Civil Society
- The Non Profit Private Sector: Trying To Categorize In Bangladesh

Private Rural Initiatives Programme (PRIP) and
UNICEF, Bangladesh
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Executive Summary

Civil Society is that part of society which is neither part of government (the first sector) nor part of the business sector (the second sector). It is characterized by citizens working together for something that reflects their shared values, and can be called the third sector.

This important sector of society has never been characterized or investigated adequately in Bangladesh. All too frequently it is equated with NGOs. In fact "NGOs" (the term is used loosely in Bangladesh) are one part of Civil Society, which also includes such diverse groups as Sandhani, the North-South University, the Diabetic Hospital, Trade Unions, and cooperatives.

In order to identify how elements within civil society can be helpful in the development effort, it is necessary to understand more about them, and about their relationships with the first two sectors - Government and Business.

This paper is a start in identifying and defining civil society in Bangladesh.
Civil Society - The Non-profit Private Sector:  
Trying To Categorize It In Bangladesh

Introduction

It used to be that the main focus of Bangladesh's attention for the welfare of its people was the Government. The people believed that development was largely a task of the Government, and this encouraged the Government to become more centralized, more involved in, and more controlling of all aspects of society. This approach was taken to its logical conclusion with the centrally planned economies of Russia, Eastern Europe and China.

As we entered the last quarter of the twentieth century, there was increasing dissatisfaction, worldwide, with centrally planned economies and a centralized government, and increasing interest by the people in private business and market forces as the appropriate engine for development. Bangladesh was no exception. Always running parallel to this, sometimes acknowledged, sometimes not, has been civil society - that part of society that is neither part of governing nor part of profit making. This paper tries to look at civil society in Bangladesh - to define it, to see what it has to offer to development, and to suggest how it's work could be encouraged.

Lots has been written about Government, lots is being written about the private for-profit sector, but little has been written about civil society as an engine of development to improve the welfare of the people. One of the largest difficulties in thinking about the non-government, non-profit part of society is that so many people immediately assume you are talking of NGOs, and they have their own opinions about NGOs in Bangladesh. As I will show NGOs are but one small part of the much larger and much richer mosaic of civil society that Bangladesh enjoys. As far as I know no-one previously has tried to develop a typology of civil society or tried to examine its rich and varied nature. Civil Society in Bangladesh is large and important, and can have an important role in development.
Background

Society has three main sectors and they mobilize their resources in three different ways. (1) We can use a useful set of images developed by Marc Nerfin in IFDA Dossier to represent the three sectors as the Prince, the Merchant and the Citizen.

The Prince, who represents the First Sector - Government (and this includes the Armed Forces) - in the final analysis mobilizes the resources that he needs by command and coercion. Governments' distinctive developmental role is to re-allocate the nations resources to address needs as they define them, and to set rules that limit its citizens behavior. This represents the First Sector.

The Merchant, who represents the Second Sector, Business, mobilizes the resources that he/she needs through producing goods and services for sale and making a profit. Business' developmental role is to mobilize private entrepreneurship to produce and distribute goods and services in response to market forces.

The Citizen, who represents the Third Sector, Civil Society, who mobilizes the resources that he/she needs through voluntary action - by persuading people who share a vision of how the world should be, to contribute their time and money. The Third Sector mobilizes voluntary social energy.

It is true that in some cases both Governments (the Prince) and Business (The Merchant) can be in part motivated by a shared vision of a better society, but, by and large, a shared vision of a better society is the unifying feature of the Third Sector, the Citizen and Civil Society. (see Figure 1)

One methodological note: In the typology of civil society we have not included political parties - feeling that these are "Governments in Waiting" interested in power and coercion, rather than Voluntary Organizations interested in shared values and commitment.
Figure 1
The Three Sectors of Society

