NGOs IN A GLOBAL FUTURE: MARRYING LOCAL DELIVERY TO WORLDWIDE LEVERAGE.

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Abstract

This paper argues that global trends are creating unprecedented opportunities for civic action at local, national and international levels. Three inter-connected trends are identified: economic and cultural globalisation, and the inequality and insecurity they breed; the increasing complexity of humanitarian action in response to ethnic conflict and intra-state violence; and the reform of international co-operation to deal with the problems these trends create. In response, new forms of solidarity are emerging between citizens and authorities at different levels of the world system. It is these new relationships - expressed through partnerships, alliances and other forms of co-operation - that provide the framework for NGO interventions, but they also require major changes in NGOs themselves. Chief among these changes are a move from “development-as-delivery” to “development-as-leverage”; new relationships with corporations, elements of states, the military, international institutions and other groups in civil society; and new skills and capacities to mediate these linkages. These developments call for major changes in NGO roles, relationships, capacities and accountabilities.

1. Introduction.

At the threshold of a new millennium, NGOs share in the same mixture of feelings that permeates the wider field of politics, ideas and social activism. There is plenty of excitement about new possibilities, tempered by widespread anxiety about the future. In the NGO world, this feeling of excitement stems from the opportunities for civic action that global trends are creating, on a scale never witnessed before; the anxiety arises because more critical questions are being asked about the role development NGOs will play in occupying these spaces, especially aid-dependent intermediaries that lack any democratic means of governance and accountability. In this paper, we explore three key trends,

- globalisation, which re-shapes patterns of global poverty, accentuates inequalities, and promotes new levels of insecurity in the world.

- “complex political emergencies”, which are characteristic of the post-Cold War disorder as state authority erodes and people under threat take refuge in ethnicity and religion.

- the reform of international co-operation to deal with these developments, moving away from foreign aid to embrace a broader focus on rules, standards and interventions to protect the most vulnerable.

Underlying these three, inter-related trends is the need for new forms of solidarity - or new “social contracts” - between citizens of different polities and new structures of authority at different levels of the world system. It is
these new relationships - expressed through partnerships, alliances and other forms of collaboration - that provide the framework for NGO innovations in economics, politics and social policy. However, responding effectively to these challenges requires NGOs to develop different roles, relationships and capacities, and these organisational implications are explored in the second part of the paper.

2. The Changing Global Context.

a) Globalisation.

There is much disagreement on the meaning of the term ‘globalisation’, but there is surely a basic reality at work which cannot be ignored. This reality is globalisation as technology-driven fact: electronic communication, declining transport costs, more flexible forms of economic organisation, and the growing importance of mobile assets (like finance and knowledge) establish an increasingly uniform horizon of production possibilities across national borders, integrating markets around the world and internationalising decisions about jobs and investment. The consequences of this process in a world of unequal producers and consumers are well-known - spectacular rewards for those well-endowed with the conditions required to take advantage of these opportunities; increasing pressures on those less well-endowed to sell their labour, family life or environment cheaply in order to make a living; and rising inequality between these two groups, both within and between countries. In 1998, the combined income of three billion people in the Third World was less than the collective assets of 358 multi-billionaires; Bill Gates' fortune (prior to the late-summer stock-market crash) was worth more than that of the poorest 40 per cent of the US population put together. (UNDP 1998). Rather than solid and stable blocs of ‘North and South’, NGOs in the 21st Century will confront a rapidly changing patchwork quilt of poverty and exclusion that requires new and genuinely international responses - notwithstanding the continued presence of a hard core of absolutely-poor people in South Asia and Sub-Saharan Africa. As recent events have demonstrated, the “new rich” (like those in East and Southeast Asia), and those previously well-provided for in social protection (like the former-Soviet Union) can become the “new poor” on an epic scale within a matter of a year. Inequality, exclusion and the insecurity they breed look set to drive global politics for the next generation and beyond.

Underlying these trends is a more controversial process of “globalisation as culture”: the homogenising of values and aspirations to Western norms of individualism and consumerism - what Hobsbawm (1994) sees as the real “cultural revolution” of our century. The media - recently transformed into a truly global institution controlled by a small number of multinational corporations - now plays a key role in these cultural processes. Some commentators dismiss such conclusions as superficial - capitalism has always adapted to the local context; others see culture as pivotal in the coming “clash of civilisations” as those who see themselves threatened or disempowered by cultural re-colonisation take refuge in ethnic or religious
identity, often violently expressed. The conflicts that this process generates are considered in Section 3. Despite these divergent interpretations, all agree that there is considerable room for manoeuvre in retaining the potential benefits of globalisation-as-fact, while addressing the potential costs of globalisation-as-culture. The real debate is not whether globalisation exists and will continue (it does and it will), but about how its costs and benefits are distributed, and on that question there is little that is pre-ordained by technology or impervious to politics. What role do NGOs have in re-shaping the processes of an evolving global capitalism so that all can enjoy the fruits of economic progress without losing what gives equal meaning to their lives?

On this issue there is no consensus. Some NGOs advocate de-linking from the world economy in order to promote self-reliance and protect local cultures; others think this unrealistic and opt for various forms of constructive engagement; while the most optimistic embrace globalisation as a progressive social revolution in the making. Different NGOs advance different positions, and there are unlikely to be any universal answers here, especially since so much received wisdom has been abandoned in the post Cold-War retreat from grand theory and simplistic ‘either/or’ strategic choices. We are all experimenting, and learning as we go. This has important implications for the future of NGO advocacy which are taken up in Section Three.

Despite the diversity that characterises these debates, there remains a common thread that runs through all NGO positions: civil society can act as a countervailing force to the expanding influence of markets and the declining authority of states. Although workers have less power in integrated markets, consumers have more; and while the erosion of national sovereignty does leave some groups more vulnerable to the abuse of unaccountable power, it also opens up more possibilities for civic organisations to link with each other across national boundaries in new structures of governance, especially as information technology makes it easier to move from traditional hierarchies to more flexible networks and alliances. The potential globalisation of governance and decision-making is explored below, though it is worth remembering that access to IT is also skewed toward those with more power and resources.

