

Looking for accommodation: Governments and NGOs in the South and East

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In many countries of the South and East, the Governments of those countries have an uneasy relationship with that sub-set of the Third Sector in their country which we call development NGOs. Development NGOs are those organizations “formed out of concern to assist the needy or disadvantaged including those formed for self-help purposes among disadvantaged people” and “organizations which are formed on the basis of common interest in and/or to take action on a particular subject or issue”(1).

Governments are, for the most part, suspicious of the NGOs’ motives, suspicious of the effect that they will have on the peoples loyalty to their government, and questioning of their need to exist. NGOs, however, not only exist, but are dramatically increasing in numbers, and are increasingly becoming the favored recipients of international aid. Governments are uneasy with these developments, particularly as they are associated with pressures from international donors to “roll back the state”, to cut Government expenditure and influence, and to move from centrally controlled command economies to market based economies. Governments feel threatened, and, as a consequence, adopt attitudes towards NGOs which are emotional and not necessarily rational. Their attitudes are frequently based on an existing prejudice, on an unclear understanding of the rights and responsibilities of citizens, and a “knee jerk” response to the situation of increased growth and resources in the NGO sub-sector.

The most clear headed amongst the leaders of the Governments in the South and East realize that there is increasing acceptance globally of a new paradigm in which the Third Sector is recognized as a major player in society along with the first sector (being government) and the second sector (being business) - and that they need to seek accommodation with each other. It is important that the international aid donors, who frequently fund both the Government and the NGOs, realize the tensions and the complexities that are involved, and seek to avoid a situation in which pressure from donors on governments for greater involvement of NGOs in their work creates a backlash. There is a danger that NGOs will effectively be punished by governments for being the target of increasing amounts of overseas aid since the governments perceive this as “stealing their funds”. This paper looks at experiences in Bangladesh in Asia, a country with a huge and successful NGO population, and at experiences in Zambia, in Africa, a country with a small and nascent NGO population.

Confusion about Governments role vis-a-vis NGOs in principle

Voluntary action of the kind expressed by NGOs in the South and East is an expression of peoples rights - as defined by the UN Charter on Human Rights. Citizens who are active in NGOs are expressing their right to peaceful assembly, to association, and their

right to information. Apart from this voluntary action is also an expression of civic responsibility - people form NGOs and involve themselves in their activities because they care about the future of society or the situation of the poor and disadvantaged (2).

On the face of it, it would seem that governments would support and encourage voluntary action in its citizens. The reality is, however, that there is hardly a country in the South and/or East in which the Government does not feel that it has the right to legislate for, limit, and control the work of NGOs - and that it has a duty to itself to do so. Often governments see nothing untoward in the idea of legislating for NGOs without involving them in any discussion about their position in society. This has been the case in both Bangladesh and Zambia where, initially, governments prepared and drafted legislation concerning NGOs without involving them at all. Strong objections by both the NGOs and their funders (often the same organizations that also fund the governments) stopped these processes and forced the Government to involve NGOs in discussions about their future, but in both cases it was a near thing.

When we compare this with the way that governments deal with the corporate business sector in their country we can see the difference. Where Governments are involved with reform of the market economy and perceive the need for new legislation in reference to the for-profit business community, it would be extremely rare for the Government not to consult with leading business houses, the Chambers of Commerce, and other representative organizations of the corporate world. Why therefore do governments have such a strange attitude towards the NGOs of their own country? We are dealing here with both ignorance and prejudice - and a thorough rethinking of the role of NGOs in the modern state is necessary before rational dialogue is likely.

To quote the World Bank's forthcoming Handbook on Global Standards and Best Practices for Laws Governing Non-Government Organizations (3)

"It is widely recognized that NGOs complement the work of the public sector and the private, for-profit sector. Moreover NGOs are better placed to "articulate the needs of the weak, to provide services and development in remote areas, to encourage the changes in attitude and practices necessary to curtail discrimination, to identify and redress threats to the Government, and to nurture the productive capacity of the most vulnerable groups such as the disabled or landless".

Those who work internationally and are involved with governments and NGOs () also know that this wide recognition is not universal. In some cases national governments are openly hostile or unhelpful to NGOs: more commonly, national governments accept them in principle, but surround them with many constraints which prevent them from achieving their potential" (my underlining)

The "wide recognition" is a donors perspective: the reality on the ground in most countries is a lack of, or at best a grudging, acceptance by governments that NGOs have an important role to play in their countries, and should be supported by an enabling legal and regulatory environment - just like business.

