**It’s not just about the Mafia! Conceptualizing business-society relations of organized violence**

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It’s not just about the Mafia!
Conceptualizing business-society relations of organized violence

Academy of Management Perspectives
Special Call ‘Doomsday Scenarios’

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ABSTRACT

While there is some scholarship in management and organization studies on forms of organized violence, it has rarely focused on the role of organized violence within wider business-society and governance relations. In this article, we argue that conceptualizing the role and capacity of the state is still paramount, precisely because it is normally the state that holds a monopoly on violence. Yet, this state monopoly has continuously been eroded as private firms and civil society actors are increasingly involved in paramilitaries, trafficking, mafia-like and terrorist organizing and other forms of organized violence. To help management and organization scholars appreciate and make sense of these dynamics in contemporary economic affairs, this article puts forward a conceptualization of business-society relations
of organized violence. We develop six propositions that seek to understand organized violence within, what we call, the ‘governance triangle’ of state-firm-civil society relations. These propositions give rise to three ‘doomsday scenarios’: 1) Rise of military dictatorships; 2) Rise of private security monopolies and oligopolies; 3) Rise of civil wars. We conclude the article by outlining the implications of such a violence-based view for management and organization scholars.

Keywords: organized violence, monopoly of violence, business-society relations, state-firm dynamics

INTRODUCTION

Some analysts argue that we have been witnessing a steady decline of wars and armed conflict since World War II, which is largely thanks to a stable global geo-political order and the relative strength of political and state institutional setups associated with the global rise of parliamentary democracies and liberal capitalist regimes (Goldstein, 2011; Bloomfield et al., 2017). Indeed, homicide rates in many countries seem to be at the lowest level since official statistics began (Roser, 2018). Others are not so sure. Malešević (2017) emphatically argues that organized military violence is ripe even in the 21st century, although the nature of armed conflict has changed. He argues that, on the one hand, national states and their armed forces now have more organizational and technological capacity and capabilities than ever before. On the other hand, however, the rise of liberal trade regimes, benefiting globally operating economic actors, have undermined “the sovereignty of many states, which ultimately can lead to the loss of the monopoly on the legitimate use of violence and the emergence of paramilitary warlords capable of privatizing coercive power” (Malešević, 2017, p. 458).

While there is some appreciation of the role of organized violence in contemporary regimes of management and organization (Costas & Grey, 2018; Wood & Wright, 2015; Vaccaro & Palazzo, 2015; Crane, 2013; Harrington et al., 2015; Stokes & Gabriel, 2010; Doh et al., 2003), these have rarely taken wider business-society and governance relations into account. In this article, we develop six propositions that point to the changing governance relations between state, firm and civil society actors, showing that dynamics of organized violence are at their center. Given the fast-paced changes and contemporary
social, economic and environmental challenges faced worldwide - political violence, terrorist activism, rapid climate change, breakdown of liberal-democratic values, rise of authoritarianism, to name but a few (Dryzek, 2013; Dannreuther, 2014; Giroux, 2018) - we argue it to be of extreme importance for management and organizational scholars to understand these dynamics of organized violence, being aware of possible violent ‘doomsday scenarios’ that may become reality in the not too distant future, if they do not exist in some parts of the world already. Based on our analysis, we develop three such ‘doomsday scenarios’ that represent extreme versions of the firm-state-civil society governance dynamics of organized violence.

This article contributes to our understanding of business-society relations by highlighting the need for a governance of organized violence perspective. All too often firm-state-civil society relations are dominated by CSR and other ‘win-win’ perspectives (e.g. Cochran & Wood, 1984; McWilliams & Siegel, 2001), neglecting the often violent nature of governance relations. In times of rapid social, economic and environmental changes, we argue that such a violence-based view may be important if we appreciate that there might be increased struggles for natural resources, political recognition and legitimacy of business activity (McFate, 2017). This article also aims to contribute to the debate of the role of the state and private actors to protect and enhance fundamental human, economic, political and environmental rights. Often neglected in management and organization studies, we put forward a violence-based view of business-society relations, which, we argue, is of importance and significance for businesses, policymakers and civil society in a world that is seemingly becoming more polarized, disorganized and violent.

THE STATE MONOPOLY OF ORGANIZED VIOLENCE AND ITS PRIVATIZATION

Violence is a long-lived, pervasive, ubiquitous and multifaceted way of organizing and managing economic and social activities (Vaccaro & Palazzo, 2015). Violence in organizational settings is often associated with the use of actual or potential physical or symbolic force and coercive power by an individual or an organization (Costas & Grey, 2018). The use of violence in organizations can be legitimate or not, be perpetrated explicitly or implicitly, and it can be physical, symbolic or structural
(Kilby, 2013). Organizational and managerial practices relying on the use of violence - which can simply be defined as ‘organized violence’ - may take various forms, such as victimizing, corrupting, intimidating, bullying, extorting, coercing, abusing and threatening, among others (Kilby, 2013). As such, organized violence is manifested at various interpersonal, organizational or structural/societal levels, for example regulating social and economic activities among and between peers, competitors, customers, and being shaped by specific institutions (Vaccaro & Palazzo, 2015) and social relations (Costas & Grey, 2018).

Regardless of its specific definition or manifestation, organized violence can be understood as a strategic resource for any actor aiming at organizing and managing economic and social activities. In modern states the use of organized violence by private actors, like firms or civil society, is not allowed nor tolerated: political, social and economic violence is considered as an illicit and illegal practice which ought to be persecuted and eradicated (Wulf, 2011). State persecution of all forms of illegitimate violence constitutes one of the elements of the social contract between the state and its citizens (Acemoglu et al., 2013). The key word is ‘legitimate’, as the state has a monopoly over deciding what constitutes legitimate and illegitimate forms of violence (Fukuyama, 2007). The state, in fact, uses the law and its legal apparatus to legitimize its own use of organized violence in the form of armies, police and state security forces. For example, a state government can legitimately deploy police forces to disperse street protesters if the security of the wider population is in jeopardy. A private firm or NGO cannot. From a historical perspective, it can be argued that the process of establishing, supporting and maintain a ‘monopoly of violence’ legitimates the presence of the state and its very existence (Weber, 1946).