The true extent and potential of civil society is a controversial subject, especially at the global level. Some perceive a fundamental “power shift” as state-based authority recedes, while others question the ability of non-state groups to fill the resulting political vacuum. These doubts apply especially to development NGOs because of their dependence on foreign aid and their non-representative character. Nevertheless, an increasing number of NGOs are diversifying their funding sources and generating high levels of their own income from a mixture of commercial ventures, cost-recovery and local fund-raising, especially in South Asia and Latin America. In the process, they are sinking roots into their own societies and assuming more of the characteristics of a genuine civic actor, rather than a service delivery contractor. The rise of civil society in the South is uneven and in many areas
slow, but it is happening, and this obviously has important implications for NGOs in the North and for the broader global civic alliances that are taking shape around the world. The Johns Hopkins Comparative Study of the “Third-Sector” found more than one million such organisations in India and 210,000 in Brazil (Salamon and Anheier 1997). These are exceptional cases, but even where the number and range of civil society organisations is smaller, individual agencies are developing a research and policy-lobbying capacity to rival those in the North, alongside their activities in service-delivery.

Whatever else globalisation may be doing, it has not changed the fundamental reality of poverty of assets - the maldistribution of productive resources, skills and capacities that lies at the root of the problem. Integrated markets increase the importance of some of these assets (like knowledge and organisational strength), and decrease the significance of others (the fixed factors of production), but the imperative of re-distribution remains. NGOs have a vital role in advocating for it, especially where fuzzy-minded “Third-Way” thinking makes all talk of re-distribution unpopular. Underlying these inequalities are the power structures that discriminate against certain groups of people. There is a danger that civil society will be seen as a new “magic bullet”, now that politicians are disenchanted with both state planning and “free” markets, ignoring the fact that exclusion results from the interlocking structures of social, economic and political power in which civic associations are also implicated. NGOs believe that human rights standards and other social values can be mainstreamed through these power structures in order to spread their benefits and reduce their costs - whether in markets, politics or social policy. In that sense, the over-arching role of NGOs is to “help revision the world as an ever-growing web of non-exploitative relationships” (Fowler 1997). Translating these principles into practice at different levels of the world economy is difficult and complex, but the case for doing so is clear. Despite the disagreements and probable future fragmentation of NGOs in both North and South, all agree that there are increasing opportunities to work together across institutional boundaries in order to influence the forces that underpin poverty and discrimination, finding partnerships and synergy where few existed before, and moulding not just a strong civil society but a society that is just and civil in all that it does.

Confronting globalisation begins and ends at the grassroots level, where NGOs are already developing a number of strategies to help poor people address the realities of their position in global markets and play a creative role in re-shaping economic forces. First, by improving the endowments of the poor so that they can compete more effectively and achieve a basic level of security, voice and equality of rights, without which economic “alternatives” are impossible. This continues the traditional NGO role of developing skills, confidence, capacities and forms of association, and improving access to credit, services and economic opportunities – but underpinned by a more systematic attempt to link different levels and sectors of the economy. Second, NGOs can turn market forces to the advantage of poorer groups by reducing the benefits normally siphoned off by intermediaries – using, for example, joint marketing associations like those supported by NGOs in Latin
America (Bebbington 1996) or attempts by NGOs in South Africa to work with community associations to help them negotiate better contracts with commercial hunting and tourism concerns.

Third, civic groups are exploring alternative modes of production and exchange which are less costly in social and environmental terms, build more “social capital” for use in market settings (qualities such as trust, cooperation, and honesty), support men and women to combine their market and non-market roles to better effect, and distribute profits with a social purpose. These deeper changes are crucial in addressing the Achilles heel of most empowerment strategies: a failure to think through what happens when people with less power obtain more of it - a fairer society in which people distribute the costs and benefits of social and economic change more equitably, or more competition against the background of existing gender and other inequalities? This challenge – the regulation of all exclusionary systems of power - is one that most NGOs have tended to ignore, but it is the key to an agenda for transforming capitalism rather than “humanising” it. Small-scale innovations may be viable at a larger scale if they can be shown to generate material advances sufficient to eradicate absolute poverty, thus building the long-term public and political support that more radical alternatives currently lack. We hope that the conference will explore this issue in detail. At the opposite extreme, NGOs continue their role as carers of last resort, operating safety-nets, and providing welfare to the casualties of globalisation, especially in countries where the transition from protected markets has been far too rapid (as in the Former Soviet Union).

At the national level, grassroots innovations need support from pro-poor macro-economic and social policies. Although globalisation does erode state authority, the re-distributive and protective functions of states remain paramount. There is a tendency among some NGOs to focus on global advocacy to the exclusion of the national-level processes of state-society relations that underpin the ability of any country to pursue progressive goals in an integrated economy - the task of rebuilding government capacity to negotiate, monitor and regulate global regimes; the importance of pro-poor alignments in civil society and between civil society, business and government; and the role of domestic civic groups in combating corruption, pressing for institutional accountability, and preserving a social consensus in favour of economic reform. Few NGOs have given enough thought to their roles in these areas, partly because of a lingering suspicion of states in any form, and partly because of the temptation to “leap-frog” the national arena and go direct to Washington or Brussels. In sustainable development terms, this is a serious mistake.

