics

305

READER'S GUIDE

The subject of International Relations originally covered simply the relations between states, for example Britain's relations with India. Economic bodies and social groups, such as banks, industrial companies, students, environmentalists, and women's organisations, were given secondary status as non-state actors. This two-tier approach has been challenged, particularly by the effects of globalisation. First, ambiguities in the meaning given to 'a state', and its mismatch with the contemporary world, result in it not being a useful concept. Greater clarity is obtained by analysing intergovernmental and inter-society relations, with no presumption that one sector is more important than the other. Second, we can recognize governments are losing sovereignty when faced with the economic activities of transnational companies and the violent threat from criminals and guerrillas. Third, non-governmental organizations (NGOs) engage in such a web of global relations, including participation in diplomacy, that governments have lost their political independence. We conclude that events in any area of global policy-making have to be understood in terms of complex systems, containing governments, companies, and NGOs interacting in a variety of international organizations.

INTRODUCTION

In diplomacy, international law, journalism, and academic analysis, it is widely assumed that international relations consists of the relations between coherent units called **states**. This chapter will argue that better understanding of political change is obtained by analysing the relations between governments and many other actors from each country. Global politics also includes companies and non-governmental organizations. (We will see below that this is a technical term. It does not cover all actors other than governments. In particular it excludes commercial bodies.) While there are less than 200 governments in the global system, there are approximately

- 60,000 major transnational companies (TNCs), such as Shell, Barclays Bank, Coca Cola, Ford, Microsoft, or Nestlé, with these parent companies having more than 500,000 foreign affiliates;
- 10,000 single-country non-governmental organizations (NGOs), such as Freedom House (USA), Médecins sans Frontières (France), Population Concern (UK), Sierra Club (USA), or the Women's Environmental Network (UK), who have significant international activities;
- 250 intergovernmental organizations (IGOs), such as the UN, NATO, the European Union, or the International Coffee Organization; and
- 5,800 international non-governmental organizations (INGOs), such as Amnesty International, the Baptist World Alliance, the International Chamber of Shipping, or the International Red Cross, plus a similar number of less-well-established international caucuses and networks of NGOs.

All these actors play a regular part in global politics and interact with the governments. In addition, even though they are considered not to be legitimate participants in the system, guerrilla groups and criminal gangs have some impact. Very many more companies and NGOs only operate in a single country, but have the potential to expand into other countries.¹

Nobody can deny the number of these organizations and the range of their activities. The controversial questions are whether the non-state world has significance in its own right and whether it makes any difference to the analysis of interstate relations. It is possible to *define* international relations as covering the relations between states. This is known as the state-centric approach, or **Realism**. Then it is only a tautology (true by definition) to say that non-state actors are of secondary importance. A more open-ended approach, known as **Pluralism**, is based on the assumption that all types of actors can affect political outcomes. It is an unacceptable analytical bias to decide, before research starts, that only states have any influence. Some state-centric writers acknowledge this point in a highly restrictive manner: 'non-state actors need to be taken into account just as and when they influence what goes on between states—and not otherwise' (James 1993: 270). This position appears to be reasonable for the study of subjects like UN peace-keeping, but it is arbitrary to make the claim for all subjects. Given that governments are important primarily because they assert the right to exercise authority over society, a suitable reply to James is 'governments need to be taken into account just as and when they influence what goes on among NGOs and not otherwise'. Until the evidence indicates otherwise, we must assume that governments and NGOs interact with each other, along with companies and international organizations. Who actually determines outcomes will vary from issue to issue.

The Importance of Words: From 'Non-State' Actors to Transnational Actors

Some preliminary comments about the vocabulary of International Relations are necessary. The very words, **non-state actors**, imply that states are dominant and other actors are secondary. There is ambiguity, because it is unclear whether intergovernmental organizations are regarded as interstate or non-state organizations. It is also confusing to put into a single category actors that have very different structures, different resources and different ways of influencing politics. So, from now on the term, 'non-state', will be abandoned.

Box 15.1. Belongs about here

Fig. 15.1. Belongs about here

An alternative word, **transnational**, has been coined by academics in order to assert forcefully that international relations are not limited to governments. Unfortunately, diplomats use the word transnational to mean a company, while other non-profit-making, non-violent groups are called NGOs. The differences can be handled by using 'transnational' in the academic sense, to cover any private actor, and making it plain whether a company or another type of transnational actor is being discussed. On this basis, a summary of the different categories of participants in global politics from each country is given in the chart.

It is still quite common to find analyses of international relations that concentrate primarily on the governments, give some attention to intergovernmental organizations and ignore the transnational actors. Even in fields such as environmental politics, where it is widely accepted that governments interact intensely with UN agencies, commercial companies and environmental pressure groups, it is sometimes taken for granted that governments are dominant (see for example Hurrell and Kingsbury 1992, or even Porter and Brown 1991: 35). The only way such bias towards the real world can be understood is in terms of the theoretical bias of orthodox analysis.

This chapter will first consider how assumptions made about 'states' inhibit analysis of transnational actors and international organizations. Then the nature of the different types of actors will be outlined. Finally, the case will be argued for always considering the activities of a diverse range of political actors.

PROBLEMS WITH A STATE-CENTRIC APPROACH

The great advantage of the state-centric approach is that the bewildering complexity of world politics is reduced to the relative simplicity of the interactions of less than two hundred supposedly similar units. However, there are *four* major problems that suggest the benefits of simplification have been gained at the cost of the picture being distorted and blurred.

1. Ambiguity between Different Meanings of a 'State'

Writers who refer to the state often fail to use the term consistently and lack intellectual rigour by merging three concepts. The **state** as a legal person is a highly abstract fiction. This is easily confused with the concrete concept of a **country**, with a distinct political system of people sharing common values. Then there is a very dissimilar concept of a state as the apparatus of **government**. Unfortunately, no standard method exists to handle the ambiguity. From now on, this chapter will use the word, state, to indicate the abstract legal concept, while country and government will be used to analyse political behaviour. Conventional ambiguous usage will be indicated by inverted commas.

With the legal and political-community concepts, *civil society is part of the state*, whereas for philosophers and sociologists focusing on the state as government *civil society is separate from the state*. Thus, in international law or when the state means the whole country, there is very little room to acknowledge the existence of distinct transnational actors. Alternatively, when the state means the government and does not encompass society, we can investigate both intergovernmental relations and the inter-society relations of transnational actors.

