

7

Profits and ideals

Dilemma: To meet the challenges of conflict regions, multi-national corporations and non-governmental organisations need to team up. The not-for-profit and profit sectors, however, are looking at each other with deeply rooted distrust. The MNC goes for profits, the NGO for ideals. Neither of them can compromise.

Colombia—a country rich in resources but plagued by internal conflicts. Guerrilla, military, police and right-wing militia finance their operations through the drug trade, abduction and blackmail. At least 1.5 million civilians have been displaced by violence. The drug mafia has puppets in all vital sectors of society: the judiciary, trade, army and government. One of the poorest and most violent regions in the country is Magdalena Medio. The central government is almost absent and the local government is ‘infected’ by warring factions. Over two-thirds of the inhabitants live below the poverty line in an atmosphere of distrust, fear and polarisation.

Around 1995 the Diocese of Barrancabermeja contacted the state oil company Ecopetrol to co-ordinate efforts to reduce violence and poverty. It was the start of an ambitious plan to be carried forward by the population itself, the Magdalena Medio Regional Development Project.¹ The Colombian central government sustained the project with \$5 million (a loan from the World Bank) and Ecopetrol added \$1.25 million. In 1998 the project was launched, co-ordinated by the NGO Consortium for Development and Peace Magdalena Medio (CDPMM). The project fitted with the strategy of the government to support regional and local activities aimed at targeting the

1 More information at www.worldbank.org/conflict.

causes of violence and at the same time achieving social development. In the case of Magdalena Medio, the role of the Catholic church was vital, since it was the only body that could count on at least some authority among the population. By 2004 the project had proven to be so successful that both the EU and the World Bank now contribute financially.

Venezuela—another country rich in resources and plagued by political and social unrest. Half the population tries to survive in the informal sector. In a period of ten years the percentage of people living in extreme poverty doubled from 11.8 to 23.5.² The inequity between rich and poor is poignant. The political turbulence and failing governance scare away foreign investors. Gold resources in the state of Bolivar are rich, but gold mining by large companies has a troubled past and present. Conflicts between the mining companies, the local population, small independent gold miners and the government are abundant. In the early 1990s, a consortium consisting of the Canadian mining company Placer Dome and the Venezuelan state company Corporación Venezolana de Guayana (CVG) acquired a mining concession in Las Cristinas. When they were instantly confronted with tough social problems, they developed a plan to tackle the high unemployment and the lack of schools and hospitals in the region. But the extractive operations were delayed over and over again and, when around 1999 the gold price dropped, Placer Dome decided to pull out of the consortium. Its place was taken by another Canadian firm, Crystalex, which adopted the existing development plans. To implement the necessary measures, the mining consortium created a partnership with the organisation Business Partners for Development,³ the Venezuelan Ministry of Health, the governor of the state of Bolivar, the World Bank and local NGOs. The results are impressive. A health centre has been set up for 12,000 inhabitants, medical workers are trained and facilities for safe potable water have been provided. Solutions have been found for the local groups of independent goldminers, who feared unemployment. And the tripartite partnership has grown into a forum for dealing with all the other social problems in the region.

2 Source: World Bank. The criterion for extreme poverty is earning less than \$1 per day.

3 Business Partners for Development was a three-year project, now ended, that researched tripartite partnerships; www.bpd-naturalresources.org.

Partnerships

These kinds of partnerships between MNCs, governments and NGOs spring up like mushrooms. It is noticeable that the extractive industry is conspicuous in taking part in these coalitions. In a way this is not surprising, since this branch specifically has ample experience with misery in its areas of operations, causing so much financial loss that the companies are compelled to embark on a different course. The misery is partly caused by the industry's operations. Extractive industries have a notorious history of ignoring property rights of landowners, displacing local populations and neglecting environmental spin-off. But beyond their control is the 'endemic' misery, caused by war, internal strife, failing governance or criminal gangs. If these extractive companies want to survive, they will have to look for other ways of managing the ecological and social impact of their presence in the region and for ways of solving or preventing conflicts. They are now seriously seeking a different course, but since they lack expertise in these fields they have started engaging professionals.