At the global level, successful strategies must be connected to supportive actions in other parts of the international system. Globalisation means, not only that NGOs must engage more strategically with market forces on a much bigger scale than before, but do so in ways which link micro- to macro-forces together in a coherent way. Examples include: linking alternative production systems to international fair trade networks that give them some security in
open markets; holding corporations to account against minimum social and environmental standards negotiated locally but monitored across global supply chains; and altering patterns of consumption in the “global North” in ways which do not disadvantage producers in the “global South.” With their international presence and connections, NGOs have a natural strength in this field, and in some areas a good start has been made, especially in helping to build a movement for more ethical consumption, investment and trading. NGOs have been key players in attempts to reform corporate accountability, test out multinational codes of conduct, re-shape consumer demand, and alter patterns of global trade. Inevitably, enthusiasm tends to run ahead of actual achievements - there are limits to the extent to which market economies can be reformed - but the principles involved have now been identified, and much is already known about how to operationalise them in practice.

In the same vein, NGOs are becoming more strategic in their lobbying of the International Financial Institutions, the monitoring of international commitments (like Social Watch), and the democratization of global economic and other regimes (like the World Trade Organization and the proposed Multilateral Agreement on Investment). Although there has been little concrete progress in opening these regimes to civil society participation, they are likely to be the centrepiece of the global system in the 21st century and demand a concerted response. The beginnings of such a response are sketched out below. The inadequacy of the IFIs has become an issue on which there is an unusual global consensus. Their focus on ensuring that public sector finances are not overextended has led them to neglect the regulation of private financial transactions. The consequences - financial panic and massive over-exposure - are fuelling a global recession that has already cost the world 10 million formal sector jobs. Talk by the G7 leaders about ‘a new global financial architecture’ has not hidden the fact that they have little idea what this might look like, or even how new solutions might be negotiated to a more democratic (sustainable) consensus. Are NGOs any better prepared? Critiques of the World Bank and the IMF have been an easy game; redesigning the international system will require more complex analysis and more subtle proposals than the sweeping campaigns of the past.

b) The Reform of International Co-operation.

In addition to these very broad shifts in global economics, development NGOs face another set of changes much closer to home. The decline of foreign aid (bar one or two exceptions such as the recent small increase in the UK aid budget) is now well-entrenched the world over. This is the consequence of persistent intellectual and communication failings in the case for aid, continued political disinterest and/or disillusion, and the emergence of new forms of international co-operation better-suited to the realities of a global economy where private flows of capital predominate (outside Sub-Saharan Africa) and economic integration is perceived as the best motor for change - the emergence of an international system based around rules and standards rather than subsidised resource transfers. This might appear to
pose a clear threat to aid-funded NGOs, but there is a positive side to these changes: even if NGOs are unsure or divided about the degree of intervention they advocate in the global economy, they can all be committed to a more democratic process of setting the “rules of the game” - what the philosopher Brian Barry calls “justice as impartiality.” Already, municipalities in Latin America and elsewhere are experimenting with “dialogic politics”, where civil society and business representatives share with local government in decision-making. If these experiments can be connected to more democratic structures at higher levels of the world system, the results could be revolutionary - embedding local agreements on labour standards, environmental pollution and human rights in a nested system of authorities that balance necessary room-to-manoeuvre with a core of universal principles.

Currently, these linkages operate through networks of interest groups (including NGOs), rather than formal representative structures. This raises important questions about NGOs as organisations, especially their weak governance and accountability mechanisms, but the role of civil society is certain to grow as global governance becomes more pluralistic and less confined to state-based systems. The issue raised by this radical change in conceptions of governance is clear: how can NGOs help to ensure that the regimes of the future work to the benefit of poor people and deliver concrete benefits on the ground?: Who decides the relative importance of economic growth, political equality, and social benefit, within and between societies? This is a deeply-political question which takes NGOs into territory way beyond their traditional roles as implementers of projects, providers of funds, and advocates on the margins of world affairs. For the first time in history, they have the opportunity to become vehicles for international co-operation in the mainstream of politics and economics - but only if they put their own house in order and seize the opportunities that will surely come their way.

Even if this optimistic scenario does come to pass, it is unlikely that foreign aid will disappear, especially in the world’s poorest countries. Rather, it looks set to play a supporting role in future global regimes - used more selectively to help countries meet their obligations under international agreements or smooth out the costs of structural change, for example, in addition to its traditional role in financing development expenditure for a time. The rhetoric of international agencies now converges on the need to change the way aid is provided, moving from a “supply to a demand-led” framework in which consolidated resources are placed at the disposal of local institutions who decide on and “own” the uses to which they are put - ideally through cross-society dialogues between government, business and civil society. The reality of donor practice is somewhat different, but as they gather momentum these trends will have important implications for NGOs, especially those based in the North. It may not be long before Southern NGOs can apply to their local branch of a World Development Fund and buy in technical assistance as they see fit - whether from Oxfam, UNDP or a local consultancy company.
In reality, the current pattern of aid-funding to and through NGOs is confused, an assessment that is not helped by poor statistics which make it impossible to say how much of the World Bank’s resources (for example) are channelled in this direction. The evidence we do have suggests a consolidation of trends already visible three years ago: high levels of funding through NGOs despite declining aid budgets, with a slowly-rising proportion sent direct to NGOs in the South, and both a levelling-out and a small re-distribution of resources among different NGOs in the North. There are winners and losers in this process, including “new competitors” for NGOs from business, non-profit consultancy companies, and elements of states that can demonstrate their competence in the marketplace. As multilateral and bilateral agencies decentralise their operations, one might expect Northern NGOs to lose out in this process, but thus far there is little evidence of a major break with the patterns of the past. In part, this is because donor agencies value a reliable delivery or advisory system for their funds above all else, and are prepared to see Northern organisations continue in this role so long as their Southern counterparts are seen to be weak; few small NGOs can afford the overheads necessary to deal with large-scale donor contracts. It is also a consequence of decentralisation among Northern NGOs themselves, and the development of their own capacity to raise official funding in Southern “markets” - a strange form of capacity-building but one which has a clear logic as the supply of foreign aid becomes more competitive. Third, there are few Southern NGOs with the capacity to deliver large-scale humanitarian relief. Therefore, although the financial forecast for Northern NGOs may appear pessimistic in the long run, there is little sense of a crisis in the here and now. Indeed, the absence of such a crisis is one of the reasons why change is so slow in coming.

