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For Session 9 of module Managing and Planning for Development: International and National Dimensions

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## 9 - On NGOs and the state, social stratification and donors

On NGOs and the state, social stratification and donors

**Non-Governmental Organizations or Social Movements?** 

Do NGOs have a role in planning and administrating development?

**Do Social Movements have a role in planning and administrating development?** 

NGOs <u>activities</u> cover mainly human rights, environmental protection, disaster relief, and development assistance.

the scope of their activities are local, national, or international.

NGOs may be <u>financed</u> by private donations, international organizations, governments, or a combination of these. \*

On NGOs and the state, social stratification and donors

NGOs, mainly from industrialised countries are incorporated in the structure of

United Nations, World Bank, United States government, and Other industrialised countries government;

Some NGOs in developing countries are also incorporated in the structure of their national governments

Therefore, NGOs, mainly from industrialised countries, concede grants to some developing countries

... some developing countries NGOs find themselves caught in an international and national financing web\*

The NGO Section of DESA (Department of Economic and Social Affairs) established an informal regional network (UN-NGO-IRENE\*) to coordinate collaboration between the UN and NGOs.

Spread over 5 continents with activities in 65 countries involving over 3000 NGOs, the UN-NGO-IRENE **network** is an interface at the country, regional and global level between the UN headquarters in New York, UN organizations at the country level and non-UN organizations including academia, NGOs, **business organizations** and philanthropic foundations.

**Networks:** <u>Climate Change</u>, <u>Development Cooperation</u>, <u>Global Food Crisis</u>, <u>Global Public Health</u>, and <u>Sustainable Development</u>, \*

\*IRENE - Initiatives, Researches, Experiences for a New Europe

#### From the World Bank website:

"The World Bank began to interact with civil society in the 1970s through **dialogue** with non-governmental organizations (NGOs) on **environmental concerns**.

The World Bank consults and collaborates with thousands of members of Civil Society Organizations (CSOs) throughout the world, such as community-based organizations, NGOs, social movements, labour unions, faith-based groups, and foundations.

In the early 1980s, leading international NGOs and the World Bank established the **NGO-World Bank Committee** which held regular meetings to discuss Bank policies, programs, and projects.

By 1997, 47 percent of operations approved involved NGO participation in some capacity.

Since 1995, the Bank has been making efforts to engage with NGOs and promote the development of NGOs in China." \*

From the USAID (United States Agency for International Development) website:

"An NGO will be defined broadly to include a wide range of local organizations in countries which are **recipients of U.S. foreign assistance**.

The focus will be on organizations which contribute directly to development, whether or not they are legal entities. (This focus will <u>exclude</u> assistance to organizations whose sole purpose is advancement of religious, ethnic or purely cultural objectives.)

The term NGO will include organizations working on:

child survival;

credit programs for microenterprise; family planning services help for small business; environmental safeguards; poverty ; environmental degradation;

education programs on these issues;

and those representing the common interests of other organizations or individuals such as <u>chambers of commerce</u>, <u>trade unions</u> and human rights groups" \* Financial flows from industralized countries to developing countries plus workers remittances and net grants by NGOs (current dollars - 2007)

year 2007 devping. countries GDP = 14,334,426 (US\$mill.)	Inflow to developing cts. from industrial cts. (US\$mill.) [A]	Outflow from developing cts. to industrial cts. (US\$mill.) [B]	Net flow to developing cts. (US\$ mill.) [B] + [A]	Workers remittances (US\$mill.) [C]	Final balance (US\$mill.) [B] + [A] + [C]
Foreign Direct Investment	**182196				
Aid	103491				
Net grants by NGOs (1)	18508				
Total inflow/outflow [as % of devping. c. GDP]	<b>304195</b> [2.1%]	-874400 [ - 6.1%]	-570205 [ - 3.9%]	278174 [1.9%]	-292031 [ -2.0%]

\*\*Total FDI is composed of 56% equity, 26% reinvested earnings and 18% loans from host country banks. Total = 325350, of which equity = 182196

Source: World Bank, "World Development Indicators 2009", table 6.12; \* UN, "World Economic Situation and Prospects 2009"; IMF Balance of Payments Statistics Yearbook 2009".