Consultancy for conflict-sensitive companies has in itself become an important 'industry'. Take for example Amnesty International.⁴ The British section of this human rights organisation has even founded a specialised branch, the Business Group, which has 25 consultants at its disposal to advise companies on their performance in high-risk regions. Peter Frankental, manager of the Business Group, says, 'It is an irreversible trend that companies consider respect for human rights as part of their core business. They are standing in line to contact us.'⁵ This does not mean, however, that Amnesty International partners with companies. Frankental states, 'We remain neutral, impartial, and do not accept payments from companies. Our role is warning and advocacy.' Right from the start, Amnesty International has involved itself with the predictable impact of the oil pipeline from the Caspian Sea to the Mediterranean. This pipeline, constructed by a BP-led consortium, runs through Azerbaijan, Georgia and Turkey. The first two countries suffer from economic crisis and inter-ethnic strife; Turkey has a poor human rights

4 Amnesty International developed human rights guidelines for companies. See www.amnesty.org.uk/business/pubs.

5 Quotes from Peter Frankental are from an interview with the authors, October 2003.

reputation. Hence, NGOs are worried about the economic, social and ecological consequences of the pipeline. Amnesty International, not wanting to choose between either investing against a high social price or not investing at all, has strongly advocated a third option: incorporating basic rights of the population in the design of the investments. Amnesty International continually tests whether the arrangements between the energy consortium and the governments of the three countries still comply with international regulations on human rights. Frankental says, 'After we issued a critical report on the pipeline [Amnesty International 2003b], all parties concerned—BP and its partners, the World Bank and all the credit banks—got in touch with us.'

But it is not only the extractive industry looking for partners to stabilise the situation in conflict regions. Among the MNCs that have joined Business Partners for Development are representatives of all sectors: IT companies (Microsoft), water companies (Aguas de Barcelona) as well as manufacturers of sports shoes (Nike). Parties that for a long time past have been adversaries—MNCs, NGOs and governments—are more often than not obliged to put aside their differences. Companies simply lack the expertise to work on 'sustainable development' and are watched with distrust by the beneficiaries. They need NGOs that have thorough knowledge of the local circumstances, are experts in community building and can count on ample social acceptance. From their part, NGOs have an interest in co-operating with companies, since these are important players, especially when the government is not inclined to invest in basic social services. Companies can put in capital, machinery, transportation and organisational skills, and they sometimes have easy access to high-level government officials. Another reason NGOs have an interest in entering into partnerships is that they can motivate companies to operate responsibly. Governments, the third party in the coalition, understand that they have a lot to gain from the combined funding and professionalism, provided this does not weaken their authority.

As a matter of fact, these tripartite partnerships potentially offer a perfect escape from the many pitfalls in conflict regions. *Potentially*, because in practice parties often feel that they have to abandon part of their core business if they start co-operating. Many among them cannot imagine a possible reconciliation of the dilemma in which neither the profits nor the ideals are compromised. One of the reasons is mutual distrust.

Distrust

The distrust is especially bitter between two of the three partners—the MNCs and the NGOs. For many of the NGOs, to co-operate with MNCs is like being in league with the enemy. Their spirit is well reflected in the works of two heroines of the anti-globalisation movement, the British economist Noreena Hertz (Hertz 2002) and her Canadian equivalent Naomi Klein (Klein 2001). According to Hertz, MNCs are so powerful that they ‘destroy the fabric of democratic societies’, and Klein warns that large companies do not sell physical but emotional products, changing and perverting the cultural landscape. The ideological row between the corporate world and the NGO world naturally contains a lot of rhetoric, such as the popular assertion that the capital represented by MNCs is much larger than the gross domestic product (GDP) of many countries. Studies showing that this comes down to ‘comparing apples to oranges’, indicating that MNCs are surprisingly small compared to the GDP of many nation-states and that there is little evidence for the increase of the economic and political power of MNCs in the last few decades, have no impact on this emotional debate (de Grauwe 2002).