Yet, this monopoly can be under threat. The state can fail to establish or maintain its monopoly of violence due to its geography. For example, some regions are difficult to access and control and different ethnic groups may claim the legitimate use of violence. There may also be socio-economic reasons, such as the lack of resources to organize an army/police force and the presence of income inequality, which can all challenge the state’s legitimacy to the use of violence (Acemoglu et al., 2013). Moreover, the state can fail to establish or maintain its monopoly of violence as part of a political process in which non-state (e.g. firm-based) organized violence is tolerated, allowed or even encouraged, for example by authoritarian or corrupted elites, and/or ethnic groups (Acemoglu et al., 2013).
Wulf (2011) has identified the ‘privatization of violence’, i.e. the process of outsourcing the control of organized violence, as a key element that has shaped state-firm dynamics over the last few decades. Particularly two main dynamics of the privatization of violence seem to prevail (Wulf, 2011; Acemoglu et al., 2013): on the one hand, bottom-up privatization mechanisms, often related to ‘weak and fragile capabilities’ to defend the state monopoly; on the other hand, top-down privatization mechanisms in which the state has developed ‘new capabilities’ and consequently outsourced the control of organized violence to other actors, particularly private firms. Wulf (2011, p. 138) argues that a bottom-up privatization of organized violence can be due to the state’s failure to guarantee law and order at the advantage of organized crime, warlords, militias and criminal gangs. This is becoming an increasing challenge in a world that is facing continuous and unprecedented political, socio-economic and environmental crises (Enamorado et al., 2016). For example, organizations such as Russian mobsters, Eastern European crime rings, African drug trafficking and financial scamming groups, Chinese Tongs, Japanese Yakuza and Boryokuda, and Middle Eastern organizations connected with declared jihadist groups have all become prominent actors today (Kleemans, 2007; FBI, 2015). These groups profit from the manipulation and monopolization of legitimate markets, institutions and industries as well as from black markets and illegitimate practices, e.g. illicit drug trade and human trafficking. They rely on tools of violence, corruption, bribes, graft, extortion, intimidation, and murder to maintain their respective operations and control their market profits (Kleemans, 2007; Costa, 2010; FBI, 2015).

Top-down privatization mechanisms, on the other hand, are characterized by the proactive reorganization of the state and the emergence of private armies, security corps, and pro-government militias (Carey et al., 2013; Heinisch & Mandel, 2002; Wood & Wright, 2015). Resources that are seen to be of strategic importance for states, such as large mining operations, power stations and other key infrastructure, are increasingly secured by private armies and police forces. Private firms are also running prisons and a range of other security forces, acting in the interest of the state (Genders, 2002; Wood & Wright, 2015; Alonso & Andrews, 2016). In fact, companies with large-scale, land-based operations often have their own security forces, as there is an increasingly fierce battle to exploiting the remaining natural resources of the planet (Borras et al., 2012).
Regardless of their differences, both bottom-up and top-down mechanisms can be seen as part of a wider transformation of states’ capabilities to managing strategic public assets in a context of rising (neo-)liberal and globalized market regimes (Wood and Wright, 2015). Parallel to this transformation, there is an increasing activism of multinational corporations, such that various analysts have claimed that state institutions may have less capacity and willingness to implement and monitor laws and public control on strategic assets within their jurisdiction (Kaldor, 2007). Moreover, illicit and criminal organizations, as well as warlords, para-military, political and/or ideology-driven, violent groups are constantly strategizing for undermining the state’s capabilities to control organized violence. In short, the state seems to have lost power and/or redefined its capabilities as an institutional actor, which means that it is perhaps not in full control of its own monopoly of organized violence anymore (Malešević, 2017). However, whether the loss of control is due to bottom-up or top-down mechanisms, this approach may create a too narrow view of the governance processes shaping the privatization of organized violence. What seems particularly neglected in this perspective is the role of other societal stakeholders as well as the dynamic relationships between firms, states and civil society actors. Therefore, we argue that it is important to develop a broader understanding of the privatization of organized violence, taking into account wider governance dynamics.

BEYOND PRIVATIZATION: FIRMS, STATES AND THE GOVERNANCE TRIANGLE OF ORGANIZED VIOLENCE

Privatization is only one of the dynamics involving the role of the state and private firms in economic activities. For more than three decades now, it has been argued that state-firm dynamics need to involve a robust appreciation of the vital role of multiple stakeholders, in a wider state-firm-civil society relational perspective (Kochan & Rubinstein, 2000; Donaldson & Preston, 1995; Freeman & Phillips, 2002). As early as in 1983, Freeman and Reed (1983) put forward the need to go beyond the sole focus of corporate managing of shareholders, decisively moving towards, what can be called, ‘stakeholder capitalism’ (Freeman et al., 2007). Their now well-rehearsed argument has been that the firm does not only have responsibility towards its shareholders and their financial expectations but indeed responsibilities towards
a broader set of internal and external stakeholders, including employees, suppliers, customers, communities, civil society organizations, governments and others. This has resulted in a burgeoning literature on corporate social responsibility (CSR) (e.g. Cochran & Wood, 1984; McWilliams & Siegel, 2001; Matten & Crane, 2005).