2. The Lack of Similarity between Countries

The second problem is that defining all 'states' in the same way and giving them all the same legal status implies they are all essentially the same type of unit. If we consider the countries of the world, it is plain that they are not remotely similar. Orthodox analysis does acknowledge differences in size between 'the superpowers' and middle and small 'powers'. Nevertheless this does not suggest that at the end of the Cold War the United States economy was twice the size of the Soviet Union's economy, nor that at the end of the twentieth century the US economy was nine times China's, 55 times Saudi Arabia's, more than 1,000 times Ethiopia's and 78,000 times greater than Kiribati's. In terms of population, the divergences are even greater. The small island countries of the Caribbean and the Pacific with populations measured in tens of thousands are not comparable entities to ordinary small countries, let alone China or India: they are truly 'micro-states'. Alternatively, comparing the governments

of the world reveals a diverse range of democracies, feudal regimes, ethnic oligarchies, economic oligarchies, populist regimes, theocracies, military dictatorships, and idiosyncratic combinations. The only thing that the countries have in common is the general recognition of their right to have their own government. They are legally equal and politically very different.

The consequence of admitting the differences in size is to make it obvious that the largest transnational actors are considerably larger than many of the countries. The 50 largest transnational industrial companies have an annual sales revenue greater than the GNP of 132 members of the United Nations. Using people as the measure, many NGOs, particularly trade unions and campaigning groups in the fields of human rights, women's rights, and the environment, have their membership measured in millions, whereas 40 of the 188 countries in the UN have populations of less than one million.² The differences also mean that there is great variation in the complexity and diversity of the economies and the societies of different countries and hence the extent to which they are each involved in transnational relations.

3. The Problem of Holism

Third, there is an underlying inconsistency in the **ontology** of supposing 'states' are located in an anarchical international system. Whether it means a legal unit, a country, or a government, the 'state' is seen as a **holistic entity**: it is considered to be a coherent unit, acting with common purpose and existing as something more than the sum of its parts (the individual people). At the same time, many advocates of the state-centric approach deny the possibility of holistic entities existing at the global level. The phrase, 'the international system', is used, but only to convey a loose assembly of 'states'. The reference to a **system** is not intended to carry its full technical meaning of a collectivity in which the component elements (the individual 'states') lose some of their independence. No philosophical argument has been put forward to explain the inconsistency in the assumptions made about the different levels of analysis. By exaggerating the coherence of 'states' and downplaying the coherence of global politics, both transnational relations and intergovernmental relations are underestimated.

4. The Difference between State and Nation

Fourth, there is a behavioural assumption that politics within 'states' is significantly different from politics between 'states'. This is based on the idea that people's loyalty to their **nation** is more intense than other loyalties. Clearly, it cannot be denied that nationalism and national identity invoke powerful emotions for most people, but various caveats must be made about their political relevance. Communal identities form a hierarchy from the local through the nation to wider groupings: a Yorkshire person may simultaneously be English and identify with the Commonwealth or with Europe. Thus, local communities and intergovernmental bodies, such as the European Community, can also make claims on a person's loyalty.

Box 15.2. Belongs about here

There has been a long-standing linguistic conjuring trick whereby national loyalty is made to appear as if it is focused on the '**nation-state**'. Both *international* relations and *transnational* relations cover relations across 'state' boundaries, although logically the words refer to relations between national groups, such as the Scots and the Welsh. In the real world, only a few countries, such as Iceland, Poland, and Japan, can make a reasonable claim that their people are from a single nation and in all such cases there are significant numbers of the national group resident in other countries, often in the USA. Most countries are multinational and many national groups are present in several countries. Thus national loyalty is actually quite different from loyalty to a country. National liberation movements, national cultural groups, and national minorities making political demands are transnational actors, which at times mount a significant challenge to governmental authority. Ironically, nationalism is one of the many sources of transnational relations.

Key Points

- The concept of the 'state' has three very different meanings: a legal person, a political community, and a government.

- The countries and governments around the world may be equal in law, but have few political similarities. Many governments control less resources than many transnational actors.
- It cannot be assumed that all country-based political systems are more coherent than global systems, particularly as national loyalties do not match country boundaries.
- By abandoning the language of 'states' and 'non-state' actors, we can admit the possibility of theorizing about many types of actors in global politics. By distinguishing government from society and nation from country, we can ask whether private voluntary groups, companies, and national minorities in each country engage in transnational relations.
- In summary, once 'states' are no longer described as homogeneous coherent entities, they must be analysed as open systems, having many channels for governmental and transnational connections to international systems.

TRANSNATIONAL COMPANIES AS POLITICAL ACTORS

All companies that import or export are engaging in transnational economic activities. Often changes in health and safety standards, regulation of communication facilities or the general economic policy of foreign governments will affect their ability to trade. If this is beneficial, they will not necessarily respond, but, if they expect to lose financially, they may well decide to lobby the foreign government. This can be done by four common routes:

1. indirectly by the company asking its own government to put pressure on the foreign government;
2. indirectly by raising a general policy question in an international organization;
3. directly at home via the diplomatic embassy; or
4. directly in the other country via the government ministries.

Several other routes to apply pressure, such as trade associations and more complex indirect routes, can also be used. Thus even a company that is based in a single country may be a significant transnational political actor.

Box 15.3. Belongs about here

The first companies that expanded beyond their home country to become **transnational companies** (TNCs), in the fullest sense, did so in the European empires or the quasi-empire of the United States in Latin America and Asia. The classic cases were companies in agriculture, mining, or oil. After decolonization the companies often had to be split up, so that the overseas branches became separate legal entities, but still under central control of the headquarters. From the 1960s there has been a massive expansion, with many of the major industrial manufacturers establishing overseas subsidiaries. Some financial services, like banking, had moved into the empires as the colonies began to develop, but from the 1970s onwards most of the service industries, including advertising, market research, auditing, and computing, also set up new operations around the world or formed global structures by mergers and acquisitions. Now transnational companies can be expected to operate in any major economic sector, except for products that are specific to particular cultures. The geographical spread has also widened, so industrialized countries that never had empires, such as Sweden and Canada, and also the larger developing countries have seen some of their companies expand transnationally. Among the 100 TNCs with the highest levels of assets outside their home country, 50 are from Western Europe, 27 from the USA, 17 from Japan, 3 from Canada and one each from Australia, Venezuela and South Korea.

Through the globalization of companies, the nature of the transnational companies has changed. Originally there was a clear demarcation with production occurring at the headquarters and secondary activities occurring in the subsidiary branches. A TNC such as IBM could be regarded as an American company with many foreign branches. Now the companies can be truly global, with the headquarters merely being a convenient site for strategic decision-making. Global communications are so efficient and sales can be so widely spread that production does not need to be located at the headquarters. There are several indicators of a company moving from being a multinational federation to a unified global

company. Production can be diversified so that different stages of production are located in different countries. Marketing can promote a uniform brand image in all countries. The management personnel may develop their careers across the whole company. Full globalization has occurred when the top management includes people from several countries, with no single country predominating, and when all managers have to speak a single language, usually English.