These trends pose a number of challenges for NGOs in both North and South. First, they imply a gradual shift in roles, away from the direct implementation or delivery of aid-funded projects and services, and toward capacity-building, “leaning-for-leverage” and other measures designed to support local institutions to engage in discussions over development priorities, take part in global regimes, and operate successfully as motors for change in economic systems, governance and social policy (Fowler 1997). Traditional NGO roles do not disappear in this scenario, but like foreign aid in general they play a smaller part in a broader menu of options, administered in a different framework of power dynamics and South-North relationships. If there is a problem with village food security it would be odd to lobby Western supermarket chains to the exclusion of grassroots work, “developmental” funding for Southern intermediaries (with fewer strings attached than official aid), technical support, and other forms of “added value” that Northern NGOs - in theory at least - can provide. All these things are important in addressing problems of poverty and oppression, and they must be provided in a coherent way by different institutions according to their strengths and skills. What is becoming clear is that Northern NGOs are losing their supposed comparative advantage in most areas of their traditional work as Southern NGO sectors mature in their research and policy capacity as well as project-implementation and support. A similar process may be starting in the South as other groups
in civil society and business take on the roles traditionally ascribed to intermediary NGOs.

A logical response to this situation is for NGOs to re-focus their energies on capacity-building and institutional development - activities which are very much the mantra of the moment. Though fashionable, the record of capacity-building in practice is not impressive - though to be fair it is difficult to make an accurate assessment one way or the other given the paucity of rigorous evaluation material that exists. Concerns about quality were one of the reasons behind the formation of the International Forum on Southern NGO Capacity-Building in 1998, an international network which aims to share experience of “good practice” and foster innovation on the ground. The record of Northern agencies is particularly poor in the area of financial sustainability, despite the fact that this is probably the most important form of capacity in all civic organisations (it being difficult to be independent, enter into global partnerships, take risks or innovate while your hand is in “another person’s pocket”). Micro-credit is seen as a panacea for sustainability rather than one among many possibilities; project planning procedures tend to be emphasised to the detriment of research and media skills; internal organisational issues take precedence over external linkages and bridging, mediation and partnering; and the ability of Southern NGOs to participate as equals in trans-national alliances is handicapped by the exclusive focus of most donors on their domestic role. Yet these areas are crucial to the future role of civil society in building coalitions for development, forming cross-society dialogues, and extending public participation in development planning. There have been some successes in strengthening the “enabling environment” for civic action (not just non-profit law and less intrusive state regulation, but improved fiscal regimes and a better climate for philanthropy), but in general capacity-building is still in its infancy.

The second challenge concerns the role of NGOs in building constituencies for international co-operation as a pre-requisite for the success of global regimes, new forms of governance, and the sacrifices required to alter global patterns of consumption and trade (especially in the North). Codes of conduct to govern multi-national corporations, for example, are of little use unless they are backed by large-scale consumer pressure to enforce them and viable alternatives on the ground. NGOs have always talked of the need to build constituencies, but have focused on problems in the Third World instead of lifestyle change at home, playing on the line that “your five pounds will make the difference.” It rarely does of course - and what would make a difference (like mass-based public protest against Western indifference to genocide) - is never given sufficient attention in NGO strategy. It is too expensive or too “political”, and wins few plaudits or contracts for foreign aid. Most Northern NGOs are actually dis-investing in development education, claiming that past efforts have been disappointing, which indeed they have, and for reasons which are entirely predictable. NGOs have been telling the wrong story for forty years, and the result is a donor base without a constituency for action, stagnant public support (except for child sponsorship
agencies), and a widespread decline in volunteering, especially among the young.

It is unlikely that this situation will be reversed with current NGO communications strategies, since they fail to engage the public beyond an emotional outpouring of concern when starvation hits the headlines. “Development” has proved too abstract a concept and aid is both dull and complex. At root, people want security and stability in a world that seems ever-more uncertain, and they must therefore be convinced that what they want can only be achieved through new - more co-operative - structures of production, exchange, and international relations. That requires a massive investment of imagination and resources to help people connect complex global trends with simple individual responsibilities, bringing home the fact that uncooperative actions at the international level will infringe our own rights, and the rights of our children. It is here that ethical consumption and alliances with the environmental and other movements could provide a vital link for development NGOs, but there are others that deliver the necessary message, like UNDP's “global housekeeping” imagery. A clearer message and a more sophisticated communications strategy will support the process of “coming to public judgement” which underlies mass-based action far more effectively than NGO shock tactics or the hard sell of charity advertising. Constituency-building means creating an agenda for concern using diffuse channels over the long term, not just narrow policy lobbying within the international aid system. The globalisation of the media provides an opportunity for NGOs to achieve an international outreach for their messages if they can find the right mechanisms to win attention.

The gradual replacement of foreign aid by a wider agenda of international co-operation makes it easier for NGOs and other civil society organisations to work together, without the distorting effects of contracts, conditions and unequal access to funding. The most interesting and potentially powerful cases of trans-national civic organising are those where funding is a secondary consideration, leaving participants to focus on exchanging complementary roles and resources that are equally-valued in support of broad but common goals. The case of the world-wide campaign against land-mines is a useful one, albeit difficult to replicate in areas where there is less consensus and more of a conflict of interest between poor people in different parts of the world (like global trade and labour markets). In a world of “complex multilateralism” these alliances are certain to grow: over 15,000 trans-national civic networks are already active on the global stage, 90 per cent of which have been formed during the last thirty years (O’Brien et al 1998). One should not romanticise these experiences, since they continue to raise difficult questions of:

- legitimacy: who speaks for whom, and how are differences of opinion resolved where individual participants vary in strength and resources?