The emerging literature on ‘political CSR’ (Scherer & Palazzo, 2007, 2011; Scherer et al., 2014) has gone further, arguing that this increased focus on firm’s wider societal responsibility has been an important political moment, as governments around the world have had less capacity – or have shown less willingness – to address, and legislate for, social and environmental problems. This has been called the ‘privatization of governance’ or ‘private regulation’ (Brammer et al., 2012; Vogel, 2010). While this political move towards private regulation has been widely accepted, there is a body of literature that argues that the role of the state has been too under-represented by management scholars (Yamak & Süer, 2005; Buchholz & Rosenthal, 2004; Moon & Vogel, 2008; Bendell et al., 2010; Fassin, 2009; Gond et al., 2011; Schrempf-Stirling, 2018; Djelic & Etchanchu, 2017). While the role of governments has certainly changed, these authors argue that the state has far from disappeared. It many parts of the world, for example, governments have been much more interventionist in their industrial policy (Coates, 2005). China’s rapid capitalist development in the past 30 years has been highly directed from the top of the Communist State (Dickson, 2003). Even in Anglo-Saxon and so-called neoliberal contexts of the West, governmental institutions still matter, and always have (Djelic & Etchanchu, 2017). For example, when governments are implementing public-private partnerships – often involving large-scale infrastructure projects – elaborate legal frameworks have to be in place to secure the workings of these often long-term contracts between states and private sector actors (Selsky & Parker, 2005; Kwak et al., 2009). Neoliberalism and private regulation, it is argued, cannot take place without the state (Jessop, 2002).

Instead of arguing for a one-directional perspective of privatization, a range of authors have emphasized the changing dynamics of relations between government, business and civil society. Steurer (2013), for example, shows how governmental deregulation has been accompanied by soft governmental regulation as well as ‘societal re-regulation’. Here, the state does not simply disappear but is entangled in a complex web of changing power relations that lead to different outcomes across time and space. Such
a perspective requires detailed studies of the dynamic, triangular interactions between state, corporate and civil society actors, involving mechanisms of political maneuvering, interest alignment and alliance building (Levy & Kaplan, 2008; Bo et al., 2018; Midttun, 2005). What we are, hence, dealing with is, what Abbott & Snidal (2009) call, a ‘governance triangle’.

This triangle features different modes of regulation, including ‘hard regulation’ by the state, ‘industry self-regulation’ by business, and ‘civil regulation’ by civil society actors (Steurer, 2013, p. 395). These regulatory modes are not necessarily stable, but marked by continuous struggles over differing interests, values and cultural perspectives (Bo et al., 2018). These conflicts are well documented in the literature (Kolk & Lenfant, 2015; Surroca et al., 2013) with authors showing how disagreements and different interests between firm, state and civil society actors often involve struggles over identity (Bruijn & Whiteman, 2010), recognition (Westermann-Behaylo et al., 2015) and access to resources, such as land (Banerjee, 2011a).

However, what is perhaps less appreciated in the current literature - although there are exceptions (e.g. Kraemer et al., 2013) - is that these conflicts can also involve violence, and more precisely organized violence. As indicated in Figure 2 and discussed above, the current debate on the privatization of organized violence revolves around only two specific governance dynamics involving state-firm-society relations. Specifically, bottom-up privatization mechanisms are seen in the literature as a governance response of the state to civil society pressures, and top-down privatization mechanisms are new governance responses to the perceived need to outsource the control of strategic assets to private firms. What we have discussed in this section is that this privatization-of-violence view may be too limited. There is a need to appreciate the wider governance dynamics at play, involving a complex array of firm, state and civil society actors and their often violent relationships. We will now further elaborate on this approach and widen our perspective on a violence-based view of business-society relations using a governance triangle perspective, while, first, we briefly discuss our methodological approach.
METHODOLOGY

Adopting an inductive and interpretative approach to theorizing (Gioia et., 2013; Gehman et al., 2018), our main objective has been to understand contemporary forms of violence in governance relations, and theorizing the changes in firm-state-civil society relations of organized violence (Langley 2009; Langley et al. 2013). Based on existing literature in management and organization studies, war, peace and security studies, political theory and international relations, we have developed conceptual propositions forming a theoretical framework of organized violence that focuses on the dynamic relations between state institutions, private firms and civil society actors (see Table 1).

Rather than a systematic literature review, we have purposively selected academic reports and manuscripts engaging with the conception of firm-society relations as a dynamic and constantly changing process of ‘governance making’ in which the three main actors, state, firm and civil society, have differing interests, goals and objectives. From the selected sources, all academic sources have been categorized and coded to delineate the different governance processes of the three main actors in the governance framework. We have identified a set of codes related to core tensions and pressures arising between these actors, as well as a set of codes referring to core challenges, resolved in the emergence or shift of the control of violence in the governance triangle. Based on this perspective, we have developed six propositions that constitute, we propose, the key violence-based governance dynamics in business-society relations. Based on these six propositions we have finally identified three main doomsday scenarios.

TOWARDS A VIOLENCE-BASED VIEW OF BUSINESS-SOCIETY RELATIONS
In this section, we first present our findings related to a violence-based view of business-society relations represented by six key conceptual propositions. Figure 3 represents the dynamic relations between our conceptual propositions, in the attempt to enlarge and problematize the governance triangle presented in Figure 2.

[Insert Figure 3]

Proposition 1a: Outsourcing of violence and security to firms

This proposition summarizes what has been already discussed in the debate on top-down privatization dynamics in which states are using private firms to organize, deliver and control its monopoly of violence and/or turn a blind eye to the violation of state laws by private firms (Volkov, 2016). In the above, we have identified an important tendency for the state to increasingly face economic and social incentives to ‘privatize’ and liberalize the monopoly of violence, and to include new private economic actors to deliver security services, protect human rights, and support its geo-political interests (Kinsey, 2006; Alonso & Andrews, 2016; McFate, 2017). This is due to either the rising of complexity in society on how to manage control and order, or to a political shift towards the privatization of public and common assets like social security and protection. Hence, private economic actors are more often legitimized to lead the control of organized violence, pushing for further liberalization and ‘outsourcing’ of security services (Krahmann, 2009; Abrahamsen & Williams, 2010). The nascent private military industry, private-owned or controlled prisons and private security forces are few examples of a fast-growing business context and marketplace based on organized violence (Avant, 2005).