Rhetoric is also amply used by companies. The American Enterprise Institute, an influential, conservative think-tank, gave a striking example of caricaturing in June 2003. At the launch of its new website,⁶ the institute warned of the power of NGOs who, by the way, since 1996 have been running websites⁷ to do exactly the opposite, exposing the power of corporations. The American Enterprise Institute criticises the trend of companies to support NGOs. Its website was inaugurated with a conference entitled ‘The Growing Power of an Unelected Few’, dominated by speakers who pictured NGOs as an unaccountable power and an increasing threat to capitalism and to the foreign policy of the American administration. The organisation stated:

Politicians and corporate leaders are often forced to respond to the NGO media machine, and the resources of taxpayers and shareholders are used in support of ends they did not intend to sanction. The extraordinary growth of advocacy NGOs in liberal democracies has the potential

6 www.ngowatch.org

7 For instance the American www.corpwatch.org and the British www.corporatewatch.org.uk.

to undermine the sovereignty of constitutional democracies, as well as the effectiveness of credible NGOs.

With such a controversy, it is hard to imagine a rapid reconciliation between the two sectors.

Organisational culture

Partnerships are complicated not only by distrust but also by differences in organisational culture. MNCs and NGOs have developed strategies and organisational structures according to their differing goals: profits and ideals. In the way they operate, we recognise the cultural orientations of task and role.⁸ An MNC, taking profitability as a criterion for all decisions and judgements, values personal responsibility and measuring results. The goals of an NGO are not measured in terms of loss or profit; the results are qualitative. For NGOs the criterion is whether the way the budget is spent will meet the expectations of the sponsors and public opinion.

As a watchdog, NGOs have a positive role in society. However, they will not be effective if they demand that companies give up their core business, making a profit. A company can be attacked for the way it makes a profit but not for wanting to make a profit. This can be illustrated by the case of Greenpeace, demanding that ExxonMobil⁹ reduce its production of fuel because it harms the ozone layer. That goal will not be reached, but nevertheless this Greenpeace action was successful in the sense that all newspapers published pictures of activists in tiger costumes occupying the offices of ExxonMobil. The message had reached the public and the sponsors.

An NGO needs to survive, just like a company. They have people on their payroll and need cash. Careers are planned and pursued. This is a fact of life in the corporate world but less obvious in the case of the not-for-profit world. A strategy is built to add value, be it money or ideals. A prerequisite for this is that the organisation stays alive. No actions may go against this condition, and some actions are targeting only this condition. Survival must take priority over added value.

⁸ See Chapter 2.

⁹ *The Economist*, 7 August 2003.

These differences (see Fig. 7.1), deriving from the difference in survival techniques, goal setting and organisational culture, are exactly the reason why NGOs and MNCs have problems in opening up to each other's arguments.

Mutual accusations

Luc Zandvliet can hardly ever be found in his office in Cambridge, Massachusetts, as he is constantly travelling. To Nepal, with its civil war and its disputes on the construction of dams. To Sri Lanka, where tourism and industry are cautiously reviving since a fragile peace agreement has been signed. To Nigeria, where oil drilling in the Niger Delta has caused a lot of trouble, or to neighbouring Cameroon with its problems in the logging industry. In Papua New Guinea he studied how the proposed closing of a gold mine could proceed without leading to conflicts with the local population. In Burma he is engaged in the dialogue between NGOs and energy companies. He consistently looks for the negative or positive impact of the daily operations of MNCs on conflicts.

This former employee of Médecins sans Frontières (Doctors without Borders) is now head of the Corporate Engagement Project,¹⁰ which develops practical management tools for stable and productive relations in the societies in which corporations work. According to Zandvliet, 'Companies in conflict regions will always have to deal with NGOs either because NGOs claim to be the mouthpiece of the local population or because NGOs give international exposure to the activities of companies.'¹¹

He is convinced of the fact that MNCs and NGOs in conflict regions need each other and can benefit from each other. But the largest obstacle to co-operation is 'an absolute lack of trust', which leads to mutual accusations. Zandvliet goes on:

Companies say that NGOs use them as proxy targets to further their own agendas, such as the anti-globalisation