- accountability: who enjoys the benefits and suffers the costs of what the alliance achieves, especially at the grassroots level?
• structure: how to deal with the challenges of genuinely international governance, decision-making and communication?

• strategy: the need to develop more rigorous arguments and more credible alternatives as a contribution to policy debates.

However, all these problems can be managed, given courage and imagination.

c) Humanitarian Assistance, Conflict and Peace-Building.5

In the world of long-term development, there is always some room-to-manoeuvre. In areas of conflict and complex political emergencies choices are harder and the dilemmas of the NGO world are drawn more starkly, yet such situations are characteristic of the post Cold-War disorder and the high levels of insecurity that global processes continue to generate. The shape, scale and parameters of NGO involvement in efforts to provide humanitarian assistance and resolve violent conflict has changed profoundly over the 1990s, as our understanding of the dynamics of insecurity has evolved. Initial optimism at the end of the Cold War and the prospect of a “peace dividend” soon foundered as pre-existing “small wars” began to spread and ethno-nationalist conflicts re-appeared, often fuelled by interests bent on exploiting the political legacy of sectarian history and the financial benefits of a war economy (Keen 1994). Contemporary conflicts are fundamentally different to those that dominated the first 75 years of this century (Goodhand and Hulme 1998a). These “post-nation state wars” are largely internal struggles in which clear interests are difficult to disentangle (Duffield, 1999); death and disablement are concentrated on civilians rather than combatants; and population movements take place within as well as across national borders. In 1995, around 14 million people were refugees and some 23 million were internally displaced (forced to relocate within their own country; ODI 1998:2). It is one of the great paradoxes of modern times that globalisation has been associated with increased intra-state tensions. Far from the ‘end of history’ predicted by liberal commentators after the collapse of communism, ‘history’ (or at least historical forces) has returned with a vengeance across Europe, Asia and Africa as ethnic, nationalist, religious, and cultural groups have proclaimed their identities in often-aggressive and exclusive forms. While it has become fashionable to equate virtue with civil society, these events serve to remind us that civil society (like states and businesses) has a dark side too.

When the Cold War ended, the initial response of the international humanitarian system was to increase the use of direct military action to end civil wars, and co-ordinate relief efforts more effectively (ODI:1). However, the debacle of UNITAF in Somalia in 1993 and the ‘retreat’ of US forces from that country led to a rapid reversal in policies of military intervention. This change in policy had disastrous consequences in Rwanda where the UN peacekeeping force was progressively run down in early 1994 despite, clear
warnings that the likelihood of genocide was high. Only 470 UNAMIR troops were stationed in Rwanda when the violence that killed 800,000 people in a few weeks erupted. The international community (especially the UN) looked foolish and inept, while European nations kept quiet about the role of the French government in the events leading up to the genocide.

These shifts in policy have presented NGOs with a range of complex dilemmas that have given rise to an unprecedented bout of soul-searching. Caught between the scale of human suffering on the ground and the international community’s unwillingness to tackle the politics of humanitarian intervention, NGOs have been sucked, ill-prepared, into a vortex of conflicting needs and demands - all the more disturbing because the years 1990 to 1994 were bumper years for NGO relief operations (Duffield 1994). Relief budgets expanded rapidly and humanitarian efforts accounted for a steadily increasing share of development aid. The numbers of NGOs involved in emergency activities rose (there were more than 200 in the Great Lakes area by late 1994) and Northern NGOs ‘prospered’ as the number of Southern NGOs able to deliver relief on a large-scale remained small. Despite the self-evident need that ‘something had to be done’, many NGO staff returned to their homes after overseas missions in the Great Lakes, the Horn of Africa, West Africa, Angola, Central Asia, Sri Lanka and Cambodia harbouring grave doubts about the effectiveness of humanitarian assistance. Did their efforts provide additional resources for “conflict entrepreneurs” to prosecute ‘small wars’? Is relief activity merely a function of Western strategic interests - a ‘band-aid’ that allows the international system to pretend that it is taking action when in truth it has disengaged (Prendergast 1997)? How should NGOs react when the principle of voluntary repatriation is over-ridden on a vast scale and when their own governments are increasingly trying to discourage legitimate asylum seekers (ODI 1998:2)? Just as NGOs have had to develop relationships with new actors in the private sector, relief agencies now deal routinely with both local militia groups and foreign military personnel, raising difficult questions about mandates, competencies and co-ordination that are still being worked through.

Not surprisingly, the mid-1990s have been a period of intense questioning for Northern NGOs involved in humanitarian activities. The picture with regard to NGOs in the South is less clear, in large part because they have few forums to reflect on their experiences and articulate an independent voice. Inevitably, the questions that confront NGOs vary with context and circumstance, but some common issues can be discerned. First, the importance of being clear about each agency’s strategic orientation. A traditional relief focus (on which many NGOs were founded) is increasingly rare, apart from the International Committee of the Red Cross (ICRC) and their focus on neutrality and the impartial provision of relief services to anyone suffering in a conflict. From the late 1980s, researchers and donors have encouraged NGOs to think beyond relief and to conceptualise their interventions along a relief-development continuum so that relief activities contribute to development programmes as peace returns. This represents a second strategic option: providing a mix of relief and development activities that provide for immediate
basic needs while creating the physical, human or social capital that will raise the likelihood of economic and social development in the future.

Third, there has been a rapid expansion in NGO attempts to engage directly in the processes of peace-building and conflict resolution. They take many forms - an additional component of a relief and development initiative, or a sole focus (as with Quaker Peace and Service). Such activities may concentrate on the micro-level building of ‘social capital’ through inclusive forums or the training of local conflict-resolution activists; macro-level support to diplomatic negotiations or creating opportunities for the leaders of opposing groups to meet on an informal basis; or both levels simultaneously. They can be neutral and impartial - helping all parties to meet and have an open discussion - or informed by a political analysis that distinguishes perpetrators from victims and provides support only to the latter.