<table>
<thead>
<tr>
<th>Sector</th>
<th>Symbol</th>
<th>Primary Resource Mobilization</th>
</tr>
</thead>
<tbody>
<tr>
<td>First</td>
<td>The Prince</td>
<td>Command and Coercion</td>
</tr>
<tr>
<td>(incl. Armed Forces)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Second</td>
<td>The Merchant</td>
<td>Trade and Exchange</td>
</tr>
<tr>
<td>Third</td>
<td>The Citizen</td>
<td>Shared Values and Commitment</td>
</tr>
<tr>
<td>(Civil Society)</td>
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</table>

Importance of Civil Society

Many people believe that the Third Sector - the voluntary sector - while it has a legitimate existence, is insignificant beside the two behemoths of the Government and the Business sectors. A moment's thought, however, will enable us to reflect that the Third Sector in Bangladesh embraces activities of religion; much primary, secondary, (and recently with the North South University) some tertiary education; some health care facilities (like the Diabetic Hospital and the Cancer Hospital); much arts and culture; a great deal of social services through philanthropic organizations; developmental NGOs; and organizations for mutual benefit like cooperatives and trade unions. This is not a small part of the fabric of Bangladesh society. We are talking of a lot of people, and an increasingly large amount of money.
If we look at the Third Sector, at civil society, historically and internationally, we can see that the third sector has been on the leading edge of social movements which are now accepted as the norm long before Government or Business accepted them. Votes for women, abolition of slavery, human rights, civil rights - all of these accepted elements of the modern nation state were originally instigated and carried out by organizations of civil society. Such organizations were, usually after long battles, able to persuade Governments of the rightness of their cause, and new laws were passed which finally forced compliance on the Second sector - the Merchants. Bangladesh has inherited through its colonial past, and through its membership of the United Nations, many of these valued elements of modern society.

If we look at the organizations of civil society in Bangladesh, there too, we can see many that have been, and are, on the leading edge of present day social development - Adhunik trying to reduce smoking, Mohila Samity trying to improve the lot of women, Sandhani trying to provide a blood bank and an eye bank, the Grameen Bank trying to provide unexploitative credit for the poor.

Voluntary associations are very common in Bangladesh for all sorts of activities: the reader or his/her friends may belong to a District Samity, may belong to a Chamber of Commerce, a Service Club, a Professional Association, a School or University Alumni Association, and many more. The reader may support the work of cultural organizations, welfare organizations, Islamic societies for orphanages, madrassahs, maktabs, the work of voluntary organizations in health, family planning, literacy and many more. At the time of natural disaster it is likely that the reader will have contributed something for those affected through any of the above organizations. It is possible that the richer readers belong to families that have set up schools through a waqf endowment. In the villages it is likely that a villager will belong to an informal savings group, a prayer group, a jatra group, a sports club, or a peasants' association.

The range of activities of civil society in Bangladesh is very large indeed - and, as we stated previously (and should remind ourselves again) such associations or organizations have come about because of a voluntary shared vision of what needs to be done to make the world a better place. No one is forced or coerced into the activities of civil society (unlike The Prince/Government) - and no one makes a personal profit from the activities of civil society (unlike the Merchant/Business). Activities of civil society are voluntary, private, and based on shared values with your peers.
Organizations of Civil Society

Let us look at a typology of organizations of civil society, which we have developed. As you see, a fundamental distinction is between those organizations operating for the benefit of their members, and those operating for the benefit of others. The Governance structure, the accountability, the access to resources, the links to outsiders all depend on whether the organization is a creation of its members for itself, or a creation of individuals for others.

Organizations of Civil Society

A. Membership (help their members)

1. Indigenous Community groups
2. Induced Community Groups
3. Mass Organizations
4. Cooperatives
5. Religious Societies
6. Trade Organizations
7. Professional Organizations

B. Non-Membership (help others)

1. Local Philanthropic Institutions
2. NGOs - i.e. Private Voluntary Welfare and Development Organizations
3. Area based Benevolent Societies
4. Service Clubs
5. Non-Profit Companies

C. Spurious (not helping)

1. "NGOs" for personal profit
2. Government organized "NGOs"
3. Donor organized "NGOs"
4. Business organized "NGOs"
As in many attempts to develop typologies, and put everything relevant into boxes, there are certain things which do not fit, or which need to be further explained:

A. Membership Organizations (helping themselves)

1. Indigenous Organizations of the Community.

Gusthi and Samaj are organizations that people are born into, and to some extent they do not reflect voluntarily chosen membership, but a person is always at liberty either to be active in such groupings, or let their "membership" slide and be inactive. Community clubs (for sports, welfare, culture, religion etc) on the other hand require a voluntary commitment.