In part the problems arise not from Governments questioning of the NGOs right to exist, but the nature of the work that they do. Most Governments find little to concern themselves about in welfare and charitable activities carried out by NGOs - often this is

regarded as the province of the groups of organized religion (Islam in Bangladesh, and Christianity in Zambia) and many Government civil servants will be involved in such activities themselves. Welfare and charity are often seen as the “proper” function of the non-profit, non-government sector and Government finds little need for interference in such activities. By an extension of the same logic, Governments find that NGOs involvement in relief at time of natural disaster is natural and expected. Citizens, operating through their voluntarily formed organizations, are applauded when they respond to the damage caused by floods, tornados, and cyclones in Bangladesh, or drought in Zambia. When NGOs move, however, beyond welfare and charity into development, and when they are massively supported by international assistance to do so, Governments frequently balk, and start to consider ways in which the Government can formulate rules and regulations to control them.

An international study by the Overseas Development Institute in London suggested that governments concern with NGO activities is proportional to the political implications of their work. They suggest (3) that the following activities move from least sensitive to most sensitive:

- delivery of services and inputs
- developing new technologies and methods
- developing new social innovations
- policy level lobbying
- grassroots organising

Furthermore a seasoned observer of the NGO scene, particularly in Africa, Michael Bratton has stated (4)

“the amount of space allowed to NGOs in any given country is determined first and foremost by political considerations, rather than by any catalogue of the contribution of NGOs to economic and social development.”

In an increasingly large number of countries in the South and East, the present governments are in power as a result of democratic elections. As a result many governments feel that they have a right, and a mandate from their people to govern, and a right to determine the development agenda in that country. They contrast this strongly with the rights claimed by and for NGOs which are self-appointed humanitarian agencies formed from citizens of their country who have no such mandate. This attitude shows a limited understanding of the rights of citizens in between elections, but is understandable where, in their experience, the NGO sector does not occupy the moral high ground that it claims.

Questions about the NGOs behavior in practice

Some government officials question the international donors attraction to NGOs by questioning the donors understanding of what NGOs are actually doing in the country concerned. They claim, as citizens of that country, and often with reference to

information derived from police or security forces, that NGOs are not the noble examples of humanitarian impulses as is often claimed by them, or on their behalf. While part of this is tactical counter-punching, the proliferation of NGOs that has grown up in response to the market (i.e. in response to funds that are being offered to NGOs), and the usual lack of a mechanism for professional standard setting and accountability in the NGO sector, mean that Governments have a point and a point that needs to be addressed. Both in Bangladesh and Zambia government officials question the probity and moral basis for many NGOs activities. In Bangladesh government officials will often suggest that the NGOs are primarily motivated by a desire for employment and income for their staff, and in Zambia similar accusations are made, as well as accusations of partisan political ambitions covered in a humanitarian veil.

Most NGOs are not democratic membership organizations whose beneficiaries are also members of the organization and who have a final governance function over the organization. If and where such organizations exist (like peasant associations, or credit unions), then they have an impeccable case by saying that their mandate is from their membership, and their members want them to be involved in a variety of development activities. In such cases the government's response is usually to assess the political threat or benefit that such activities present to the government and to deal with them on that basis. It is not by chance that centrally planned, command economies have nearly everywhere tried to take over the control of such membership organizations. Most cooperatives, mass organizations (women, youth, peasants etc), and unions have, in the past, either been taken over by the government, or have been adopted by political parties - thus taking them into a different relationship with the government.

Most NGOs are, however, formed by citizens (often, initially, an individual charismatic citizen) who feel strongly enough about an issue that they want to form an organization to address it. They are not only prepared to do such work themselves, but they are prepared to ask others to provide them with the funds or other resources which they need to make an impact. Their right to do such work is the right of any citizen to be involved in the lives and the problems of his/her fellow citizens, but they rarely have a mandate from their intended beneficiaries to do their work. Their continued ability to attract resources and the approbation of their peers is their licence to operate. They can legitimately claim that their work is self-evidently valuable because it is being supported and because they continue to have clients.