The growth in the number of TNCs, the scale of their activities and the complexity of their transactions has had a major political impact. We will now see how TNCs have the ability to evade government attempts to control financial flows, to impose trade sanctions or to regulate production. TNCs also make intergovernmental relations more complicated. The **sovereignty** of most governments is significantly reduced.

Financial Flows and Loss of Sovereignty

The consequences of the extensive transnationalization of major companies are profound. It is no longer possible to regard each country as having its own separate economy. Two of the most fundamental attributes of sovereignty, control over the currency and control over foreign trade have been substantially diminished. The two factors combined mean governments have lost control of financial flows. In the case of the currency, the successive crises since the early 1980s for the dollar, the pound, the French franc, and the yen have established that even the governments with the greatest financial resources are helpless against the transnational banks and other speculators.

The effects of trade on domestic and international finance are less obvious. When goods move physically across frontiers, it is usually seen as being trade between the relevant countries, but it may also be **intra-firm trade**. It has been estimated that intra-firm trade accounts for around one third of all world trade in goods (UN 1995: 37), with the proportion reaching over a half in some high-technology manufacturing industries, (UN 1988: 91–2). As the logic of intra-firm trade is quite different from inter-country trade, governments cannot have clear expectations of the effects of their financial and fiscal policies on TNCs. In Box 15.4, a hypothetical illustration is given of a company setting **transfer prices** to reduce its taxes. Several other motives might induce a company to distort transfer prices, including evasion of controls on the cross-border movements of profits or capital.

Box 15.4. Belongs about here

Triangulation of Trade and Loss of Sovereignty

Governments have great difficulty regulating international transactions. If one government is antagonistic to another and wishes to impose a trade boycott, it is totally impossible for the government on its own to prevent movement of information or people for business purposes. Even the so-called ‘superpower’, the USA, was unable to prevent its citizens visiting communist Cuba during the cold war. It may be possible to prevent the *direct* import or export of goods. However, there is no guaranteed method of preventing *indirect* trade from one country to another. A simple example of evasion by **triangulation** is given in Box 15.5. Only if a UN Security Council resolution obliges all the countries of the world to impose sanctions is there a reasonable prospect of a determined government preventing TNCs from evading sanctions. However, in such a situation sovereignty over the relevant trade then lies with the Security Council and not with the individual governments.

Box 15.5. Belongs about here

Regulatory Arbitrage and Loss of Sovereignty

It is difficult for governments to regulate the commercial activities of companies within their country, because companies may choose to engage in **regulatory arbitrage**. If a company objects to one government’s policy, it may threaten to limit or close down its local production and increase production in another country. The government that imposes the least demanding health, safety, welfare, or environmental standards will offer competitive advantages to less socially responsible companies. It thus becomes difficult for any

government to set high standards. In the case of banking the political dangers inherent in the risks of a bank collapsing through imprudent or criminal behaviour are so great that the major governments have set common capital standards. Under the Basle Committee rules all commercial banks must protect their viability by having capital to the value of 8 per cent of their outstanding loans. Similarly in the European Community the desire not to leave markets unregulated provides a political impetus towards harmonization of standards and creation of a joint social policy. While the Basle Committee and the EC are very effective, both these international regimes are limited by not covering all countries or all closely related activities. Nevertheless, whatever control is achieved does not represent the successful exercise of sovereignty over companies: it is the partial surrender of sovereignty to an intergovernmental body.

Extraterritoriality and Sovereignty

In addition transnational companies generate clashes of sovereignty between different governments. Let us consider the example of a company that has its headquarters in the United States and a subsidiary company that it owns in the United Kingdom. Three lines of authority exist. The United States government can control the main company and the United Kingdom government can control the subsidiary. Each process would be the standard exercise of a government's sovereignty over its internal affairs. In addition, both governments would accept that the TNC can, within certain limits, control its own policies on purchasing, production, and sales. Under normal circumstances these three lines of authority can be exercised simultaneously and in harmony. However, when the US government decisions cover the global operations of the TNC, there can be a clash of sovereignty. Does the subsidiary obey the UK government or the orders of the US government issued via its headquarters? This problem of **extraterritoriality**, is inherent in the structure of all TNCs. An illustration of it producing a crisis is given in Box 15.6.

Fig. 15.2. Belongs about here

Box 15.6. Belongs about here

From Domestic Deregulation to Global Re-regulation

For most companies most of the time, their interests in expanding their production, increasing their market share and maximizing their profits will be in accord with the government's policy of increasing employment and promoting economic growth. Conflicts will arise over the regulation of markets to avoid the risks of market failures or externalization of social and environmental costs of production, but often these conflicts will be negotiable. The most serious conflicts occur over the desire of companies to minimize their tax burden and the desire of governments to influence the patterns of trade and investment decisions. All these questions have been features of domestic politics in modern times. Globalization of economic activity has moved the questions from the domestic agendas of each country to the global political agenda. Domestic deregulation of the economy has become a global phenomenon.

As there were many strong political pressures that led to regulation in the past, it is to be expected that reactions against deregulation will grow in strength after some years. However, the contemporary political process will be different. The examples of the International Baby Foods Action Network (IBFAN), the World Rainforest Movement and the Pesticides Action Network (PAN) indicate how the reaction against irresponsible behaviour by TNCs now is focused on the United Nations and its agencies. Re-regulation (governments again seeking to control markets) is more likely to be at the global level than within individual countries. One push towards the globalization of politics is that governments can only reassert control over transnational companies by acting collectively.

Key Points

- All major companies, because of their involvement in international trade, are potential transnational political actors, but only those operating in more than one country are regarded as transnational companies.
- The ability of TNCs to change transfer prices means that they can evade taxation or government controls on their international financial transactions.
- The ability of TNCs to use triangulation means individual governments cannot control their country's international trade.
- The ability of TNCs to engage in regulatory arbitrage, by moving production from one country to another, means individual governments are constrained against regulating companies to promote high standards of social responsibility.
- The structure of authority over TNCs generates the potential for intense conflict between governments, when the legal authority of one government has extraterritorial impact on the sovereignty of another government.
- The four problems of sovereignty, discussed above, (unpredictable financial flows, trade triangulation, regulatory arbitrage, and extraterritoriality) weaken individual governments in relation to TNCs. In some areas of economic policy, sovereignty now has to be exercised through collective action rather than independently.