2. Induced Community Groups

Here outsiders (individuals, the Government, maybe political parties) have suggested some form of association to community members, and they have freely decided to join because they can see some personal advantage in doing so. Often to be part of what is generally considered "Development", people have joined (for instance) mothers' clubs in order to help each other and access services from others, associations of those receiving water from one irrigation source, associations of family planning acceptors, parent-teacher associations for management of local schools etc.

3. Mass Organizations

Many mass organizations have their origins in political parties which developed mass membership organizations in order to further the political party's mobilization of votes for gaining political power. Many mass organizations have, however, grown beyond their close affiliation to political parties, and are now mass organizations which include people of a variety of political shadings, or none at all. Cultural organizations like Samiliti Sangskritik Jote, women's organizations like Bangladesh Mohila Samity, peasant organizations like Bangladesh Khet Majur Samity have all evolved from partisan political affiliation.

The noteworthy exception is mass organizations of Youth which, in nearly all cases, have been and continue to be controlled, by political parties. At the time of the overthrow of Ershad student organizations seemed to have climbed out of the bog of party politics, but they have sunk back again.
4. Cooperatives

In theory cooperatives are pre-eminently organizations of civil society - associations of people with a common interest and common economic background. In fact the Government in Bangladesh, and in many other countries, has appointed a Registrar of Cooperatives whose function is to make sure that the cooperatives keep to the rules of cooperative law, and keep honest. This puts cooperatives into a hazy category where they are partly induced community groups (induced by the Government) and partly Government organizations. There are, however, a sizeable number of very much more independent cooperatives started privately, (not started by the Government) and merely registered with the Government - of which the best example is Deedar Cooperative in Comilla.

5. Religious Societies

In nearly every village of Bangladesh there is a mosque, and there is usually a mosque committee to manage it and to manage other activities carried out by the imam. In other cases there are prayer groups and occasionally tabliq or religious conventions. These are often linked to the activities of pir - religious leaders who have a larger audience and group of devotees than the imam of a single mosque. What is true of members of Islam is also largely true, in a much smaller way, of members of Hinduism, Buddhism and Christianity.

6. Trade Organizations

These can usefully be divided into those organizations which bring the employees together, like Trade Unions: those which bring the employers together, like Chambers of Commerce or Business Associations, and those which bring the self-employed together (like weavers or fishermen in areas where their trade is practiced). One anomaly in Bangladesh is that Trade Unions are all modern sector industrial workers organizations - there are no Trade Unions of agricultural workers or peasants.
7. Professional Associations

The professions, like Journalists, Lawyers, Engineers, Primary Teachers, Doctors have all got their own "trade unions" to look after their interests. In some cases these associations overlap with mass organizations e.g. students, and in some cases, as with mass organizations, they have become involved with partisan politics.

B. Non-membership Organizations (helping others)

1. Local Institutions

In many cases local landed families have set up schools or madrassahs for the benefit of local people. In many cases they have ensured the sustainability of these institutions by making a waqf endowment of land or pond to these local institutions. In some cases (like the Eskander Foundation) such individuals have formalized their philanthropy in an organization and there are also a few business houses which have set up trusts and foundations.

2. NGOs

NGOs are only one part of civil society, though in common usage the word "NGO" is often used to refer to all sorts of other parts of civil society. It is surprising that Bangla has taken over the English word "NGO" without translation, although Bangla is rich in associated words like sangstha, samity, sangothon etc. "NGO" is a very imprecise word which is used in many different ways usually depending on the perspective of the user.