Governments can, not surprisingly, contest this, and claim:

1. Since most of their funds come from foreign donors they do not have the proven support of their fellow countrymen - only the support of foreigners
2. Since most of the clients are often beneficiaries of their services in a situation of scarcity, the fact of having clients says nothing except that they are giving things away - a recognized way of attracting friends.
3. Since NGOs are self-appointed, and since their governance structure (often a Board) is self-perpetuating, there is no check on self-interested behavior.

For those of us who are convinced of the value of NGOs and are aware of the fine work that they have done, such accusations are worrying because we know that it has some element of truth, and that the NGO sector as a whole does not have a ready defence against these accusations. The proliferation of NGOs in response to funds proffered from overseas has meant that unscrupulous and self-seeking organizations and individuals are sheltering behind the NGO banner, and cannot be relied upon to be motivated by the same commitment to the poor and disadvantaged that has been the hallmark of the best NGO practice.

Moreover NGOs are not very good at policing themselves. While it has become common for NGOs to organize themselves into their own “trade unions” or “chambers” (Bangladesh has its ADAB - Association of Development Agencies in Bangladesh - and Zambia has its NCOCF - NGO Consultative Forum), and while it has become standard procedure for them to adopt Codes of Conduct, it is very rare (to this writer, unknown) for such NGO associations to sanction any of their member for “conduct unbecoming an NGO” even though many insiders would admit that such behavior exists.

The importance of understanding Governments position

To quote again from the forthcoming book of the World Bank (5)

There are many reasons why countries around the world should want to have laws that assure the existence of a strong, vigorous, and independent NGO sector. To many governments this will seem a counter-intuitive assertion. Why should a society allow and protect activities that have not been approved by a democratic process? Why would governments permit and support the existence of organizations that compete with or replace various governmental programs, or that criticize or oppose the policies of the Government? Further, where the income of NGOs is exempted from taxation, or where contributions to such organizations are made deductible for tax purposes, allowing such organizations involves real, financial cost to the government. Why should any government incur these costs? These are hard questions, and they deserve strong responses”

All too often the proponents of NGOs (and the increased role of civil society in the governance of a nation) have been the foreign donor nations, not groupings of people from within those countries. These are the same people who are offering more money to NGOs and giving less to governments. These are the same people who exert control over governments by their conditions and their conditionalities. They are the same people who, in many countries of the world, are making the poor poorer through the heavy promotion, if not the imposition, of an export oriented market economy and structural adjustment programs (SAPs) which have meant that the government can no longer offer services to its citizens as before. Irrespective of the merits of the case, and the confidence that one may or may not have in the long term value of structural adjustment programs, governments see NGOs as the darlings of the donors - the same people who brought them massive retrenchments in state owned industries in Bangladesh and Zambia, and the same people to whom they are beholden for part of their budgetary support, and most of their development budget. Not surprisingly, attitudes of Government officials are confused, and this confusion is often expressed by accusations that NGOs are not the evidence of patriotic nationals' concern for their

fellow countrymen, but evidence of the usual opportunistic attempts to get on the donor band wagon that they recognize many of their countrymen suffer from.

In interviews with government officials the phrases fastest to the mouth about NGOs are based either on cynicism about their motives or on jealousy. The following phrases or comments are commonplace:

Bangladesh: the NGOs leaders have too many Pajeros, PCS and air conditioners
the NGO credit organizations are the new East India Companies (6)
No-one ever voted NGO leaders into power

Zambia: We do not have NGOs in Zambia, only NGIs (7)
Who knows what happens to the money they get
In the next elections we will see the true face of the NGOs

There is a deep frustration and anger that is simmering in governments of the South and East around the world about NGOs. Too often they see NGO as a foreign imposition, and the new paradigm of three sectors in society rather than two as an exogenous idea. Their natural reaction is one of resistance, or, more likely, acceptance because of the controlling power of the donor funds, but acceptance with an ill-will.

There is from the donor side also a lack of transparency about their motives concerning NGOs, and it would clear the air if their strategic assessments were more openly displayed. The logic seems clear, but is rarely publicly acknowledged: as part of the Good Governance paradigm which guides international development agencies behavior these days, donors require a “virtuous circle” of:

- a. A competitive market economy
- b. A well managed state
- c. A democratic civil society (8)

But they find that the competitive market economy is undeveloped and the tax base is low: they find that the government does not have the capacity to carry out quality long term investment, and the people are unused to holding government and business accountable, and unused to involvement in the public policy arena. They find that they want to deal with the damaging effects of SAPs through extra funding for social sector programs, but that unfortunately the governments do not seem to have the capacity to handle the increased investment that donors want to make in the social sector. NGOs are therefore identified as the means to channel this money. Governments thus see not only social sector funding being denied them in the name of SAP and fiscal responsibility, but they also see funds for the same purposes are being given to NGOs because the donors claim that the Governments cannot manage them properly. Irrespective of the rights or wrongs of the case, it is clearly understandable that governments feel ambivalent, if not hostile to NGOs.