However, another form of outsourcing of violence and security is when states do not have the capacity to challenge any violation of their laws; or states are deliberating tolerating it (Volkov, 2016). Examples include large-scale private investments in strategic industries, such as oil, gas and mining, where states have a strategic interest in working with private firms to develop and extract these resources. Often, however, these industries then operate outside any regime of public scrutiny of work conditions and environmental impacts (Bush, 2008; Obi, 2010; Volkov, 2016). This also refers to the case when
corporations adopt illegal practices in the workplace or exploit natural resources without being sanctioned by the state, or when they are bribing or corrupting key public officers to gain a license to operate in illicit markets (Crawford & Botchwey, 2017).

**Proposition 1b: Deployment of state armies and security forces (against civil society)**

This proposition is about the increasing use of state armies and security forces against civil society actors, often done in an illegitimate way (Clarke, 2010; Beckman, 2016). One could also call this the illegitimate use of the state’s monopoly of violence. The core pressures here are arising from an increase or persistence of political instability and social unrest, for example leading the state to pursue a political agenda to repress minorities/ suppress human/ democratic rights, or the need to respond to exogenous shocks (e.g. climate change, terrorist attacks, conflicts with other state(s) or internal guerrillas, pandemics), leading the state to quickly react to unforeseen circumstances and events. There are increasing concerns that the freedom of speech is curtailed in even liberal, democratic societies (House, 2014). The threat of terrorism and guerrilla warfare, directed at the state, is often used by state institutions to legitimize unprecedented increases in the powers of the police, the army and the state’s legal system to deal with such ‘states of emergencies’ (Epifanio, 2011; Beckman, 2016). There is an extensive literature about how, in the post-9-11 world, the freedom of expression and organization has been curtailed by governments around the world (Epifanio, 2011).

Yet, this goes beyond anti-terrorist measures. As already mentioned above, states often support large-scale development projects, such as dams, oil and gas installations, mines and power stations, which will not only benefit private interests but are seen to be of strategic importance for nations’ development (Martinez-Alier, 2001; Obi, 2010; Maher et al., 2019). When communities resist such large-scale projects, for example because they feel their livelihoods are threatened, then often the violent force of the state is mobilized to deal with the resisting communities (Dunlap, 2019). Banerjee argues that so-called ‘spaces of exception’ are actively created by state authorities to push through strategic projects and crush civil society resistance: “Violence, torture, and death can occur in this space of exception without political or juridical intervention. The state of exception thus creates a zone where the application of law is
suspended but the law remains in force” (2008, p. 1544). For example, in the mining conflicts they study in Chile, Maher et al. (2019) show how violence is used as a strategic resource mobilized by the state to support national development projects, delivered by large multinational mining companies.

**Proposition 2a: ‘Mafia-like’ economic organizations**

While, up until the 1950s, the *mafioso* was considered to be a ‘man of honour’, the Italian mafia can increasingly be considered as a rational economic actor, “combining modern entrepreneurial activities in the legal sector with traditional cultural values which give Mafia firms important competitive advantages over their rivals” (Chubb, 1996, p. 275). Some of the Italian Mafia practices Chubb mentions are the “discouragement of competition, holding down of wages, reserves of liquidity from illegal activities which can be reinvested in the legal sector” (ibid.). Yet, it is clear that such business practices are now commonplace, exercised and perpetrated by the criminal, illegal and violent economic activities of organized crime gangs globally (Beckert & Wehinger, 2012; Albanese, 2014), using tactics based on victimizing, abusing, corrupting, intimidating and threatening, among others (Kilby, 2013; Riccardi, 2014; Chin, 2016). Mafia organizations often specialize in black market and other illegal or semi-legal economic activities, such as weapons dealing, organized prostitution, drug trafficking, smuggling and tax evasion (Kleemans, 2007; FBI, 2015). Their business empires are considered to be spanning the entire globe, while there is particular emphasis on transferring proceeds from illegal activities to legitimate businesses through money laundering (Lavorgna, 2015).

Private economic organizations acting as ‘Mafia’ organized crime may emerge when there is an increased interest of organized crime to control socio-economic activities/assets in key regions or sectors, for example due to weak/fragile political and institutional conditions, or when there is an increased capacity of these organizations to influence political arenas and institutions. Mafia or mafia-like organizations often use state institutions to organize, control and legitimize their violence (Albanese, 2014), for example by corrupting civil servants and politicians, and/or setting up public-private enterprises operating at the edge of legal and illegal sectors (Riccardi, 2014; Chin, 2016; Volkov, 2016). In this way, they increasingly violate the state’s monopoly of violence by weakening and corrupting its
capacity to control. In some cases the mafia acts even on behalf of the state (Chubb, 1996; Naím, 2012; Lavorgna, 2015). Some authors argue that in a world that is facing continuous and unprecedented political, socio-economic and environmental crises, we will see a rise of mafia-like economic practices (Enamorado et al., 2016).

Proposition 2b: Deployment of private security forces and division of resistance

As shown in Table 1, an increased interest of private businesses to control socio-economic activities/assets in key regions or sectors or the need to respond to social unrest, political instability and institutional uncertainty can lead private firms to be legally entitled and legitimized to exert a monopoly of violence in certain regions or sectors. Private firms receive economic and political powers from the state as part of a political agenda to use of violence by private firms against civil society (Brock & Dunlap, 2018). These practices include bullying, intimidation, divide and conquer deployment of private security forces and other approaches that could be deemed violent (Sampat, 2015; Dunlap, 2019; Maher, et al., 2019). Whereas the public image of firms is one that is dominated by CSR and other ‘win-win’ approaches, there is often a hidden, secret agenda to the way companies go about dealing with resisting civil society groups, including NGOs, indigenous people and communities (Newell, 2005; Banerjee, 2011b; Sampat, 2015). Kraemer et al. (2013), for example, document this hybrid approach in a mining conflict in India, where, on the one hand, the mining company tries to establish a partnership with the local community, while, on the other hand, deploys violent measures against protesters. Equally, Hönke (2013) shows how companies often make large investments into local communities, while also using private security forces to coercively protect their turf. Such private security practices are often not possible without the, at least tacit, approval by the state. That is, either states do not have the capacity or willingness to protect people’s freedom to protest, often giving private companies a free reign in dealing with what is perceived to be ‘uncivil’ society (Sullivan et al., 2011).