NON-LEGITIMATE GROUPS AND LIBERATION MOVEMENTS AS POLITICAL ACTORS

A variety of groups engage in violent and/or criminal behaviour on a transnational basis. A distinction can be made between activity that is considered criminal around the world, such as theft, fraud, haphazard violence, or drug trafficking, and activity that is claimed by those undertaking it to have legitimate political motives. In reality, the distinction may sometimes be blurred, when criminals claim political motives or political groups are responsible for acts such as torture or killing children. For all governments neither criminal activity nor political violence can be legitimate within their own jurisdiction. From the point of view of most governments most of the time, such activities are also to be condemned when they occur in other countries.

Transnational Criminals and their Political Impact

Politically, the most important criminal industries are illicit trading in arms and in drugs. They have been estimated to be the two most valuable commodities in international trade. Trade in stolen goods generally is limited to high-value, easily transported goods, such as diamonds and computer chips. In addition, piracy of intellectual property, particularly of music, video films, and computer software, and trade in counterfeit goods is organized on a very large scale.

The same four sovereignty problems arise with tackling criminals as with regulating TNCs, but they take on a different significance. **First**, criminal financial flows can be massive and unpredictable. An additional problem of great complexity is that money-laundering threatens the integrity of banking and other financial institutions. **Second**, criminal trade has been so extensively diversified through triangulation that no government could confidently claim that their country is not a transit route for drug smuggling. In the arms trade, triangulation with false end-user certificates is also a common process. **Third**, using the law against criminals produces a similar effect to movement by TNCs for regulatory arbitrage. Whereas governments do not want companies to close down, forcing criminals out of business would be a political victory. Nevertheless, well-organized gangs are more likely to be displaced to another country than to be jailed and disbanded, as has been shown by the shifting patterns of drugs production in Latin America. **Fourth**, extraterritoriality does occur with respect to jurisdiction over criminal behaviour. Various special cases, such as war criminals, hijackers, and miscreant diplomats, can be prosecuted in countries not directly affected by their offence. Illicit drugs, money-laundering, and terrorism involve transnational police activities that would be unthinkable in other fields. These examples contrast with the regulation of normal

economic activity. Extraterritorial jurisdiction over the criminals is supported by the overwhelming majority of governments and is endorsed in a series of international treaties and UN resolutions.

As with TNCs, the global financial system, displacement, triangulation, and extraterritoriality, limit the effective exercise of sovereignty over criminals. The difference is that in some fields, where the threat is felt to be most severe, there have been strenuous efforts to re-establish control by surrender of sovereignty through international agreement.

Transnational Guerrilla Groups and Gaining Legitimacy

Political violence has been adopted by a variety of different groups. They range from broadly based nationalist movements and other groups with a clear political programme through alienated minorities, such as the militia in the USA or religious sects in several countries, to protest groups on specific issues. These groups are often called **terrorists** to express disapproval, **guerrillas** by those who are more neutral, or **national liberation movements** by their supporters. In general, nationalists are usually able to obtain some external support, from members of the same national group in other countries, from governments hostile to their own government or from other actors who consider nationalism to be legitimate. During the cold war, both communists and anti-communists gave support to violent groups taking their side in the ideological struggle, but this tended to be most effective when the ideology was allied to nationalism. Some violent groups may obtain support, by forming alliances with similar groups based in different countries.

Box 15.7. Belongs about here

Governments are very reluctant to accept the use of violence by transnational groups, even when the cause meets with their approval. Hijacking, hostage-taking, and deliberate bombing of civilian targets are so lacking in legitimacy in the intergovernmental world that governments will not seek to justify such acts, even when they have been actively involved in assisting the terrorists. Nevertheless, some groups do manage to move from the status of (bad) terrorists to (good) national liberation movements. Legitimacy in using violence is increased in *four* ways: (1) when a group appears to have widespread support within their constituency; (2) when political channels have been closed to them; (3) when the target government is exceptionally oppressive; and (4) when the violence is aimed at 'military targets' without civilian victims.

Groups such as the Republican and Loyalist paramilitaries in Northern Ireland or the Basque separatists, *Euzkadi to Askatasuna* (ETA) that fail to match these four characteristics only obtain very limited transnational support. Some other groups are able to gain legitimacy by winning respect on all four grounds. The African National Congress (ANC) and the South West African People's Organization (SWAPO) received widespread external support for their fight against the South African apartheid regime: they gained diplomatic status, money, and weapons supplies. The position of the Palestine Liberation Organization (PLO) was less clear cut, particularly in the 1970s, because of the fear generated by their hijacking of airliners and bombing of civilians.

Although there have been many guerrilla groups fighting as oppressed national minorities, only five groups have been significant diplomatic actors in the last two decades. In the mid-1970s, the PLO and SWAPO achieved membership of the Non-Aligned Movement and the Group of 77, along with observer status in the UN General Assembly and at all UN conferences. Three other groups the ANC, the Pan-African Congress (a smaller South African group), and the Patriotic Front of Zimbabwe, did not do so well, but they did obtain the right to attend UN conferences.

The Significance of Criminals and Guerrillas

Criminals and guerrillas do not appear to present a challenge to orthodox state-centric theory. On the one hand, the drugs barons, smugglers, and thieves, along with militia, religious sects, and alienated minorities, seem to be marginal because they are not legitimate and are excluded from normal international transactions. On the other hand, the violent groups that do gain military, political, and diplomatic status on a transnational basis are generally

nationalist groups, aspiring to govern a particular territory. Therefore they can be presented as endorsing the basic principles of a state-centric system.

Such an approach masks the way globalization has changed the nature of sovereignty and the processes of government. The operations of criminals and other non-legitimate groups have become more complex, spread over a wider geographical area and increased in scale, because the improvements in communications have made it so much easier to transfer people, money, weapons, and ideas on a transnational basis. Government attempts to control such activities have become correspondingly more difficult. Similarly, national liberation movements cannot be seen simply as part of a static interstate system. They all start as small illegitimate groups and gain support by a process of mobilization, in which transnational legitimacy can sustain domestic legitimacy and vice versa. The legal concept of statehood may not be affected, but the practice of sovereignty has become significantly different. Now virtually every government feels it has to mobilize external support, to exercise 'domestic jurisdiction' over criminals or guerrilla groups.

Key Points

- Effective action against transnational criminals by individual governments is difficult for the same reasons as control of TNCs is difficult.
- Extraterritoriality is accepted and sovereignty is surrendered, in order to tackle the most threatening criminals.
- Groups using violence to achieve political goals generally do not achieve legitimacy, but in exceptional circumstances they may be recognized as national liberation movements and take part in diplomacy.
- The transnational activities of criminals and guerrillas shift problems of the domestic policy of countries into the realm of global politics.