What is to be done?

A future in which government, business, and the voluntary sector are complementary sectors to each other - each with its mutually recognized comparative advantages, and each with its rights and responsibilities - can only come about through mutual understanding and appreciation of the values of the other. A situation in which one sector is being forced down the throat of the other (using the power of international aid) is not sustainable or sensible. We greatly support, therefore, all attempts that are being made to open the debate between government and NGOs about the proper role of NGOs in society and to encourage more rational thinking. Interestingly the efforts to encourage such debate are mostly being driven from the World Bank. It is also important to deal with the relationships between NGOs and the Business sector - but that is another (and equally interesting) story.(9)

In Bangladesh, the World Bank has undertaken (and nearly finished) a study of government - NGO relations as a basis for informed discussion ("Pursuing Common Goals - Strengthening Relations between Government and Development NGOs: forthcoming 1996). This is one of 8 such studies in different countries around the world chosen to illustrate the widest range of possible Government-NGO interaction (10). The World Bank has also greatly endorsed and encouraged work done by the Asian Development Bank (a surprising line of work for ADB) to set up a national level Government-NGO Consultative Council which will be the forum for policy level dialogues between the two sectors in the future.

In Zambia the World Bank has appointed an NGO Liaison officer (as it has done in many other countries of Africa) part of whose terms of reference is to improve relations between government and NGOs, and to mutually educate one about the other. Zambia has also been targeted to be one of the first countries in which the World Bank has made the creation of a supportive NGO policy environment part of its conditionalities for budgetary support. The Bank has, however, accepted the point of view of the NGOs of Zambia that this conditionality should not be done without a complementary effort to educate the government about the comparative advantages of NGOs.

As an organization the Bank has, as mentioned before, appointed a large number of NGO liaison officers in Africa and Latin America (though interestingly, not in Asia), and has produced the handbook mentioned earlier (Global Standards and Best Practices for Laws governing Non-governmental Organizations: forthcoming 1996). This Handbook will be the single most significant contribution to the complications of the government-NGO debate if it is introduced and promulgated carefully.

At the same time efforts have been made by other organizations to clarify what NGOs are and what they do, to try to dispel the prejudices about them, and to set standards. An important document is the publication of the Commonwealth Foundation's "Non-Governmental Organizations - Guidelines for Good Policy and Practice" : London 1995 (11). The Commonwealth Foundation is also attempting to introduce the book through a series of workshops involving both Government and NGO staff.

Building understanding of the value and complementary features of NGOs to government does depend, however, on overcoming government perceptions of NGOs as foreign types of organization, because largely foreign funded. It is very important that those arguing on behalf of NGOs look to the roots of the voluntary sector in the culture of each country, and show government officials that NGOs are merely the modern manifestation of old and traditional impulses in the people of their country which were previously expressed in other ways. There are two organizations have started to work with the idea of Third Sector mapping i.e. the comparative analysis of the range of civil society organizations in any country, and the place that NGOs occupy within that. These are INTRAC in the UK (12) and Pact in the USA (13). Too frequently the fashion for "civil society" amongst those who push new development policies has resulted in a blind promotion of models from the North and West as the "right" kinds of civil society organizations - irrespective of the indigenous forms that already exist. It is very important for development practitioners to appreciate that every country has its own unique associational life, and that it makes much more sense to build on existing indigenous elements of voluntary sector behavior than to impose exogenous models.

Once an understanding of indigenous associational life, and its modern incarnation as an NGO becomes common: once the value of NGOs as complements to government and an appreciation of their different comparative advantages is widespread; once an acceptance that most NGOs are value driven, and that self-interested ones are the exception rather than the rule informs the government, then there is a chance of rational dialogue. It is however, understandable that governments have a less than rational approach to organisations that they see being funded by foreign donors while their own funding is being cut. Donors need to spend time and money in working for a better rapprochement between governments and NGOs, in order to avoid an unhealthy and disabling NGO environment.