Proposition 3a: Guerrilla warfare and terrorist organizations
Increased political, cultural and/or religious struggles in society between classes, groups or minorities, or a raise of economic inequality and social unrest, collective fear or distrust for public authorities and political organizations can lead groups in society, such political parties or ethnic minorities to question the state capacity or legitimacy to maintain and enforce a shared social contract. This is also exacerbated by the presence of economic, social and/or cultural elites directly control the state. Whereas most civil society groups, including NGOs, community groups, etc. use non-violent tactics to resist the state and its regime of power and control, there are also groups that specialize in using strategic violence to further their aims and objectives (Gupta, 2008; Khalil, 2013). The most-talked about violent civil society groups have been jihadist terrorist cells and militia, such as al-Qaida, ISIS and others (Clutterbuck, 2003; Stepanova, 2008). There are many theories trying to explain why civil society activism for social and political change turns into violent radicalism and extremism (Moskalenko & McCauley, 2009; Dalgaard-Nielsen, 2010). Some authors highlight social inequalities that have increased exponentially under neoliberal globalization and the contingent institutional and class responses to them (Sandbrook & Romano, 2004). Others emphasize psychological factors (Loza, 2007).

Whatever the reasons for the recent surge in terrorist activity worldwide, civil society groups have always used violent tactics, including guerrilla warfare, to make themselves heard, defend territories or resources and fight for recognition as well as social and political change (Duyvesteyn, 2004). Examples include the Maoists in India and Nepal, the IRA in Ireland, among others (Sharma, 2004; Shah, 2013; Sanchez-Cuenca, 2007), which have been fighting against regional and central governments to follow their ideological interests. However, as Shah (2006) points out, there is not always a clear distinction between state and violent civil society group, as both actors can be seen to compete in, what can be called, the ‘market of protection’. That is, as the state’s monopoly of violence is watered down, violent civil society groups can step in to provide security and protection for the population.

Proposition 3b: Mobilization of violent resistance (against corporations)

As highlighted in Table 1, increased needs for social and economic justice and/or political representation, as well as social response to scandals or misconducts perpetrated by private businesses can lead civil
society actors to act and try to directly ensure and provide social security, income redistribution, voice, and ‘safety nets’ to citizens in opposition to the state and private firms. Civil society actors can be forced to control and monitor private businesses’ operations due to lack of capacity or interest from the state. Therefore, just as violent resistance can be targeted at state institutions and forces, it can also be targeted at private firms, particularly those that are engaged in large-scale economic development projects, such as mines, oil and gas extraction, hydropower dams and forest plantations. Such large-scale projects often displace large amounts of people, particularly peasants, farmers, and indigenous people - those who depend on the land for their livelihoods and spirituality (Taylor, 2011; Verweijen, 2017). Violent resistance against firms hence can be particularly encountered in struggles over land, given that basic livelihoods are at stake. There are many examples of land-based communities - particularly in Global South countries - encountering evictions from their land, as extractive industries - often with the tacit or explicit approval by state authorities - start digging for coal, oil, gas or minerals (Obi, 2010; Pedersen, 2014). Even within agricultural and forestry settings, indigenous people have been evicted as their land is being included in global agricultural commodity chains and carbon markets (Gerber, 2011; Lyons & Westoby, 2014). These are examples of dispossessions and land grabbing that these communities resist, sometimes using violent tactics, in order to defend their land.

DOOMSDAY SCENARIOS OF ORGANIZED VIOLENCE

In a world characterized by increasing systemic and complex crises, so-called grand challenges or wicked problems, an extended understanding of violence-based governance dynamics in business-society relations can help scholars and practitioners to engage in a richer and more informed sense-making of future scenarios. Based on our conceptual propositions, outlined in the previous section and Table 1, we now elaborate on a violence-based view of business-society relations, developing ‘ideal typical’ doomsday scenarios of organized violence. In our approach, an ‘ideal type’ doomsday scenario of organized violence is identified as a specific configuration of the firm-state-civil society relations, when the core tensions, pressures and challenges pushed out of balance these dynamics, such that one of the actors takes control of violence, establishing a new ‘monopoly’ or reinforcing an existing one. An extreme environmental
crisis, for example, a world of extreme climate conditions, or socio-economic collapse, due to global spread of a new contagious disease, a nuclear disaster or conflict, a systematic technology breakdown - these are all events that can trigger a violent radicalization of contemporary governance relations, allowing one of the actors take control of the monopoly of violence. Based on our inductive and interpretative approach to theorizing, summarized in Table 1, we have identified the following doomsday scenarios (see Figure 4): (1) the rise of state-based authoritarianism based on novel forms of military dictatorships; (2) the rise of new monopolies or oligopolies of organized violence managed by private firms; and (3) the rise of systemic and epidemic civil wars orchestrated by violent civil society organizations at regional or global scale.