NON-GOVERNMENTAL ORGANIZATIONS AS POLITICAL ACTORS

The politics of an individual country cannot be understood without knowing what groups lobby the government and what debate there has been in the media. Similarly, international diplomacy does not operate on some separate planet, cut off from global civil society. Analysts of British politics use two terms: interest group conveys a bias towards a group, such as a company or a trade union, seeking to influence economic policy; while pressure group invokes a wider range of groups promoting their values. In the United States the terms lobby group, public interest group, and private voluntary organization are used, with rather more normative connotations, to make similar distinctions. Because diplomats like to claim that they are pursuing 'the national interest' of a united society, they will not admit to relations with interest groups or pressure groups and they prefer the bland title, non-governmental organizations or simply NGOs. However, it must be emphasized that this established diplomatic jargon does not cover all transnational actors. Although companies, criminals, and guerrillas are literally non-governmental, they are not NGOs.

Box 15.8. Belongs about here

Consultative Status at the UN for NGOs

As a result of pressure, primarily from American groups, the draft United Nations Charter was amended to add an article providing for the Economic and Social Council (ECOSOC) to consult with NGOs (Article 71). In the early sessions the World Federation of Trade Unions took the lead to convert the vague general provision into a range of recognized rights of participation. After five years the Council formally codified the practice, in a resolution that effectively was a statute for NGOs. It recognized *three categories* of groups: (1) a small number of high-status NGOs, concerned with most of the Council's work; (2) specialist NGOs, concerned with a few fields of activity and having a high reputation in those fields; and (3) a Roster of other NGOs that are expected to make occasional contributions to the Council.³ Since then the term NGO has, for diplomats, been synonymous with a group that is eligible for ECOSOC consultative status.

Box 15.9. Belongs about here
Fig. 15.3. Belongs about here
Table 15.1. Belongs about here

The UN Definition of an Acceptable NGO

The ECOSOC statute and the way it has been applied embodies six principles:

1. An NGO should support the aims and the work of the UN. This has been interpreted so broadly as to place minimal restrictions on criticism of UN programmes. The case of Human Life International, an anti-abortion group, was a significant exception. Their campaign against American children raising money for UNICEF contributed to the ECOSOC decision to deny them consultative status.
 2. An NGO should be a representative body, with identifiable headquarters, and officers, responsible to a democratic policy-making conference. In practice many highly prestigious NGOs, particularly development and environment NGOs, such as Oxfam and Greenpeace, do not have any internal democratic procedures. They are responsive to the general public rather than responsible to a membership.
 3. An NGO cannot be a profit-making body. Individual companies have no possibility of gaining formal consultative status, but this does not exclude them from the UN system. International trade federations have no problem in being recognized as NGOs.
 4. An NGO cannot use or advocate violence. We have seen that a few guerrilla groups have been accepted as national liberation movements, but this is distinct from and of higher status than being an NGO.
 5. An NGO must respect the norm of 'non-interference in the internal affairs of states'. This means an NGO cannot be a political party. However, like companies, parties can form international federations, which do gain consultative status. The principle was extended in 1968, by adding a new clause to the statute. NGOs concerned with human rights should not restrict their activities to a particular group, nationality, or country. (Exception was made with respect to anti-apartheid groups.)
 6. An international NGO is one that is not established by intergovernmental agreement. This is a technical legal expression of the property of being non-governmental. It is explicitly stated that this does not exclude governmental bodies being members of an INGO. The significance of this blurring of the lines will be examined later.
- Many NGO activists believe the UN should be more restrictive and only accept groups that are 'true' NGOs, contributing to 'progressive' **social movements**. Environmentalists are often upset that business federations are accepted and the whole NGO community at the UN agonised over the National Rifle Association being admitted to the Roster in November 1996.

Box 15.10. Belongs about here

Economic Globalization and the Expansion of NGOs

The creation of a complex global economy has had effects way beyond the international trade in goods and services. Most companies or employees, in each distinct area of activity, have formed organizations to facilitate communication, to harmonize standards and to manage adaptation to complex change. For example, air, sea, road, and rail transport, banking, telecommunications, the media, and computing could not operate transnationally without the necessary infrastructure, which includes the organizational structures of international NGOs. Co-operation is not essential to other companies, but they find agreement on common standards and procedures is more efficient and hence cheaper. Equally the employees have found they face common problems in different countries and so trade unions and professional bodies have developed their own transnational links. Any form of **international regime** to formulate policy for an industry, whether it is non-governmental or intergovernmental, will encourage the strengthening of the global links among the NGOs concerned with its activities. An illustration is given in Box 15.10, with eight of the major NGOs involved in the commercial and safety regimes for aviation.

The Globalization of Communications

For most of this century any individual with enough money and enough time could travel in person or communicate in writing to most parts of the world, unless communications were disrupted by war. The technical revolution of the twentieth century lies in the increased density, the increased speed and the reduced cost of communication. The political revolution lies in these changes bringing rapid global communication within the capabilities of most people. This includes even the poor, if they band together to fund a representative to articulate their case or gain access to the news media.

Box 15.11. Belongs about here

From the 1940s global radio broadcasting has been established, with small portable radio receivers appearing in the late 1950s; from the early 1960s cheap air services have linked all countries; from the early 1970s subscriber trunk dialling has provided transnational telephone connections; from the late 1980s the telephone networks have been used for facsimile transmissions; during the early 1990s satellites made possible both live television coverage of events anywhere in the world and transmission of global television services, such as CNN and the BBC; and finally in the mid-1990s the Internet took off as a facility for the instant exchange of massive volumes of information.

Together these changes in communications constitute a fundamental change in the structure of world politics. Governments have lost sovereignty over the transnational relations of their citizens. They can choose from *three* options:

1. keep communication facilities open and lose all ability to control transnational transactions;
2. bear the heavy costs of maintaining an elaborate security apparatus in an unsuccessful attempt to monitor and control communications; or
3. close certain facilities to prevent normal economic transactions from occurring, but fail to inhibit the determined dissident.

Borders have never been completely impermeable, but now governments can only control a limited range of communications with limited success. Normal transnational communications do not have the dramatic qualities of the examples given in Box 15.11, but they still constitute a quiet revolution.