10 A project of the American consultancy Collaborative Development Action.

11 Quotes from Luc Zandvliet are from an interview with the authors, September 2003.

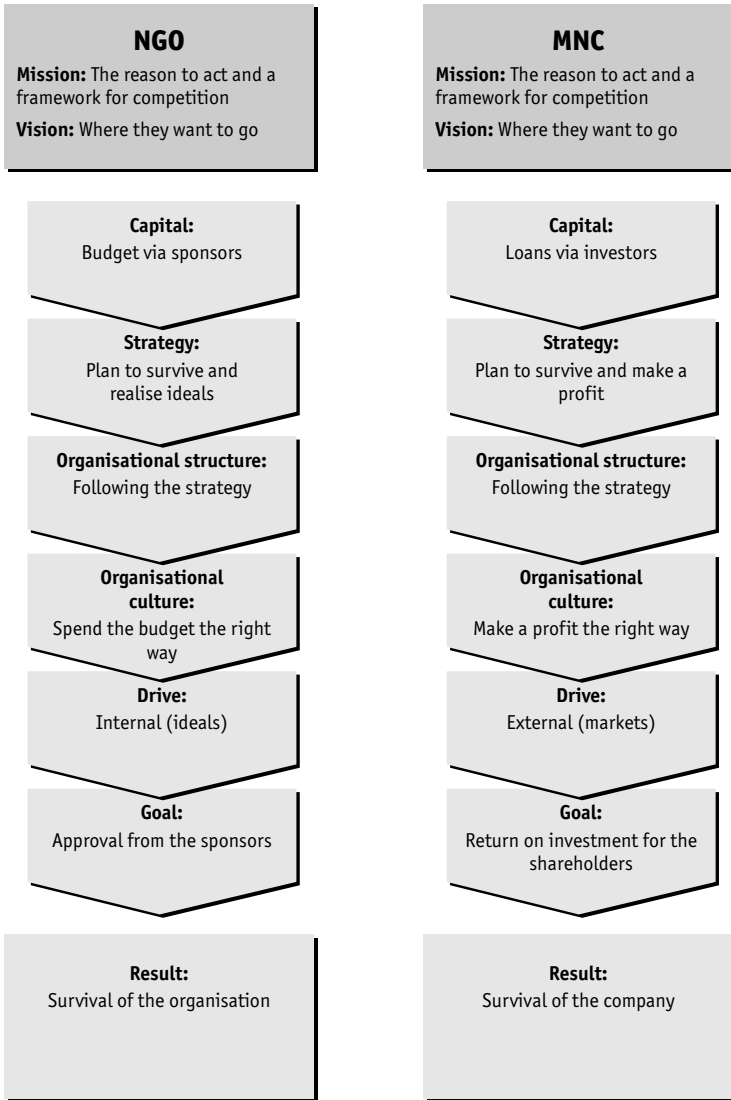


FIGURE 7.1 Not-for-profit and profit organisations: differences and similarities

agenda. They say that NGOs are not accountable to anybody whereas companies are held accountable by their shareholders, their customers and other stakeholders. They picture NGOs as powerful institutions that are more trusted by society and the media, making it impossible for companies to win a debate. And they say that it is impossible to change the opinion of NGOs, since they feel they are morally right. NGOs mirror these critical views when speaking of companies. In their eyes companies, however socially responsible they pretend to be, only further their own agenda of increasing profits. They are not accountable to anybody, just as the World Trade Organisation or the International Chamber of Commerce are non-elected bodies that only further the corporate agenda. Companies are powerful, have the means to influence politics and hire the best lawyers to defend their interests. And you cannot change the behaviour of companies because they are arrogant and stubborn. The consequence of these reciprocal views is that companies and NGOs hardly ever talk to each other, so they never really get to know each other.

Luc Zandvliet makes a distinction between 'activist NGOs' and 'service NGOs'. Co-operating with the latter category, comprising aid organisations such as Save the Children or Care International, is not much of a problem.