[Insert Figure 4]

Doomsday scenario 1: Rise of military dictatorships

Based on our reading and coding of an interdisciplinary set of literature, our inductive theorizing has revealed a scenario in which states might reclaim control of organized violence and systematically limit the activities of civil society and private firms, establishing new forms of dictatorships, for example by the use of coercion through state-controlled police and military forces. State authoritarianism – and military dictatorships as their most extreme version – may emerge as a response to increasingly severe geo-political instability, rapid disease outbreaks, climate disasters and unpredictable social and political turmoil, all triggering the need for more state control and use of organized violence (Grint, 2010; Epifanio, 2011; Beckman, 2016). This process may emerge either through an increased state capacity and need to limit private actors’ activities, for example by limiting any private initiatives in the military, police and security sectors, revising and limiting any outsourcing process and by ‘re-nationalising’ the governance of public assets, including social security through organized violence (Epifanio, 2011); or by a full alignment between corporate and state interests and power. Novel, violence-based forms of state authoritarianism emerge at the expense of civil society voices and democratic rights as well as by reducing or abolishing any liberal rights (Clarke, 2010; Giroux, 2018; Volkov, 2016). The emergence of Trump
and other populist governments (Fuchs, 2017) as well as the rise of China as a significant economic and geopolitical force (Ma, 2009) has already fueled debates about an ‘authoritarian capitalism’ that has taken hold around the world (Witt & Redding, 2014). This doomsday scenario predicts that these developments might accelerate – particularly in times of major economic, health, social and environmental crises – leading to the rise of extreme versions of state authoritarianism, for example military dictatorships.

Doomsday scenario 2: Rise of private security monopolies and oligopolies

Our inductive theorizing has given rise to quite a different scenario; one that predicts extreme versions of privatized forms of organized violence, deregulated and even encouraged by states. This depicts a future in which the state is ‘systematically outsourcing’ control and legitimization of organized violence to private economic actors. This process is supported by a progressive control of states’ functions by violent organizations, for example through their increased capacity to be represented in state institutions and to use them to organize, control and legitimize their violence (Albanese, 2014). The state’s capabilities are fully controlled by private actors, systematically using violent practices, for example by corrupting civil servants and politicians, and legitimized to operate in illegal sectors (Riccardi, 2014; Chin, 2016; Volkov, 2016). The full collapse of the state’s monopoly of organized violence is accompanied by the emergence of new monopolies and oligopolies in which democratic control of such organized violence will be limited or completely absent. This can lead to increased lawlessness and a ‘wild-west’ neoliberal capitalism, which is fully focused on producing wealth for a small minority of private business elites. This scenario also depicts a future of organized crime led by violent organizations, like the mafia, specialized in business operations such as human trafficking, modern slavery, and private economic organizations being directly or indirectly dependent on such organized crime (Kleemans, 2007). This process includes the rise of private armies and warlords, with proxy wars being fought entirely by private security forces. Part of this scenario is the prediction that states will be increasingly called upon to cover large-scale health, economic, social and environmental risks, leading to extreme indebtedness and further reduced capacity of the state to regulate and fund social security and welfare programs. As the global financial crisis has shown (Kolb, 2010), large-scale, state-funded rescue packages can lead to, what is
called, a socialization of risk, contributing to extreme income and wealth gaps in society (Lee & Woodward, 2012).

Doomsday scenario 3: Rise of civil wars

We might also witness states increasingly incapable or unwilling to legislate against organized violence, which will lead to increased lawlessness and the exponential increase of ‘uncivil society’ actors, including terrorist organizations and guerrilla groups. In this scenario, democratic rights and duties as well as civil liberties have been abolished, as the governance space is dominated by violent civil society organizations emerging in an unregulated society. Both, states and firms, will increasingly have difficulty in controlling any monopoly of organized violence, leading to lawlessness and civil war-like social conditions. In this scenario, disorganized, uncoordinated, non-controlled violence becomes (again) the central trait of how society works, resembling pre-modern state dynamics (Bloomfield et al., 2017). It is likely that groups that dominate this scenario, i.e. terrorist and guerilla organizations, establish symbiotic and violent relations with private economic actors, which dominate scenario 2. Hence, terrorists, guerrillas, warlords, mafia firms and their mercenaries are likely to be engaged in direct or proxy warfare with each other, fighting for regional or global control of the governance space of organized violence.

CONCLUSIONS

In this article we have conceptualized firm-state-civil society relations through the lens of business-society governance of organized violence. Our inductive and interpretative approach to theorizing has presented an ‘extreme’ perspective on business-society governance in which doomsday scenarios of violence-based governance mechanisms emerge in response to social and environmental crises, such as rapid climate change or outbreaks of contagious diseases. In this concluding section, let us reflect about the implications of our analysis for management practitioners and scholars.

We should, above all, highlight that, while this article has conceptualized a governance triangle of business-society relations, involving firms, states and civil society actors, ‘management’ cannot be reduced to processes and structures in the domain of firms. Understanding governance as a continuous
struggle over differing interests, values and cultural perspectives (Bo et al., 2018) also implies that ‘management’ should be understood as a dynamic relationship between firms, state and civil society actors. As stakeholder theorists (Freeman et al., 2007) and political CSR scholars (Scherer et al., 2014) have argued for a while, management can be seen as a third space in the dynamic interactions between a range of different societal actors. Building on these understandings, the purpose of this article has been to show that these business-society relations are by no means always following ‘win-win’ scenarios. On the contrary, these relations should be understood as conflictual, involving violence and, more precisely, organized violence. Our goal has hence been to read an interdisciplinary set of literatures to conceptualize business-society relations as a dynamic process of organized violence, giving rise to a range of doomsday scenarios that may or may not already be visible in contemporary society. We argue that anyone involved in the management and governance of business-society relations should take note of these possible scenarios that paint a bleak, but possible, picture of contemporary and future society. The doomsday scenarios that have emerged out our inductive reading and theorizing are by no means inevitable. As we have emphasized through this article, relations between firms, states and civil society will always involve contestations and struggles, producing a range of different outcomes. It is our hope that our analysis contributes affirmatively to these contestations, providing societal actors with conceptual tools to critically analyze business-society relations and enabling more just and ethical futures to emerge. This also implies that managers of governance relations can be a force for good. If they are aware of the doomsday scenarios of the future analyzed in this paper, it would be our hope that they are able to shift the balance of power with the governance triangle, helping to avert the worst potential outcomes in relation to more distributed violence capabilities.