The News Media as Agents of Globalization

The pattern of choices made by the news media in their coverage of events is at least part of the explanation of changing priorities on political agendas in most countries. Some of the similarities in political change in different countries are due to their separate responses to similar economic and social problems, but participation in the global system strengthens the similarities in the agenda for debate. Sometimes the media take the lead and sometimes they are being pushed by NGOs, TNCs, or governments, but their decisions are always important, particularly in the case of the biggest transnational press agencies and satellite television networks. The movement of ideas not only affects the agenda but also political outcomes. It is not a coincidence that individual human rights, women's rights, environmental concerns, monetarism, and privatization policies have gained increasing support in many countries around the same time. To make the illustrations more specific, the Chernobyl accident affected the politics of nuclear energy throughout the world, while the collapse of the Soviet system and of apartheid both strengthened the global process of democratization. It cannot be argued that the boundaries separating the political cultures and political systems of each country have been totally eroded, but it is the case that each country is a sub-system within the global political system.

The Movement of NGOs from the Local to the Global

One effect of the globalization of communication is to make it physically and financially feasible for small groups of people to establish and to maintain co-operation, even though they may be based thousands of miles apart from each other. Thus it is very easy for NGOs to operate transnationally, but not all NGOs make this choice. They vary from local

organizations solely operating in one small town to large global bureaucracies with a presence in most countries. The crucial factor in determining whether an NGO goes transnational is what are its goals.

- If the prime purpose is to offer a service to its own members, to pursue charitable activities locally or to campaign to change a particular law, then it may be decades before the question of establishing transnational links arises. Separate NGOs become well established in several countries before they decide to form an international NGO, as a loose federation, in order to exchange information and learn from each other's experience. Trade unions, women's organizations, charities for the elderly, and family-planning associations are examples.
- Campaigning NGOs in one country may only have the goal of affecting their own government's policy, but decide for tactical reasons to obtain support from foreign governments and NGOs. Environmental NGOs in developing countries have found support from transnational networks to be crucial.
- Sometimes campaigning NGOs decide from the start that they would be more effective as a transnational organization and they form sections simultaneously in several countries. Amnesty International and Friends of the Earth started in Britain and the United States respectively, but immediately appealed for support elsewhere.
- NGOs can be based in just one country, while defining their goals in transnational terms. For many years Oxfam in Britain and CARE in the USA raised funds to spend on disaster relief and development overseas, before they too joined international federations and then later gained sections in other countries.
- When regional or global intergovernmental organizations become the focus for policy-making, then NGOs seek to influence the proceedings. They use access to the international secretariat and the decision-making organs, as an indirect route to influence the policy of individual governments. As a result, the cities that host important IGOs also become centres for related international NGOs.

NGOs are so diverse in their goals and their tactics that the above list only indicates the main processes by which they move from local to global politics.

Key Points

- Most transnational actors can expect to gain recognition as NGOs by the UN, provided they are not individual companies, criminals, or violent groups and they do not exist solely to oppose an individual government.
- While ECOSOC consultative status does not involve all transnational NGOs, its statute does provide an authoritative statement that NGOs have a legitimate place in international diplomacy.
- The creation of a global economy leads to the globalization of unions, commercial bodies, the professions, and scientists in international NGOs, which participate in the relevant international regimes.
- The technological revolution has globalized communications, both for individuals and for the news media. This has created a political revolution. Most governments have virtually no ability to control the flow of information across the borders of their country. A few, authoritarian governments can impose some restrictions, but not without incurring very high political and economic costs.
- The improved communications make it more likely than NGOs will operate transnationally and make it very simple and cheap for them to do so.

INTERNATIONAL ORGANIZATIONS AS STRUCTURES OF GLOBAL POLITICS

International organizations provide the focus for global politics. The new physical infrastructure of global communications makes it easier for them to operate. In addition, when the sessions of the organizations take place, they become distinct structures for political communication. Face-to-face meetings produce different outcomes from telephone or written

communications. Multilateral discussion produces different outcomes from interactions in networks of bilateral communications.

Box 15.12. Belongs about here

International Organizations as Systems

It was argued earlier that there is an ontological inconsistency in seeing 'states' as coherent entities, while asserting they remain independent sovereign units. We can be consistent by accepting the existence of systems at all levels of world politics. Governments, and groups making up civil society, from within countries, along with international organizations from the global level, all may have systemic properties. In the modern world, human groups are never so coherent that they are independent, closed systems (perhaps excepting monastic orders). Equally, once distinct organizational processes are established, they are never so open that the boundaries become insignificant. Thus international organizations of all types transcend country boundaries and have a major impact on the governmental actors and transnational actors composing them.

For a system to exist, there must be a sufficient density of interactions, involving each of its elements, at a sufficient intensity to result both in the emergence of properties for the system as a whole and in some consistent effect on the behaviour of the elements. In other words, systems make a difference or, as it is put in Systems Science, the whole is more than the sum of its parts. In some cases, such as the Commonwealth of Independent States and international NGO networks of people who never meet face to face, the interactions may be so weak that it could be argued the organizations are not systems. Generally, international organizations will have founding documents defining their goals, rules of procedure constraining the modes of behaviour, secretariats committed to the status and identity of the organization (or at least committed to their own careers), past decisions that provide norms for future policy, and interaction processes that socialize new participants. All these features at the systemic level will be part of the explanation of the behaviour of the members and thus the political outcomes will not be determined solely by the initial goals of the members. The statement that international organizations form systems is a statement that they are politically significant and that global politics cannot be reduced to 'interstate' relations.

The Intergovernmental versus Non-Governmental Distinction

Normally a sharp distinction is made between **intergovernmental organizations** (IGOs) and **international non-governmental organizations** (INGOs). This conveys the impression that interstate diplomacy and transnational relations are separate from each other. In practice governments do not rigidly maintain the separation. There is an overlapping pattern of relations in another category of international organizations, **hybrid INGOs**, in which governments work with NGOs. Among the most important hybrids are the International Red Cross, the World Conservation Union (IUCN), the International Council of Scientific Unions, the International Air Transport Association and other economic bodies combining companies and governments.

In order to be regarded as a hybrid the organization must admit as full members *both* NGOs, parties, or companies *and* governments or governmental agencies. Both types of members must have full rights of participation in policy-making, including the right to vote on the final decisions. Voting may be with all members counted together, as in the International Conference of the Red Cross, or with separate majorities required in two categories of membership, as in the World Conservation Union. In the former case the principle of equality is maintained because one government's vote is equal to one Red Cross or Red Crescent society's vote. In the latter there is equality between the governments collectively and the NGOs collectively. In hybrid INGOs there is usually also a joint obligation to fund the activities of the organization. When the principle of formal equality of NGOs and governments is acknowledged by both sides in such a manner, the assumption that governments can dominate must be totally abandoned.