They stick to their mandate, even if they receive money from companies to execute their work. Much more complicated is the co-operation with NGOs whose main activity is lobbying in the field of human rights, democratisation, rights of indigenous peoples or environment. Their aim is raising awareness and influencing public opinion, which is quite a different kind of mandate. If both activist NGOs and companies strive for a similar goal, amelioration of the living conditions of the people, companies still tend to see them as a threat.

A turn of the tide

However, there is a turn of the tide, now that companies are more compelled to ethical entrepreneurship and NGOs are becoming more

in favour of market-based solutions for development. Especially in countries with a weak or failing government, NGOs are more apt to choose the corporate world as a partner in their striving for better conditions for development.

In June 2003 an important study was published that predicted a seismic shift: rising numbers of NGOs engaging with business to bring about positive societal change (UN Global Compact 2003, with SustainAbility¹² and UNEP). This prediction resulted from interviews with over 200 NGOs, businesses, foundations and other opinion formers, dealing with the identification of the challenges these organisations will face in the 21st century. 'The good news for NGOs is that they are emerging as vital ingredients in the health and vitality of markets,' said John Elkington, chair of SustainAbility and one of the report's authors.

They are also highly trusted, far more so than business or governments. The bad news is that unless they recognise and address growing financial, competitive and accountability pressures, their impact will be significantly reduced. For those that respond intelligently and in time, the prize is to be amongst the most influential institutions of the 21st century.

The relationship between NGOs and the private sector will change significantly, according to the interviewees. Of course, NGOs will continue campaigning companies, but this method is only effective in clear-cut cases of companies with famous brands (Coca-Cola, Shell, Esso). A more effective strategy is to put pressure on individual companies through their customers, subcontractors, shareholders and boards to change their business model. One step further are partnerships with the private sector to bring about social development. The report concludes that the importance of these partnerships will increase.

Oxfam International, a confederation of 12 development organisations working in over 100 countries, regards business as an essential part of economic growth and development and tries to maximise the positive and minimise the negative impact of the private sector in developing countries. Its campaigns at the macro level against global trade rules that are detrimental for producers in third-world countries are well known. The Oxfam-affiliated organisations undertake

a large variety of engagements with businesses. Jeremy Hobbs, executive director of Oxfam International,¹³ states:

Some engagement is critical and derives from complaints of local NGOs who are unhappy with business conduct. But, for instance, the engagement of Oxfam Australia with the mining company BHP Billiton has over time grown from hostile to very constructive.

BHP Billiton has created a forum on Corporate Responsibility as one mechanism to address contemporary challenges. The forum is a regular dialogue between BHP Billiton senior management and a range of NGOs, which provides an opportunity for both parties to debate topics ranging from local mine site issues to global issues such as climate change. The Australian branch of Oxfam has initiated the Business Ethics Forum, to encourage dialogue between the private sector and the community. Constructive engagement also appeared possible with the consumer goods company Unilever. Jeremy Hobbs explains:

The management of Unilever wants to do business in a pro-poor manner. Unilever has asked the British and Dutch branches of Oxfam to investigate whether their local investments in Indonesia lead to poverty reduction. There are real possibilities to engage with *bona fide* companies.

The director of the Dutch branch of Oxfam, Jan Bouke Wijbrandi, is in favour of engaging the private sector in poverty alleviation, but he stresses the importance of engaging the government as a third partner:¹⁴

The government should as a minimum develop rules for corporate social responsibility, for transparency, for reporting, and for the performance of subcontractors. In conflict regions the law is by definition weak. It is very hard to make companies comply with non-existent rules, as it is very hard to monitor how companies behave in these territories. In my opinion, partnerships between NGOs and MNCs are viable in such situations, but you will have to make very strict arrangements.

13 Quotes from Jeremy Hobbs are from an interview with the authors, July 2004.

14 Quote from Jan Bouke Wijbrandi is from an interview with the authors, October 2003.

Reconciling the dilemma

The reconciliation of the dilemma 'profits versus ideals', the apparent conflicting goals of MNCs and NGOs, starts with the identification of their common goals. NGOs in conflict regions strive for peace and stability, democratisation, respect for human rights, increasing prosperity, more equity in income and protection of the environment. Companies in conflict regions want to achieve a safe working environment for their employees, continuity of productivity, extension of their market share and a positive image among all their stakeholders. These interests and goals overlap to some extent, and that is where co-operation can be concentrated and developed. But at the same time partners will have to respect each other's core business. An MNC will only step into a partnership if it can abide by its core business and does not have to get involved in activities that endanger its profitability. The same goes for an NGO: it is all right to collaborate with the private sector in designing plans for the development of a region, but not at the cost of its own priorities.