In conclusion, let us outline the three main contributions this article makes to the management and organization studies literature:

First, we have argued that firms are embedded in dynamic governance relations, which are not always defined by so-called ‘win-wins’ (e.g. Cochran & Wood, 1984; McWilliams & Siegel, 2001). That is, the relations between states, firms and civil society actors are not necessarily harmonious or stable. On the contrary, they are very dynamic and often determined by conflict (Levy & Kaplan, 2008; Bo et
al., 2018; Midttun, 2005) as well as sensitive to pressures from systemic and global socio-economic and environmental crises. Building on this extant literature, we have suggested the idea that these conflicts can also involve violence, and more precisely organized violence (Kraemer et al., 2013; Banerjee, 2011a,b).

Second, we have argued that the privatization-of-violence view (Wulf, 2011) may be too limited, proposing, instead, a violence-based view of business-society relations, using a governance triangle perspective. In other words, our approach problematizes the idea that the state has a monopoly of organized violence that can be altered either by transferring functions and capabilities to private firms or by the emergence of civil society actors. Instead, basing our argument on an interdisciplinary set of literatures, we have developed six propositions that show the complex and dynamic relations of organized violence between states, firms and civil society.

Third, key to our approach is the idea that organized violence is a strategic asset that triggers conflictual views and interests, and can be subject to processes of commodification, and thus be mobilized and traded as any other strategic asset in a neo-liberal world. In line with this view, Barros (2012, p. 56) sees “violence itself a commodity-form”, which he calls ‘security’, highlighting that we can formalize “security as a marketable commodity [...]. Thus, if security is a marketable commodity expressible economically, then it is possible to refer to security goods and security trades as variables of the system”. In our approach, we have identified key dynamics shaping this process and enlarged the spectrum of actors involved.

Based on existing literature in management and organization studies, war, peace and security studies, political theory and international relations, we have presented a first attempt to conceptualize the governance of organized violence and violence-based doomsday scenarios, focusing on the dynamic relations between state institutions, private firms and civil society actors. Given the intensification and unpredictability of global challenges, the increase of political violence, terrorist activism, rapid climate change, breakdown of liberal-democratic values and rise of authoritarianism, we highlight the importance for management and organizational scholars to further engage with our conceptualization of organized violence and develop an interdisciplinary research agenda fit for an uncertain future.
REFERENCES


Table 1 – Relations between core tensions and pressures, challenges in the governance triangle and doomsday scenarios

<table>
<thead>
<tr>
<th>Exemplary narratives from the literature</th>
<th>Core tensions and pressures</th>
<th>Leading to core challenges</th>
<th>Propositions on firm-state-civil society relations of organized violence</th>
<th>Leading to doomsday scenarios</th>
</tr>
</thead>
</table>
| “[…] Over the past decade, many governments have found it increasingly difficult to recruit enough qualified uniformed personnel for combat and post-conflict operations. They have consequently come to depend more and more on Private Military Corps (PMC) and Private Security Corps (PSC) for training, repair, and maintenance of weapons systems and vehicles; collection of intelligence information; interrogation of prisoners of war; asset protection; and support of troops and police personnel in operational theatres. As a result, thousands of PMCs and PSCs, keen to cash in on this new market, have rapidly emerged. Contractors are hired to provide support before and during wars and, increasingly, to assist with post-war programs.” (Wulf, 2011: 139) | 1/ Increased economic and social incentives to ‘privatize’ and liberalize the monopoly of violence (Kinsey, 2006; Alonso & Andrews, 2016; McFate, 2017) | A/ State confronted with increasing trade-offs on which public assets to manage (Krahmann, 2009; Abrahamsen & Williams, 2010) | P1a: Outsourcing of violence and security to firms  
State ➔ Firms | D1: Rise of military dictatorships  
State ➔ Civil society |
| “The private management of prisons has become a hotly debated issue in many countries across the world, such as Australia, Brazil, Canada, France, the United Kingdom (UK), and the United States (US): Some of these countries have a long history of privately managed prisons of one sort or another stretching back into the nineteenth century and beyond.” (Alonso and Andrew, 2016 : 236) | 2/ Limited capacity to challenge any violation of laws or state deliberating tolerating it (Volkov, 2016) | B/ State has limited resources/capabilities/willingness to maintain or re-establish a monopoly of organised violence (Bush, 2008; Obi, 2010; Volkov, 2016; Crawford & Botchwey, 2017) |                                                                 |                              |
| “Major elements of China’s strategy in the region, such as increased migration of Han and increased state control/management of ethnic minority religious and cultural expression, have been major ongoing sources of Uyghur grievance against the state. The state’s response to this has consisted of alternating periods of ‘soft’ and ‘hard’ policies toward ethnic minority religious and cultural expression.” (Clarke, 2010: 545) | 1/ Increase or persistence of political instability and social unrest (Clarke, 2010; Beckman, 2016) | A/ State pursues a political agenda to repress minorities/supress human/democratic rights (Dunlap, 2019; Maher et al., 2019) | P1b: Deployment of state armies and security forces  
State ➔ Civil society |                              |
| “The declaration of a ‘war on terror’ marked the most obvious, but by no means the only response to the rise in international terrorism. Immediately after the attacks of 11 September 2001, governments started to overhaul their countries’ systems of anti-terrorist legislation.” (Epifanio, 2011: 399) | 2/ Response to exogenous shocks (e.g. climate change, terrorist attacks, conflicts with other state(s) or internal guerrillas, pandemics) (Epifanio, 2011; Beckman, 2016) | B/ State needs to quickly react to unforeseen circumstances/events (Epifanio, 2011) |                                                                 |                              |
"Under the conditions in Russia in the mid-1990s, where the boundaries between public and private violence became blurred, when the de facto capacity to enforce and thereby define justice gained priority over written laws, when protection and taxation were increasingly privatized, the very existence of the state as a unified entity and of the public domain itself was called into question." (Volkov, 2016: 7)