At the present time there are voices in favour of all these strategies. The dictum of “do no harm” (Anderson 1998) has been especially well-developed in arguing that NGOs should adopt a carefully-analytical approach which places a high priority on ensuring that humanitarian aid is not captured by warring factions. While such incidents are well-documented in the relief literature, ODI (1998:3) argue strongly that - at worst - support to armed groups ‘has probably been slight’. In contrast, some donor agencies (including, DFID in the UK) have encouraged NGOs to engage not only with relief and development but also with the active promotion of social and political processes that contribute to peace-building and/or foster conflict resolution. Whether such an approach represents good practice or simply “an increasingly selective and conditional approach by some donors in their funding of NGO humanitarian activity” is debatable (ODI 1998). What is clear is that most NGOs lack the capacity to conduct the strategic analyses necessary to success in these areas, especially in the complex and contingent environments in which they operate. While the codes of practice and evaluation studies that are presently being promoted may foster operational effectiveness and efficiency in NGO relief activities, only limited numbers of NGOs have the analytical skills and detailed local knowledge that are needed to judge the impact of NGO activity on the complex social, economic and political processes that underpin violent conflict.

Any credible analysis of the role of NGOs in humanitarian and conflict resolution work reveals that networking and influencing strategies are required to have any significant impact on reducing the suffering that occurs in complex political emergencies. Direct action may achieve laudable humanitarian gains but is likely to operate only at a token scale in relation to aggregate levels of suffering. A number of options emerging, but only a small number of NGOs have begun to explore their potential:

• Influencing national governments to operate in ways that go beyond “realist” foreign policy considerations (e.g. monitoring the UK’s “ethical foreign policy” and questioning why the US has no ethical foreign policy at all).
• Monitoring the effectiveness of regional forces in peace-making to judge whether they are an excuse for Northern countries to avoid more wide-ranging military action.

• Examining how the UN might regain its credibility and develop the capacity to engage effectively in peace-making, and co-ordinate the activities of its constituent parts.

• Exploring strategies through which national and global civil societies could move beyond their current responses to complex political emergencies (charitable donations and/or public disengagement), to mobilise governments to react to emerging conflicts early in their life-cycle (not - as today - “too little, too late”).

• Overseeing the private sector so that businesses who gain from war economies find that the pursuit of such profits can result in social sanctions (such as consumer boycotts or local media coverage that challenges their management decisions). Examples include traders in Angola, diamonds in Sierra Leone, timber in Liberia, the manufacturers of land mines, and international ‘security’ companies.

Underlying all these strategies is the need for NGOs to put their own house in order by reducing dysfunctional competition in relief funding and operations; working more closely with Southern groups to build up their relief and peace-building capacity, and widen the current Northern-centric humanitarian policy dialogue; making a reality of codes of conduct by institutionalising accountability, including to beneficiaries; and developing ‘peace audits’ to evaluate the impact of their activities on the processes that lead to conflict (Goodhand and Hulme 1998b). NGOs have an important role to play in responding to the threefold challenge of 21st-century insecurity (Edwards, 1999): a more systematic engagement in long-term peace-building and equitable development; stronger international political action on the causes of suffering; and responding more effectively with developmental relief when crises do break out. However, if they wish to gain more influence over other actors in pursuing these roles, then NGOs will need to invest in their own credibility and legitimacy by becoming more knowledgeable and transparent about the achievements of their existing humanitarian and peace-building work.

3. Organisational Implications.

The changing global context sketched out above suggests four key challenges for NGOs in the next 15-20 years:

• how to mobilise a genuinely-inclusive civil society at every level of the world system?
• how to hold other institutions accountable for their actions and ensure that they respond to social and environmental needs?

• how to ensure that international regimes are both implemented effectively and work to the benefit of poor people and poor countries?

• how to ensure that gains made at the global level are translated into concrete benefits at the grassroots.

These challenges raise major questions about how NGOs organise themselves to work in more global and strategic ways in the future. Four areas of organisational change seem especially important: roles, relationships, capacities, and - underlying all these things - the thorny issues of legitimacy and accountability.

a) NGO roles

Clearly, NGOs operate in so many contexts and at so many levels that generalisation is hazardous. However, some trends can be identified in relation to the need to think and act globally. It is difficult to see how NGOs could re-shape the costs and benefits of global change through stand-alone projects at the local level, funding, or the delivery of basic social and economic services. Instead they must build outwards from concrete innovations at grassroots level to connect with the forces that influence patterns of poverty, prejudice and violence: exclusionary economics, discriminatory politics, selfish and violent personal behaviour, and the capture of the world of knowledge and ideas by elites. In a sense this is what NGOs are already doing, by integrating micro and macro-level action in their project and advocacy activities, but the changing global context challenges them to make this their natural way of working instead of something bolted on to mainstream activities as an optional extra. Moving from development as delivery to development as leverage is the fundamental change that characterises this shift, and it has major implications for the ways in which NGOs organise themselves, raise and spend their resources, and relate to others.

Despite the changing context, many NGOs appear reluctant to shed their traditional roles. Some Northern NGOs continue to be operational on the ground, and even where they work through “partners”, many tend to dictate the scope and pace of work through their control over funding and procedures (Fowler 1998, Wallace 1997). There is little real evidence that Northern NGOs are handing over local-level activities to Southern groups and limiting their roles to those most appropriately played in the North. Building constituencies for international co-operation has been relegated to the margins of NGO activity. Development education is largely out of fashion; “public education” is skewed in favour of advertisements for emergencies and child sponsorship; and very few agencies try to communicate complex development messages through the media. Yet it is the media that shapes and forms opinions for all generations; the use of the media for fund-raising
instead of education will be detrimental to organisations that seek an active supporter base in the years to come.