Business Partners for Development (BPD) (2002) has put quite some effort into finding out what it entails to give partnerships more content and has distilled some suggestions for their survival. First, a company should have a clear picture of what it wants to achieve through a partnership in order to find the right combination of partners that have the same goals in mind and have a mandate to act. Equally important for success is that the partners have common goals that do not jeopardise the core business of each individual partner. BPD also recommends considering contacts with less obvious partners, especially organisations that have no financial interests. They can be valuable partners as they can bring in original ideas, have a sound distance and may be highly esteemed. The mining company Freeport-McRoRan, heavily criticised for calling in the Indonesian security forces at their operations in the Indonesian province of Papua, contracted Gabrielle Kirk McDonald as special adviser on human rights. Ms Kirk McDonald is a famous human rights lawyer, who has also been a judge at the International Criminal Tribunal for the former Yugoslavia. Freeport McRoRan also contacted Amnesty International and the Robert F. Kennedy Center on Human Rights to develop its new human rights policy. And in the area of its operations, the mining company created a channel to communicate with the local population.

Confidence building

All co-operation is founded on two basic principles. First comes the willingness ('yes, I want to co-operate'), soon to be followed by confidence ('... and I trust you'). Building confidence is not a matter of a contract with penalty stipulations, because in that case a party will only be loyal as long as that is more profitable than breaking the contract. Confidence is only built through getting to know each other, by looking for facts instead of emotions, by reciprocal understanding, by being predictable in actions and by being transparent. It is not necessary to develop a common organisational culture. Parties only need to support each other's goals and understand that to contribute to the other's core business is adding value to its own core business.

Researcher Luc Zandvliet states:

It is vital that people talk to each other. If not, they will always stick to their own opinion. I am aware of the fact that it is difficult for companies and NGOs to take the first step for a dialogue. But exchanging views is not the same as giving in. NGOs often feel instantly compromised, and MNCs have this macho attitude of 'who has the right to say that we are wrong?' NGOs sometimes are very self-righteous and have a culture that forestalls taking the first step. Confrontations hinder discussions; why not start with agreeing on the facts? Take the case of Burma: why not start finding out how much of the assumption of forced labour or land mines is correct? After that you can decide on what these facts mean. Companies want to know on whose behalf NGOs speak and what their real aims are. They feel that NGOs misuse them for their own hidden agenda, that they spread false news and deliberately never correct it. It makes company executives furious and I cannot blame them because, if NGOs distribute false information, they also undermine the credibility of the people with real complaints. But companies are also strong in spreading false information. The ensuing mutual lack of trust leads to exaggeration and polarisation, which undermines the basis for a common case.

To build confidence between MNCs and NGOs, both parties will have to abide by codes of conduct. Oxfam International's executive director Jeremy Hobbs expands:

We try to balance between our right to maintain a critical voice and the need to act in good confidence. We act to a high level of ethics. If we co-operate with a company, we sign a Memorandum of Understanding, in which we clearly state in which case we cannot maintain confidentiality.

But codes of conduct are not sufficient. Both parties will have to be transparent about their practices. According to Luc Zandvliet,

In countries like Burma or Indonesia there is no such thing as a 'just solution'. So companies will have to make public how they deal internally with matters that have no simple solutions. It is sometimes amazing to read the official propaganda of some MNCs, whereas at the same time their country managers can tell you straightforwardly how complicated it is to do business in the countries concerned. Companies would do better if they would be open about their struggle to remain in Burma and about their internal considerations. There is no instant solution for operating in countries like Iran, Libya or Burma. If you pretend there are, you lose your credibility.