Of course, primarily and fundamentally "NGO", by definition, means an organization which is not part of the Government, but this definition is so imprecise as to be useless since this also includes the business sector.
Secondly it is often used as meaning the same as "voluntary organization" (in which case it would overlap with all of the membership organizations listed above). A more precise and useful definition is "a non-membership organization formed for providing welfare and development services to the poor" - and this immediately sub-divides into Welfare Organizations and Socio-Economic Development Organizations.

A third commonly used definition is often colloquially expressed as "organizations like BRAC and Proshika" which really means non-membership socio-economic development organizations, often using foreign funds. Such organizations in a recent meeting expressed their dissatisfaction with the unclear label "NGO" and decided to canvas its members to change themselves into Private Voluntary Development Organizations (PVDOs). NGOs in this sense break out into the following sub-categories:

a. Implementing Organizations

Organizations which take a direct role of implementing development programs for the poor, usually through working with groups they help to form, and which they call "Peoples Organizations".

b. Peoples Organizations

These are the groups which the NGOs have helped to form. They overlap completely with induced community groups listed above at A2, and can overlap with mass organizations. Both Khet Majur Samity and Mohila Parishad are registered as NGOs.

c. Support Organizations

These are NGOs which help other NGOs to improve their implementation of projects through training, technical assistance, research, lobbying etc.

d. Networks and Forums

These are groupings of NGOs around a particular issue or sector.

e. Apex Organizations

These are the representative organizations for the NGO sector. In the case of the development NGOs, the Apex Organization is ADAB.
3. Area Based Benevolent Societies

In Dhaka there are many samity which represent the native sons and daughters of different regions of Bangladesh, and which take responsibility for looking after the interest of people from that locale. A very interesting spin on this is that such samity often mobilize native sons and daughters who have left Bangladesh and are living overseas.

4. Service Clubs

These clubs, like Rotary, Lions, Seroptomists etc. which are all based on foreign models, and usually affiliated to them, are joined by a few local clubs inherited from colonial days (Dhaka Club, Narayanganj Club etc). Their main motive is as social clubs for the elites, but they often mobilize funds for welfare and development activities, and sometimes become implementing organizations themselves (like Lions' Eye Camps).

5. Non-Profit Companies

This category is hazy at the edges. It encompasses organizations which are often similar in concept to developmental NGOs (i.e Private Voluntary Development Organizations) but which are also non-profit businesses. Examples are the Polli Kormo Shahayak Foundation, the Social Marketing Company, MIDAS, and the Grameen Bank. Grameen Bank, however, is a membership organization and is growing large enough to be thought of as a mass organization.
C. Spurious Organizations (not helping)

As with all legitimate activities of society, we would be surprised if we did not find some examples of a black or spurious side to civil society. Just as there are illegitimate Governments and Businesses, there are also illegitimate organizations of civil society. These are:

1. Come 'N GOs

This witty name\(^3\) represents those organizations set up by unscrupulous individuals for personal profit, but represented by them as private, voluntary organizations for the common good. Their activities usually last as long as the campaign to raise funds, at which time the organizer decamps with the money.

2. GONGOs

This is Government organized NGOs where Government, seeing advantages of carrying out its activities under the banner of an NGO, disguises a government activity as an NGO. They are neither private nor voluntary, but controlled by Government - a good example in Bangladesh was the Pathakali Trust.

3. DONGOs

These are Donor organized NGOs. Donor organizations are sometimes so enthusiastic to push their particular policy or implement their own programs that they set up front NGOs which are in fact controlled by the Donors.

4. BONGOs

These are Business organized NGOs. Business houses may very well and very legitimately set up independent foundations, but in some cases businesses will set up NGOs simply in order to acquire advantages from tax breaks or specific imports.
Mobilizing Civil Society for Development

In Bangladesh civil society is large, vibrant and interesting. Much of the activities of civil society are very valuable in improving the lives of the poor, and improving the quality of life generally. Since Civil Society is generally an unrecognized sector in society, there has been little thinking about how it could be better mobilized as a force for development.