In the South, some NGOs have developed a strong and independent funding base, but most remain dependent on external resources. Their roles are determined as much by donor fashion and demands as by needs and the causes of need. While some do pioneering work in confronting inequalities at every level, many still confine themselves to a limited role as deliverers of development according to ideas and designs imposed or imported from outside. In future, NGOs will need to find better ways of building constituencies for their work at every level; methods of working together through strategic partnerships that link local and global processes together; and a much more effective method of identifying barriers to change and points of leverage where their combined experience gives them authority and voice. By sinking roots into their own societies and making connections with others inside and outside civil society, NGOs can generate more potential to influence things where it really matters because of the multiplier effects that come from activating a concerned citizenry to work for change in a wider range of settings.

NGOs have always been confused about their identity – part market institution providing a cost-effective service against alternative providers, part social actor pushing for more fundamental change. The mixing together of these roles is inherently problematic, and though it can be managed more or less effectively (and can be a positive force in injecting co-operative values into the competitive world), it will eventually demand that NGOs make a clearer choice about who they are and what they want to do. Founded as charities to channel money from rich countries to poor countries, it is hardly surprising that NGOs find it difficult to adapt to a world of more equal partnerships and non-financial relationships.

b) Relationships

Competition for resources in an ever-more tightly-constrained funding environment is characteristic of NGO sectors in all countries. Much NGO advertising, media work and lobbying is driven by the need to gain a higher profile in the market-place in order to ensure a continued flow of resources from both the public and official donors. Donor requirements drive many of the changes that are being made in systems and procedures, passed down the aid-chain from Northern to Southern NGOs, and on to community-based organisations. Participatory approaches could be a countervailing force to these trends, but they are often used as a tool to involve communities in NGO-driven agendas: few NGOs have developed structures that respond to grassroots demands. Although NGOs talk constantly of “partnership”, control over funds and decision-making remains highly-unequal.

This picture is a familiar one, but it is also partial, and the changing global context opens up a world of possibilities for NGOs to relate to each other in different and healthier ways: alliances among equals, genuine partnerships,
and synergistic networks that come together and then break apart, can replace the asymmetries of power and voice that have characterised North-South relationships for so many years. Information technology helps this process along by enabling less hierarchical modes of organisation and communication - advantages already well-exploited by the business community, but not yet by NGOs. Peter Senge (1998) argues that the most successful organisations of the 21st century will look more like “democratic societies than conventional corporations.” Rather than trying to impose order on a chaotic world (and making things more complex in the process), they will try to generate order out of chaos through non-authoritarian relationships between people who are genuinely interested in helping one-another to develop new learning and capacities. Jonathan Kotter (1998) likens this model to a “smaller mother ship with many more satellites and fewer organisational boundaries.”

These structural innovations are especially important in relation to NGO activities that stretch across national borders - like lobbying - but thus far conflicts of interest and the need for profile have retarded their development. Friction continues over who speaks for whom and on what basis: Northern NGOs still prefer to go to international forums themselves to present the case for change “on behalf of” others; Southern NGOs may “speak for” communities who are unaware of the campaign or unsure of its benefits. The move to embrace advocacy has to go hand-in-hand with alliances that can ensure that changes at the macro-level are actually translated into gains for people on the ground. The new global agenda requires, not only that NGOs link with each-other in different ways, but also that they forge relationships with other groups in civil society which can reach further and deeper into the mainstream of politics and economics - like trade unions, consumer groups, the women’s and environmental movements, universities and think-tanks, and the news media - eventually creating a global movement for sustainable development. NGOs need new ways of talking and relating to different sections of the public, especially young men and women, and they must loosen or manage the relationship between NGOs and official donors so that the “piper(s) do not call an inappropriate tune” for organisations that claim to respond to the voices of the people they serve.

c) Capacities.

To support these roles and relationships, NGOs will need to develop a range of new skills and competencies in learning, bridging, mediation, dialogue and influencing. NGOs’ current focus on narrow management issues (often borrowed uncritically from the corporate sector), acquiring skills valued by donors, and traditional concepts of lobbying, need to be replaced by a broader base of capacities which include the ability to listen to, learn from, and work with others at both local and global levels, and outside the development sector; a more strategic understanding of how and where global issues “bite” on the NGO agenda; and how organisations need to change in order to respond to new demands. NGOs need to develop ways of working that are less focused on promoting their own profile, and more concerned
with building alliances, working with others, and dividing up roles and responsibilities in a collaborative way. More openness to new ideas and a greater willingness to learn will be essential in the context of new actors and problems; fast-moving and unpredictable change; the entry of corporations, churches and trade unions into development debates; and the increasing sophistication of information technology (Edwards 1997).

These developments will challenge NGOs to develop a more sophisticated understanding of the changing context for their work, recognise the implications for their practice, and select the alliances and strategies required to address them on a continuous basis. Innovations in markets and economics will demand much greater detail from NGOs in their analysis and proposals, without losing the power of grassroots testimony and straightforward protest. Finely-nuanced judgements in complex political emergencies will require more highly-developed information-gathering and analytical skills. NGOs are unlikely to be able to succeed in these tasks without help from the research community, demanding a rapid expansion of academic-practitioner collaboration and new forms of co-working across institutional boundaries. Combined with the rise of civil society in the South, the absence of simple answers to sustainable development dilemmas challenges traditional approaches to NGO advocacy. Engaging with others over the long term in a process of mutual learning and innovation becomes more important than claiming that NGOs have the answers and merely wish to convert others to their point of view. This will be a major challenge to organisations who have grown used to occupying the moral high ground. In addition, the emergence of short-term conflicts of interest between groups of poor people in different parts of the world (especially in global trade) underscores the importance of building capacities across the board so that everyone can share equally in negotiating a fair deal in the regimes of the future, instead of pretending that “win-win” solutions can be plucked out of the air by NGO thinkers in North or South.

d) Legitimacy and Accountability.