#### (1) Net grants by NGOs = 6.1% of total inflow \*

#### NGOs and the international and national financial webs



#### On NGOs and the state, social stratification and donors

From the above, and borrowing from J. Pearce (2000), we can identify six areas summarizing the current debate on development, NGOs, and civil society:

- 1) NGOs and the state
- 2) NGOs and neo-liberalism
- 3) Theory, practice, and NGOs
- 4) The roles and relationships of international (Northern) NGOs and Southern NGOs;
- 5) On political parties, NGOs and social movements;
- 6) About social movements

(J. Pearce, 2000, "Development, NGOs, and civil society: the debate and its future", in Eade, D. (ed.), Development, NGOs, and Civil Society, Oxfam, pp. 127-148)

- 1) "Complementing the state: by filling gaps, by providing services they are better equipped to provide than the state, or by working with the state to provide jointly a variety suited to the variety of needs among the population.
- 2) Opposing the state: either directly by lobbying at government level or in international arenas, or indirectly by supporting local and national groups that are adversely affected by government policies.
- 3) Reforming the state: by representing the interests of groups they work with at grassroots level to government and working with government to improve policies".\*

(A. Thomas, 1992, "Non-governmental organisations and the limits to empowerment", in M. Wuyts et al , Development Policy and Public Action, OUP)

#### NGOs and the state

J. Pearce (2000) notes that if NGOs are to take up the challenge of reappropriating their own agenda of social change in the face of donor imperatives, including the state, and those of neo-liberal globalisation, they must answer the following questions:

#### "- In whose interests should the state act?

- What kind of relationship do we want to build between the state and civil society?

- How does the operation of the market, and capitalism in general, affect our vision?

- And ultimately, what kind of world do we want to live?"\*

(J. Pearce, 2000, "Development, NGOs, and civil society: the debate and its future", in Eade, D. (ed.), Development, NGOs, and Civil Society, Oxfam, pp. 127-148)

J. Petras (1997) argues the following:

"As opposition to neo-liberalism grew in the early 1980s, the U.S. and European governments and the World Bank increased their funding of NGOs."

"There is a direct relationship between **the growth of social movements challenging the neo-liberal model** and the effort to subvert them by creating alternative forms of social action through the NGOs."

"As the neo-liberal regimes devastated communities by inundating the country with cheap imports, extracting external debt payments, abolishing labour legislation, and creating a growing mass of low-paid and unemployed workers, the NGOs were funded to provide "self-help" projects, "popular education" and job training, to temporarily absorb small groups of poor, to co-opt local leaders, and to undermine anti-system struggles. "\*

(J. Petras, 1997, "Imperialism and NGOs in Latin America", in Monthly Review, December 1997.)

#### NGOs and neo-liberalism

J. Pearce (2000) noted:

- "To what extent have development NGOs succumbed to the pressures and incentives to pick up the social cost of neo-liberal restructuring, and thus enabled multilateral and governmental institutions to avoid breaking with their neo-liberal faith by re-creating welfare states?"
- "More worrying is the evidence that NGOs have sacrificed some legitimacy in their own societies by their willingness to participate in implementing the social safety-net programmes that accompany donors' neo-liberal policies."

(J. Pearce, 2000, "**Development, NGOs, and civil society: the debate and its future**", in Eade, D. (ed.), **Development, NGOs, and Civil Society,** Oxfam, pp. 127-148)

#### On NGOs and neo-liberalism

For example:

"...NGO legitimacy is being constructed in **Bangladesh** through an ongoing <u>contest</u> between <u>the state</u>, <u>political parties</u> and <u>traditional civil</u> <u>society organizations</u>... "

"...there has been a major retreat from the NGO vision of transforming structures of power... due to the contradiction in challenging the precise establishment (the state) that provides its licensing lifeline."

"This has created a situation where old educational visions of radical transformations have given way to new donor-supported/ sponsored liberal-pluralist visions of making the <u>prevailing</u> <u>system</u> more accountable."

(S. Hashemi and M. Hassan, "**Building NGO legitimacy in Bangladesh: the contested domain**", in D. Lewis (ed.), "**International perspectives on voluntary action: reshaping the third sector**", Earthscan, 1999, pages 128-131)

R. Holloway (2000) forcefully noted :

"While people inside the NGO world still think of themselves as occupying the moral high ground, the reality now is that few people in the South outside the NGO world think of NGOs like this. The word on the street in the South is that NGOs are charlatans racking up large salaries...and many air-conditioned offices"

(R. Holloway, 1999, "Freeing the Citizen's sector from global paradigms. And trying to get a grip on the moral high ground", paper presented at "NGOs in a Global Future", University of Birmingham, 10-13 December 1999)