Relationships between International Organizations

Once it is accepted that international organizations are politically significant in producing their own distinct policy, then the relations between the organizations also become important. The mutual recognition of IGOs, by granting each other observer status, and the existence of consultative status for INGOs are not simply obscure bureaucratic procedures. They are processes that legitimize political activity by international secretariats on behalf of their organizations. The systemic outputs of the organizations are then expressed as inputs to other systems. The density of these relationships, particularly in the United Nations, means that it is not possible to separate the intergovernmental world from the transnational world. Just as the hybrid INGOs break down the distinction in a fundamental way, by producing direct relations between governments, companies and NGOs, so also IGO relations with INGOs integrate, at a higher level of aggregation.

Key Points

- International organizations are also structures for political communication. They are systems that constrain the behaviour of their members.
- Governments form intergovernmental organizations and transnational actors form international non-governmental organizations. In addition governments and transnational actors accord each other equal status by jointly creating hybrid international NGOs.

ISSUES AND POLICY SYSTEMS IN GLOBAL POLITICS

One way state-centric writers accommodate transnational activity is by distinguishing the **high politics** of peace and security, taking place in military alliances and UN diplomacy, from the **low politics** of other policy questions, debated in specialist UN bodies, other IGOs and INGOs. Then, by asserting it is more important to analyse peace and war, actors in low politics are defined out of the analysis. In practice it is not so simple. Scientists, the Red Cross, religious groups and other NGOs are involved in arms control negotiations; economic events may be treated as crises; social policy can concern matters of life and death; and heads of government do at times make the environment a top priority. It is useful to analyse global politics in terms of a variety of dimensions describing each **policy domain** and the actors within it, but the different dimensions do not correlate. A single high/low classification does not work.

Box 15.13. Key Concepts

- The distinction between **high politics** and **low politics** is made by Realists but not by Pluralists. It is based on the following four dimensions.

	High Politics	Low Politics
(1) <i>Policy questions</i>	Peace and security	Economics, social questions, human rights, environment
(2) <i>Decision-makers</i>	Heads of government and senior ministers	Junior ministers or officials
(3) <i>Involvement of non-state actors</i>	Minimal, unless as agents of governments	Extensive activity by NGOs, TNCs, IGOs, and INGOs
(4) <i>Type of situation</i>	High priority or crises	Low priority, routine activity

Neo-Realists would differ in moving major questions of trade and international finance from the low politics to the high politics category.

- **An issue** consists of a set of political questions that are seen as being related, because they all invoke the same value conflicts, e.g. the issue of human rights concerns questions that invoke freedom versus order.

- A **policy domain** consists of a set of political questions that have to be decided together because they are linked by the political processes in an international organization, e.g. financial policy is resolved in the IMF. A policy domain may cover several issues: financial policy includes development, environment and gender issues.

Box 15.14. Belongs about here
Fig. 15.4. Belongs about here
Fig. 15.5. Belongs about here
Table 15.2 Belongs about here

The move from a state-centric to a Pluralist model, in which governments and transnational actors interact with each other bilaterally and multilaterally, depends on a shift from a static unidimensional concept of **power**. Actors enter a political process possessing resources and seeking particular goals: however, contrary to the Realist view, **capabilities** do not determine **influence**. Explaining outcomes requires examining whether the resources of actors are relevant to the goals being pursued, describing the degree of divergence between the goals of the different actors, and analysing how they are changed by the **interaction processes**.

Governments are usually characterized by having legal authority and control over military capabilities and economic resources. They may also have high status, possess specialist information, have access to communications and be able to articulate widely-shared values in support of their goals, but all these four capabilities can also be attributes of transnational actors and international organizations. In the process of political debate something else is crucial. It is the ability to communicate in a manner that commands the attention and respect of other actors. While this is enhanced by possession of status and resources, in a particular time and place – on the news media, in a speech before a public audience, during negotiations or when lobbying in private – the ability to communicate is a personal attribute of the speaker. Some presidents and prime ministers fail to command respect, while some NGO activists are inspiring and cannot be ignored. If power is seen solely in military terms, governments are expected to be dominant. If power is seen solely in economic terms, TNCs are expected to be dominant. However, if power includes possession of status, information, and communication skills, then it is possible for NGOs and international organizations to mobilize support for their values and to exercise influence over governments. Most real-world situations will see a mix of different capabilities being brought to bear upon the policy debate.

The types of authority, status, resources, information, and skills that are relevant to political success are issue-specific. (They vary from one **issue** to another.) Thus the governments, the TNCs, the NGOs, the intergovernmental organizations, and the international NGOs that have the ability to exercise influence will vary according to the issues invoked by a policy problem. Table 15.2 illustrates the point that there is not a single international system of nearly 200 ‘states’, but a variety of **policy domains**, each involving their own distinct actors. Governments have a special role, linking the different domains, because membership of the UN obliges governments to form policy and vote on most issues. In practice, they are less central and cohesive than it appears in the UN, because different departments of government handle the different policy questions. The transnational actors and international organizations generally are more specialist and involved in a limited range of policy questions. Amnesty International rarely has significance in environmental politics and Greenpeace rarely is concerned with human rights, but each is central to their own domain. Being a specialist actor is a weakness in relation to situations where issue linkages become important, but usually it is a great strength for NGOs and international secretariats. Being a specialist generates high status, achieves command over information, and enhances communication skills. These capabilities enable a challenge to be made to the governments that control military and economic resources.

Within both domestic and global politics, civil society is the source of change. Companies usually initiate economic change and NGOs are usually the source of new ideas for political action. At any one point in time, economics and politics may seem to be relatively stable and under governmental control. Under the exceptional circumstances of war or under

exceptional leadership, governments can generate change. However, NGOs generally provide the dynamics of politics. The European empires were dismembered by nationalist movements, with support from lawyers, journalists, unions, and the churches. Democracy and human rights have been extended by women's groups, ethnic minorities, and dissident groups. The environment has moved up the agenda in response to grass-roots anger at the loss of natural beauty, protests against threats to health, and warnings from scientists about ecosystems being at risk of collapse. The right to have access to family planning supplies, sexual information and reproductive health services has been established as a global norm. In some countries, notably the USA, this initially required women to go to jail to challenge repressive laws, but since 1953 the International Planned Parenthood Federation has grown to become the world's second largest NGO, even operating in virtually all Catholic and Islamic countries. The start of the cold war was not simply the formation of military alliances: it was a political struggle of communism as a transnational movement against the transnational appeal of democracy, the Catholic Church, and nationalism. The arms race and the process of *détente* included conflict between arms manufacturers and peace movements, with scientists being crucial to both sides. The end of the cold war was driven by economic failure within communist countries and the political failure in response to demands from unions, human rights dissidents, the churches, and environmentalists. The response to refugee crises produced by natural and human-made disasters has been dominated by the media, the UN and NGOs. The shift from seeing development as increasing a country's GNP to meeting ordinary people's basic needs and using resources in a sustainable manner was driven by development NGOs and the environmental movement. The international relations of the twentieth century have all occurred within complex, pluralist political systems.