Underlying these changes are more fundamental questions about NGO legitimacy and accountability, for above all it is this area – the right of NGOs to do what they do and say what they say – that is being challenged by world events and the changing climate of ideas. The legitimacy of NGOs (especially those based in the North) is now an accepted topic of public debate. Much of the criticism that is emerging in newspapers and elsewhere is superficial, motivated more by ideology than intellectual rigor and in severe danger of “throwing the baby out with the bath-water.” However, it looks set to continue, especially around the key issue of representation as global regimes mature in more pluralistic fashion. Claiming the right to speak out simply because an NGO has projects or contacts on the ground is unlikely to be acceptable to a sceptical audience in the media, among other observers, and - most importantly - a more critical local population. Southern NGOs are questioning the right of Northern NGOs to speak for them; women are questioning the right of male-dominated NGOs to represent them; and as access to
technology grows, communities feel they can speak for themselves through video and the internet as well as more traditional arenas such as marches and demonstrations. A recent internet conference in preparation for a UN meeting on women in Addis Ababa found that - in contrast to most internet discussion groups - over 40 per cent of contributors were women from Africa, even though they are the group most excluded from resources and technology. As poor people find more ways to access information and find a louder voice in global debates, the legitimacy of Northern-based, male-dominated organisations to appropriate the voices of others will disappear completely. They will have to learn to stand aside, make space for others, and share their rich financial and technological resources, and access to power, in more democratic networks.

To answer this growing chorus of criticism, NGOs must be good civic actors themselves; otherwise they will be unable to encourage co-operation and accountability in other institutions; nor will they be considered legitimate participants in an emerging international civil society. However, few NGOs have democratic systems of governance or accountability. As service-providers they do not need them; as social actors they certainly do. The legitimacy of a social actor comes from their rootedness in their own society, from a more engaged and supportive domestic constituency, and from the alliances they develop with other parts of civil society. NGOs will have to become more open and transparent in an age when institutional accountability is a condition for a seat at the negotiating table. The tradition of hiding controversial issues behind closed doors, and a persistent failure to convert NGO rhetoric about equity and participatory management into institutional practice, is hardly a good basis for persuading others of the need for reform. If NGOs are to become social actors in a global world, pushing for justice, equity, democracy and accountability, then clearly these characteristics need to be reflected in their own systems and structures.

4. Conclusion.

Against such a huge and complex canvass, it is unrealistic to expect a consensus to emerge in NGO positions or reactions, nor is such a consensus necessarily desirable. However, the theme that does unite different NGOs in different parts of the world is the crucial importance of civic values as a motor for change. NGOs are unlikely to agree on the details of how to confront globalisation and issues of conflict and humanitarian action, still less on their implications for NGOs as organisations. However, they would probably all agree that certain (non-market) values are crucial to our common future – co-operation, non-violence, respect for human rights and democratic process – however these things are defined and played out in different cultural contexts. Whether these are understood as “civic” or “social” values, or just values that all sectors of society can support and represent, is less important than working together to make them the bottom line in decisions over economics and the environment, social policy, and politics. NGOs must be leaders in cultivating a global moral order which finds poverty and violence unacceptable. They must be exemplars of the societies they want to create,
and work much harder to mainstream civic values into the arenas of economic, social and political power.

This is clearly an agenda for radical change. At present, NGOs may sense the need for such a change but are wary of the institutional consequences, so most try to defend the values-based approach of a global social movement inside an operational framework that drives the organisation further into the marketplace (Edwards 1998a, 1998b). The result is an unsurprising muddle, and a great deal of internal tension. It may be that these tensions are simply too great for large, aid-dependent NGOs to resolve, in which case new organisations will emerge around and alongside them – one can’t “change a super-tanker into a white-water raft” as Chris Roche remarked of Oxfam. The leading NGOs of today may come to be regarded as useful but temporary creations of a particular moment in history, to be gradually replaced by new forms of civic organisation more attuned to the needs and characteristics of the 21st century. The best of the NGO world will have the courage, imagination and room-to-maneuuvre to make a successful transition between the two; the rest will gradually slip from public attention, with no great loss to humankind.

The fundamental question facing all NGOs is how to move from their current position – as unhappy agents of a foreign aid system in decline – to where they want to be – as vehicles for international co-operation in the emerging global arena. Every NGO will interpret this challenge in a different way, and they will occupy their own distinctive niche in the patterns of civic action that develop. This does not matter, so long as NGOs are transparent and accountable for what they do. Their constituencies (public and private) can then decide whether they are worthy of their support in the radically different world context that is emerging. Our contention is that global trends challenge all NGOs to re-think their mandate, mission, and strategies. Although this will demand major organisational changes and a degree of self-sacrifice in the short term, it will be a force for liberation in the longer term, both at the broad level of societies and at the narrow level of organisations and their staff. In a global future, NGOs have the world at their feet.

Endnotes.

1 Respectively: NGO Unit, The World Bank, Washington DC, USA; Institute for Development Policy and Management, University of Manchester, UK; International Development Department, University of Birmingham, UK. This paper was originally written as the background paper for the Third International NGO Conference, hosted by the University of Birmingham from January 10th to 13th 1999. Useful comments were received on earlier drafts from the following: Mark Duffield, Alan Fowler, Mahbubul Karim and Simon Zadek.

2 Throughout the paper, “civil society” is used to cover the broad grouping of non-state, non-market organisations that include NGOs, community groups, churches, social movements, trade unions, business associations, political parties and think-tanks. NGOs form a sub-group of civil society, though a very heterogeneous one.

3 The first school is well-represented by Korten (1995), Grieder (1997) and Gray (1998); the second by Hirst and Thompson (1996) and Edwards (1999); and the third is the position of most Northern governments and international aid agencies.
The focus of this section is on complex political emergencies. This is not to infer that natural hazards are insignificant. However, NGOs have made great strides in their capabilities to respond to these hazards.

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