Finally, J. Petras (1997) argued:

- "The important political point is that the NGOs depoliticized sectors of the population, undermined their commitment to public employees, and co-opted potential leaders in small projects."
- "NGOs abstain from public school teacher struggles, as the neoliberal regime attack public education and public educators."
- "Rarely if ever do NGOs support the strikes and protests against low wages and budget cuts."
- "Since their educational funding comes from the neo-liberal governments, they avoid solidarity with public educators in struggle."
- "In practice, "non-governmental" translates into anti-publicspending activities, freeing the bulk of funds for neo-liberals to subsidize export capitalists while small sums trickle from the government to NGOs."\*

Hulme and Edwards (1997) propose:

NGOs must "return to their roots" if they are to promote poverty reduction on a mass scale. With respect to this conclusion we posit a number of questions:

Could it be that many (Southern) NGOs are so involved in service delivery that the local level associations they create empower NGO personnel and leaders but not the poor and disadvantaged?

Have (Northern) NGOs got so involved in lobbying donors directly that they have neglected their role in creating actives citizenries that... can demand effective aid policies and other policy changes (for example, in trade, debt relief and foreign affairs) that will assist the poor in poor countries?\*

(Hulme, D. and M. Edwards, 1997, "NGOs, States and Donors: too close for comfort?", Basingstoke, Macmillan)

### On the roles and relationships of international (Northern) NGOs and Southern <u>NGOs</u>

J. Pearce (2000) noted:

- "what is needed today is a greater reflection by Northern NGOs on the nature of their <u>relationship</u> with their Southern counterparts...
- "we need to examine how to build alliances with Southern NGOs that are based on SOLIDARITY, not CHARITY...
- "we need to look at whether we are being used...by aid agencies to achieve ends that SUBVERT rather than PROMOTE those values we hold dear...
- "we need to explore ways in which we can be as accountable to our Southern partners as we expect them to be to us...

"and we need to break away from the tradition of PATERNALISM... "...to do otherwise is to risk becoming the AGENTS OF AID."\*

#### **On political parties, NGOs and Social movements**

Political parties	NGOs	Social movements	
Bureaucratic and hierarchical organization	Bureaucratic and hierarchical organization	Open organization. Non- bureaucratic	
All-aspects objectives (political manifesto)	Issue-based objectives, (mission statements)	Issue-based objectives ( i.e. democracy, racial equality, anti-neoliberalism)	
Nation-wide based. Aim: state control/power.	Issue-based aims (local and global): <b>reformative</b>	Issue-based aims (local and global): transformative	
Political strategies within legal limits. <b>Reformative</b>	Legal strategies. Lobbying, educating, etc. <b>Reformative</b>	Legal and illegal strategies. Public action, educating, lobbying etc. <b>Transformative</b>	

**1.-** "Social movements display much variety and changeability, but have in common individual mobilization through a sense of <u>morality</u> and (in)justice and <u>social power</u> through social mobilization against <u>deprivation</u> and for <u>survival and identity</u>." \*

2. "The strength and importance of social movements is cyclical and related to long political economic and (perhaps associated) ideological cycles. When the conditions that give rise to the movements change (through the action of the movements themselves and/or more usually due to changing circumstances), the movements tend to disappear.

3. It is important to distinguish the class composition of social movements, which are mostly middle class in the West, popular/working class in the South, and some of each in the East. "\*

**4**. "Although most social movements are more defensive than offensive and tend to be temporary, they are important (today and tomorrow perhaps the most important) **agents of social transformation**." \*

# 5. "In particular, social movements appear as the agents and reinterpreters of "delinking" from contemporary capitalism and "transition to real socialism"...

(From TEN THESES ON SOCIAL MOVEMENTS, Marta Fuentes and Andre Gunder Frank, March 1988 revision)

#### 6. "In conclusion, social movements now serve to extend, deepen and even redefine democracy from traditional state political and economic democracy to civil democracy in civil society."\*

On NGOs and the state, social stratification and donors

Finally, three question in need of answers:

Non-Governmental Organizations or Social Movements?

Do NGOs have a role in planning and administrating development?

Do Social Movements have a role in planning and administrating development?

#### On inequality, social hierarchy, and the persistence of inequality



This was our last session for DA1 term 1

S0,

good bye girls and boys!

it had been a real pleasure teaching you...

and never forget that

"The important thing is not to stop questioning". Albert Einstein (1946)

#### NGOs and the international and national financing webs