A good way of building confidence is creating a formal structure for dialogue between MNCs and NGOs on concrete matters as well as ethics. It is best to do this before scandals, calamities or quarrels have arisen. An example is the arrangement between the Norwegian oil company Statoil and Amnesty International to train all managers sent to non-European countries in human rights and dealing with conflict situations. Statoil operates in countries such as Azerbaijan, Angola, Nigeria, Venezuela and Brazil. Managers are taught how to deal with bribery, corruption and other difficult matters. Amnesty is a reliable partner for Statoil, stated Geir Westgaard, Statoil vice-president for country analysis and social responsibility. 'We are increasingly confronted with conflicts and problems that are new to us. Amnesty can systematically help prepare our people for these situations.'¹⁵

Luc Zandvliet would recommend that every company arrange for structural contacts with activist NGOs in order to prevent a relationship that is solely defined by problems. He points to Shell as an example of best practice. Since 1995 the oil company has held meetings three or four times a year with NGOs such as Amnesty Inter-

¹⁵ NRC/*Handelsblad*, 31 October 2002.

national. The NGOs are very satisfied with this dialogue, which gives them the opportunity to discuss Shell's policy on human rights. Much to the reassurance of the NGOs, Shell does not send its PR manager to these meetings but flies in the manager who is responsible for the topics discussed. When the NGOs demanded that Shell stop delivering fuel to the Sudanese air force, which was systematically bombing civilian targets, Shell decided to comply but asked for some time to dissolve all contracts.

Zandvliet would welcome a wide application of this example of Shell:

A company merits a lot of credit through personal meetings with people who are directly responsible for decisions. This creates a confidential relationship with open communication channels between the NGO and the company's headquarters, which results in parties not resorting to alarming the public if something is happening. Also, another nice side-effect is that NGOs hold each other accountable whenever one of them violates the rules of the game.

Accountability

A hot issue in the relationship between MNCs and NGOs is accountability. Both parties blame each other for the lack of it. For a partnership it is indispensable to come up with measurable goals and to make all partners accountable for the results. Luc Zandvliet again:

Sometimes I ask NGOs what they think a company should do to gain confidence. They often answer that a company should stop its operations. NGOs are very good in analysing the failures of a company, but they fall short in indicating solutions. Preferably MNCs and NGOs should study what is attainable for the company and acceptable for the NGO. At least there should be a final goal. Companies would like to know what they should do to deserve a positive assessment, what makes them acceptable in the eyes of NGOs. In my view, NGOs should specify more steps than merely pointing out what is wrong.

An NGO should also make clear who it effectively represents. Zandvliet goes on:

International NGOs have another perspective than local NGOs and they, in their turn, have other perspectives than the local population. I saw this happen in Papua New Guinea, where a mining company dumped waste directly in the river. International NGOs yelled in alarm, 'This is not allowed, not in Europe, not in the US, so neither in Papua New Guinea; close down that mine.' The local NGO, sponsored by international NGOs, however, did not favour the idea of closing down the mine, since that would mean the end of all kinds of advantages, such as the schools, clinics, bridges and roads. But the local NGO was squeezed between the demands of the sponsoring NGO and its own wish to talk about other solutions than the exit of the company. That is why we started discussions with people living along that river. They told us their dogs and pigs had died from the polluted water, but that they could live with that if they were compensated. This is a strong example of 'who is talking on behalf of whom?'

On the other hand, companies should be very clear about their intentions. As Peter Frankental of Amnesty's Business Group comments,

We are not against dialogue with companies, but what we condemn is their using this dialogue as window dressing, printing prominently on their websites that they have relationships with Amnesty. That kind of stuff is misleading and cannot be a base for genuine co-operation.

But he does not believe in putting this as a kind of condition for co-operation with companies: 'Preliminary conditions do not create safety; they can not prevent the possibility of things going wrong.'

Zandvliet signals hesitation among companies to open up for NGOs, but he strongly encourages them to follow this line:

If companies in conflict regions do not have NGOs on their side, they will never be completely successful. Companies should not strive to be loved but to be respected. In their turn, NGOs should not ask companies to change a bad regime but just ask them to do their utmost to behave well in situations where no simple solutions are available.