The additional profits from the [Italian] Mafia's economic activities in the legal sector that created the capital reserves that in turn made possible its entrance as a major player in the international drug trade in the 1970s and 1980s. It is striking that a substantial portion of these capital reserves can be traced directly to Mafia penetration of the public administration. [...] The 1970s and 1980s, however, were characterized by the growing political autonomy of the Mafia, which formed 'Mafia-political lobbies' to advance its interests and at times directly assumed positions of political and administrative power at the local level (Chubb, 1996: 275-276)

"[...] thanks to the inherently transnational character of the Internet, the physical location of criminal actors is less important than it was before, providing them with the possibility to operate in countries where there are loopholes in legislation and security that can be exploited or to easily connect with distant criminal peers" (Lavorgna, 2015: 156)

"Security authorities, following Brigadier General Kitson's (1971/2010) advice, have come to view opposition in different stages of proto-insurgent activity: the 'preparatory period' and 'non-violence phase,' which are viewed as precursors to an 'insurgency' that challenges the legitimacy and operations of governments and resource extraction companies. This leads authorities to respond with various pre-emptive and sustained efforts, mixing concession and coercion to defuse social movements and their consequent disruptions of business. It is from this perspective that we analyse the operations of Rheinisch-Westfälisches Elektrizitätswerk (RWE), looking at how so-called 'insurgency' is defined and how governments and companies collaborate to legitimise their operations and 'pacify' opposition (Brock and Dunlap, 2018: 35)

"When resistance against the proposed mine emerged in Niyamgiri [India], both the corporation and state responded with counter-mobilization efforts in an attempt to quell opposition to the mine. [...] Two black jeeps driven by pro-Vedanta 'goons' regularly traversed the mountains and some Vedanta supporters even occupied a hut in a Dongria Kondh village to demonstrate their continued presence and intimidate villagers. Pro-corporate 'thugs' appeared in villages at resistance meetings, intimidating attendees and those who spoke out against the mine. The heavy-handed tactics and violence by various pro-corporate actors are well documented by international NGOs, building on information gathered with the support of local and NAN activists" (Kraemer et al., 2013: 841)

<table>
<thead>
<tr>
<th></th>
<th>1/ Increased interest of organised crime to control socio-economic activities/assets in key regions or sectors, due to weak/fragile political and institutional conditions (Riccardi, 2014; Chin, 2016; Volkov, 2016)</th>
<th>A/ Private firms control specific geographical areas or economic sectors since the state lacks resource and/or capabilities (Chubb, 1996; Naím, 2012; Lavorgna, 2015)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2/ Increased capacity of organised crime/violent organizations to influence political arenas and institutions (Beckert &amp; Wehinger, 2012; Albanese, 2014; Kilby, 2013)</td>
<td>B/ Private firms share or take over the political and economic control of certain areas/societal groups in agreement with the State (or some of its representatives) (Volkov, 2016; Enamorado et al., 2016)</td>
</tr>
<tr>
<td><strong>P2a: ‘Mafia-like’ economic organizations</strong></td>
<td><strong>Firms → State</strong></td>
<td><strong>D2: Rise of private security monopolies and oligopolies</strong></td>
</tr>
<tr>
<td><strong>P2b: Deployment of private security forces and division of resistance</strong></td>
<td><strong>Firms → Civil society</strong></td>
<td></td>
</tr>
</tbody>
</table>
“[…] warlords, organized crime, militias, rebels, and even youth gangs and child soldiers have increasingly fought in wars and violent conflicts” (Wulf, 2011: 138)

“[…] the majority of Hamas’s resources were spent (prior to their 2006 election victory) on the social and welfare programs that the movement provides to the Palestinians. […] The Nepali Maoists similarly employed a wide range of nonviolent methods with the aim of generating support during their “People’s War.” They lowered rents in their areas of influence, and in certain cases even fulfilled their promise to redistribute “land to the tiller.” They also undertook campaigns in support of female inheritance rights and employment, and in opposition to polygamy, prostitution, and domestic violence. In addition, they provided community justice, with a focus on crimes such as corruption, rape, and murder.” (Khalil, 2013: 422-423)

“In April 2014, Bembe armed fighters assaulted the town of Misisi, a burgeoning artisanal gold mining site located in Fizi territory in South Kivu province, in the eastern Democratic Republic of the Congo. Getting close to the compound of CASA Minerals, a Virgin Islands incorporated company engaged in gold exploration, the assailants framed their attack as a protest against the alleged sale to CASA of “their” hill, the gold-rich Akyanga Mountain, seen as part of the Babembe’s ancestral grounds. He presented this action as a way to express disapproval with Banro’s alleged surpassing of its concession limits, and the derisory compensation offered to expropriated peasants. At the face of it, these actions constitute violent reactions against the intensifying expansion of industrial mining in the eastern Congo, which threatens the livelihoods and ways of life of hundreds of thousands of people depending both directly and indirectly on artisanal mining” (Verweijen, 2017: 466-467)

1/ Increased political, cultural and religious struggles in society between classes, groups or regional minorities (Sandbrook & Romano, 2004; Acemoglu et al., 2013)
2/ Raise of economic inequality and social unrest, collective fear or distrust for public authorities and political organizations (Moskalenko & McCauley, 2009; Dalgaard-Nielsen, 2010)

A/ Groups in society, minorities question the state capacity or legitimacy to maintain and enforce a shared social contract (Duyvesteyn, 2004; Gupta, 2008; Khalil, 2013)

B/ Unclear distinction between state and violent civil society group in the control of violence (Shah; 2006)

A/ Civil society actors ensure and provide social security, income redistribution, voice, and ‘safety nets’ to citizens in opposition to the state (Khalil, 2013; Gerber, 2011; Lyons & Westoby, 2014)

B/ Civil society actors control and monitor of private businesses’ operations due to lack of capacity or interest from the state (Verweijen, 2017)

P3a: Guerrilla warfare and terrorist organizations
Civil society → State

P3b: Mobilization of violent resistance
Civil society → Firms

D3: Rise of civil wars