The following are some suggestions about improving the possible contribution of the civil society to development:

a. Private Bangladeshi funds are mobilized for most of the membership organizations, but very little domestic resources are mobilized for non-membership organizations (excepting the Grameen Bank and the Peoples Organizations mobilized by the PVDOs). They rely to a large extent on foreign funding. Most philanthropy in Bangladesh is personal charity - following the Islamic tradition of zakat and sadqah. There are few coordinated ways in which ordinary people are encouraged and enabled to donate charitable funds to organizations of civil society. The possibilities of accessing domestic private funding for development are great, and civil society needs to learn more about fund raising techniques. Particularly important is reform of the legislation concerning income tax so that it becomes economically advantageous to an individual to give funds to charity.

b. There are very few ways in which Government funds are made available to the organizations of civil society. Government has given funds to the Islamic Foundation, and to BIDS, and to PKSF, but apart from a system of very small subventions from the Ministry of Social Welfare to rural clubs, and the Ministry of Education for Literacy NGOs, there is little evidence of the Government funding civil society (unlike India, for instance, where the Government of India has set up an organization\(^a\) to fund indigenous PVDOs). One other category is where the Government of Bangladesh channels some resources from Foreign Donor funded project to NGOs - usually at the donors request, if not condition. If the Government of Bangladesh was persuaded of the value of organizations of civil society, it would be good for it to set up more organizations like PKSF to fund them.
c. In Bangladesh there is very little corporate funding to organizations of civil society, unlike the corporate foundations of Tata or Birla in India for instance, or the PBSP in Philippines\(^5\). One fundamental problem is that there are no tax incentives for businesses to give to charity. A more basic problem is that it is not clear whether Bangladesh businesses consider that they have a corporate responsibility to the society from which they have made their profits, or whether their responsibility can simply be expressed, as is usually the case, by funding religious institutions in the home village of the Managing Director.

d. Many organizations of civil society see their main business as either looking after the interests of their members, or implementing a range of activities to directly benefit the poor. There are, in Bangladesh, relatively few organizations which lobby or advocate for social change - and try and modify Government policies. One exception is Adhunik - which is trying to change the nations smoking habits, but there are relatively few organizations who see their role as changing behavior or changing Government policy separately from specific project activities. One problem is that the Government has been ambivalent in defining what activities are allowed to organizations of civil society and what activities are considered by them "political", and thus off-limits.

Bangladesh has a rich and deep network of associations of civil society and Bangladeshis are by and large great joiners of everything from a Tagore poetry reading group to a political party. Many observers of Bangladesh society have pointed out that the relationship most Bangladeshis practice is the relationship of client to patron - at many different levels of society - and that this is a hindrance to much development work. The growth of a vibrant and active network of organizations of civil society will encourage horizontal, rather than vertical relationships in society, and encourage society to look after its own interests, rather than seeking outside assistance to do so. A strong Third Sector is in everyone's interest. An enabling policy environment - good laws, good regulations - which encourage its growth, will help everyone.
Notes


2. Draft "Code of Ethics" of ADAB (Association of Development Agencies in Bangladesh)


4. CAPART in India which is a Government of India agency to help indigenous Indian NGOs.

5. PBSPs the Philippines Business for Social Progress, an NGO funded by 1% of pre-tax profits of over 100 Philippino businesses.
ORGANISATIONS OF CIVIL SOCIETY IN BANGLADESH

Civil Society

Membership Organisations
help own members

Indigenous Community Groups
  Peasant
  Youth
  Women
  Culture

Induced Community Groups
  Government
  Private

Mass Organisations
  Self-Employed
  Owners
  Trade Unions

Religious Societies

Trade Organisations

Professional Organisations

Local Institutions

“NGOs”
  Social Welfare Organisations
  Socio-Economic Development (NGDOs)
  Peoples Organisations
  Support Organisations
  Networks
  Apex bodies

Non-Membership Organisations
help others (third party)

Area-Based Samities

Service Clubs

Non-Profit Companies
  Grameen Bank
  MIDAS
  SMC
  PKSF