Key Points

- The high politics, low politics, distinction is used to marginalize transnational actors. It is invalid because politics does not reduce to these two categories. All policy domains can be described by the type of issues, the status of the governmental decision-makers, and the degree of involvement of transnational actors ~~and the priority given to the policy~~ and international organizations.
- A simple concept of power will not explain outcomes. Military and economic resources are not the only capabilities: communication facilities, information, authority, and status are also important political assets. In addition, an ability to use the interaction processes to mobilize support will contribute to influence over policy.
- Different policy domains contain different actors, depending upon the salience of the issues being debated.
- TNCs gain influence through the control of economic resources. NGOs gain influence through possessing information, gaining high status and communicating effectively. TNCs and NGOs have been the main source of economic and political change in global politics.

QUESTIONS

1. Outline three meanings of the concept of a 'state' and explain the implications of each for the study of transnational actors.
2. What are the five types of transnational actors? Give examples of each type.
3. What is a nation? What types of transnational actors can be based on national groups?
4. How do transnational companies affect the sovereignty of governments?
5. List all the NGOs that you, and your family, have joined. Assess from their newsletters how many are global organizations, how many are national, or local with global connections, and how many have no transnational relations.
6. What measures could you use to compare the size of countries, TNCs, NGOs, and international organizations? Are countries always larger than transnational actors?
7. How could a local women's group have a significant effect upon global politics?
8. What types of NGOs are, and what types are not, eligible to obtain consultative status with the Economic and Social Council of the United Nations?
9. Explain the expansion in the number of NGOs engaging in transnational activities.
10. What is a hybrid international NGO?

11. How is it possible for NGOs to exercise influence in global politics? (Note: this question can be answered both in theoretical terms and in practical empirical terms).
12. Explain the difference between analysing international relations as a single international system and as the global politics of many different policy domains.

GUIDE TO FURTHER READING

Case Study Materials

Keohane, R. O., and Nye, J. S. (eds.), *Transnational Relations and World Politics* (Cambridge, Mass.: Harvard University Press, 1972): the first major academic study of transnational relations, limited by the explicit decision to downplay non-economic actors.

Willetts, P. (ed.), *Pressure Groups in the Global System: The Transnational Relations of Issue-Orientated Non-Governmental Organisations* (London: Pinter, 1982): in reaction against the omission of non-economic groups by Keohane and Nye, examines how pressure groups move from single-country to global activity.

Willetts, P. (ed.), *'The Conscience of the World'. The Influence of Non-Governmental Organisations in the UN System* (London: Hurst and Co., 1996): defines what is an NGO, gives the history of the League and the UN consultative arrangements and offers seven case-studies of the influence of NGOs in the UN system.

Risse-Kappen, T. (ed.), *Bringing Transnational Relations Back In* (Cambridge: Cambridge University Press, 1995): provides a set of six case-studies around the theme that transnational influence depends upon the structures of governance for an issue-area at both the domestic level and in international institutions.

Theoretical Debate

Rosenau, J. N., *The Study of Global Interdependence: Essays on the Transnationalisation of World Affairs* (London: Pinter, 1980): a fruitful source of theoretical ideas for a Pluralist approach.

Willetts, P., 'Transactions, Networks and Systems', in A. J. R. Groom and P. Taylor, *Frameworks for International Co-operation* (London: Pinter, 1990), ch. 17: more detailed coverage of the development of International Relations theory on transnational and intergovernmental relations.

See also the editors' chapters in the case-study books.

UN Materials

Kaul, I., et al., *Human Development Report 1993* (New York: Oxford University Press, 1993): an official UN annual report, which in this edition concentrates on the contribution made by NGOs to development.

UNCTAD, Division on Transnational Corporations and Investment, *World Investment Report*, (New York: UN, 1991 and each year thereafter): an official UN annual report, which assesses the scale of TNC participation in global production, investment and trade.

See also documents in the appendices to Willetts, *'The Conscience of the World'*.

WEB LINKS

- www.un.org the United Nations home page, with separate links for the main organs and the major conferences. The site provides access to official documents and reports, but not any political analysis.
- www.conferenceofngos.org Conference of Non-Governmental Organisations in Consultative Status with the Economic and Social Council of the United Nations.
- www.oneworld.org a gateway to most of the active international NGOs. It can be used both to learn about particular organisations and to explore controversy about global issues.

NOTES

- 1 Data on transnational corporations is given in annual reports from the United Nations. The figures quoted come from *World Investment Report 1999*, (Geneva: UN, 1999), pp. 5-6. A parent TNC is defined as one that controls assets outside its home country and a foreign affiliate is defined as a subsidiary, a branch or an associate in which the parent has a stake of at least 10% of the equity (p. 465). The numbers of transnational and international organizations of different types are given in the statistical tables of the various editions of the UIA yearbook. The figures quoted come from *Yearbook of International Organisations 1999-2000* (Munich: K. G. Saur, for the Union of International Associations, 36th edn., 1999). In each case, the current author has rounded the figures. The total number of global actors has increased significantly compared to the data given in the first edition of this book: TNCs are up by 56%, their affiliates have more than doubled and INGOs are up by 24%. The number of intergovernmental organisations has dropped, because more than 15% of the regional IGOs have dissolved or become inactive. The UIA reports a minimal rise in the number of single-country NGOs that are internationally active (their categories G and N), but these categories are very difficult to define and to monitor.
2. Compare the *World Investment Report 1999*, which in Table III.1 lists 50 TNCs as having sales of more than \$30 bn. in 1997, with the *World Bank Atlas, 2000*, (Washington, DC: World Bank, 2000), pp. 42-3, which gives GNP data for each country in 1998. Population data was taken from the *Human Development Report 1999*, (New York: Oxford University Press, 1999), pp. 198-200.
3. ECOSOC Resolution 288(X)B Arrangements for Consultation with Non-Governmental Organizations was passed in February 1950. It was amended and replaced by Resolution 1296(XLIV) in May 1968. A further process of review and amendment started in February 1993 and concluded in July 1996, with the passing of Resolution 1996/31. As specified in Table 15.1, the classifications were renamed in 1950, 1968, and 1996. The basic definition of an NGO has not changed since the 1950 resolution, but the details of their participation rights have been changed.