

The Problems of Globalising NGOs - has anyone seen the moral high ground in Africa recently?

Globalization has meant exporting western models - economic models of the free market, the contract culture, and western ideas of business as being the new salvation of the south. Along with the export of other western models has been the export of western models of NGOs. Donors have announced in Africa (and Northern NGOs have relayed) the message to Southern NGOs that they should:

- be more like businesses if they wish to access the existing funds:
- contract with donors to carry out the donors agenda:
- become more like non-profit contractors to the aid industry
- in effect, become more like Northern NGOs.

Against this background, NGOs of all kinds have also been told that foreign investment will do more to improve peoples lives than NGOs can ever do, and that they should re-think what it is that they have to offer.

The recent crisis in the international markets have shown that a free market ideology operating in an environment of poor governance, corruption, and loose financial controls does not improve poor peoples lives, but, by contrast, seriously harms them. This turn around in the dominant paradigm gives NGOs a welcome break. No longer need they feel irrelevant in a "brave new world" of market forces. They have seen the markets work, and they have seen that they have not worked to the betterment of most people in the poor countries of the world. Free market ideologues are seen to be flawed, and NGOs no longer need feel so brow-beaten.

This gives NGOs a very important chance to look at themselves, re-think their vision and mission and clarify what it is that they have to offer. They need to reflect on their core values, and separate these from the pressure to conform to the new market orthodoxy. Freed from the need to try and imitate business principles and practice, both Northern and Southern NGOs can clarify who they would like to be and what sort of services they would like to offer. This is against a background of the retreat of the State (which is in many places unable to afford basic services to its people), continuing mistrust between Government and NGOs, and increasing realization that providing services is not enough where policies are absent or not implemented, and that corruption has greatly polarized the rich and the poor.

There is a further wrinkle, however, in the re-thinking which African NGOs need to do - this is connected to the expectations that Northern donors (and this includes both Northern bilaterals and the Northern NGOs) have of them. While African NGOs are very welcome to re-think themselves and work out what they have to offer, Northern donors are looking for Southern NGOs which resemble the image that Northern Donors have when they think of NGOs in their own countries. They expect them to be one of two kinds:

a. collections of highly motivated people who have identified work that needs to be done to "improve the circumstances and prospects of disadvantaged people who are unable to realize their potential or achieve their full rights in society". Such people have identified a constituency which "legitimizes" their work, are supported by funding and other resources from sympathetic country men and women who share the organisations values and commitment to action, and whose sustainability is based on their continued ability to carry out tasks to the satisfaction of their local funding base, be it Government, local businesses or the public. This is the "public benefit model"

b. collections of people who all suffer from the same problem or the same difficulty who have decided to act together to overcome that problem. Such people have democratically elected their own governance structures, and been supported by their own resources, or by the resources of sympathisers. This is the "mutual benefit" model.

What NGOs in the South actually have to offer to Northern Donors eager to fund "civil society organisations" is, however, the aid dependent intermediary model "that lack any democratic means of governance and accountability". Such organisations, by and large, have the following characteristics:

1. They are self-identified and self-selected without a democratic means of governance or accountability
2. They do not have a constituency or, if they have one, do not incorporate it into the planning, implementation, and review of its work
3. They are reliant on foreign funding
4. They do not have local support within the country - political, financial, or public
5. In many cases they do not have a tradition or a culture of the kind of organisations that Northern donors understand by the term "NGOs".

The best Southern NGOs have achieved a great deal within this model - they have taken donor funds, spent it wisely to make sustainable improvements in the lives of disadvantaged people, and built sustainable local structures whose strength comes from a new sense of their own power, and a new access to resources. To do this even the best have had to juggle donor funds, think of creative ways to wriggle free from the straitjacket of "projects", and find ways to present themselves to fit donor pre-conceptions or donor models. The best are rarely financially self-reliant, and still completely dependent on foreign funding. Such organisations have to think about their future strategic options - should they contract themselves to government, should they take more of an advocacy role to try and influence public policy, should they become public service contractors for whoever will pay them?

One of the most serious overall problems for those interested in the future of African NGOs, however, is that the number of good NGOs who work as described above, is threatened by the large number of worrying organisations which call themselves "NGOs", but which use the term as a smokescreen for very different activities. One important problem for serious and committed NGOs in Africa is to think how they can adapt themselves to the rapidly changing nature of the world they live in. A problem

that is probably more serious is how to preserve the NGO sector as a group of morally and ethically responsible people in the face of so many who are using it for their own private and selfish ends.

Perceptive Southern NGOs realize that they exist within the nation state - within the same cultures of corruption and crony capitalism that have shown the limitations of economic globalisation. Now is the time for them to clarify their differences - what they are not, and make clear what they are. Their rivals for the betterment of the world, firstly the Government and then the free flow of capital, have been shown to be seriously flawed. What is needed now is to think not just what their individual NGO can do, but what can be done to preserve the values of the NGO sector - reflecting on what is being done in their name, and how this will influence their ability to do what they want to do in the future..

Organisations of civil society, in both the north and south have, until relatively recently, been thought of as occupiers of the moral high ground, as organisations based on moral and worthwhile values - and this contrasted them with organisations based on profit or power from the business or political worlds. People expected Government and Business to be corrupt, to subsume greater national goals to personal advantages, but they had higher hopes of non-profit, non-government organisations which reflected citizens intentions of improving the world. Tribes, Unions, Cooperatives, CBOs, Churches - were seen as peoples organisations which were different and more admirable. NGOs were not part of this however. NGOs were the foreign funded folks who had the smart offices and good salaries.

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, many Pajeros, and many air-conditioned offices. Sadly NGOs have been tempted away from the moral high ground by the money that they have been offered, and by opportunistic people taking advantage of the lack of a clear understanding of what an NGO is - something particularly relevant to those countries coming out of a one party state with no NGO culture left. Now is the time to reflect on those who are corrupting and misrepresenting the NGO culture, and consider what can be done to keep NGOs somewhere near, if not on, the moral high ground, and to keep them a bit closer to reality, informed by the attitudes and opinions of their countrymen, and not by the precious world of international donors.

What I would like to do is look at the characteristics that have been put forward as the qualifying characteristics of NGOs, and then look at the real situation in African NGOs - reflecting both the practices of the best, and the practices of the worst. My contention is that the scope for African NGOs to carry out useful work in the next five years will depend to a large extent on their ability to police their own sector and clean their own house. The pretenders and the charlatans are becoming so prevalent, that the honest and committed people will find their potential support from their own people and foreign donors will be eroded unless they are able to reform the sector. The reform of the sector

will have lessons for even the best, however, as bad practices will encourage debate about what good practices should replace them. Let us take the characteristics mentioned before, one by one:

1. They are self-identified and self-selected without a democratic means of governance or accountability

Legally NGOs register themselves with a variety of legal persona (societies, trusts, companies etc) and, in Africa, usually require a government "licence to operate" as well. With the exception of South Africa, which has seriously thought through the nature of an NGO, none of these legal personae are designed to reflect the kinds of things that NGOs do - there is always a serious mismatch between the legal form, and the type and kind of organisation intended.

In some cases the legal form involves the democratic election of Board members

2. They do not have a constituency or, if they have one, do not incorporate it into the planning, implementation, and review of its work
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If we consider the significant qualifying characteristics of an NGO, we can list them as:

- driven by values that reflect a desire to improve peoples lives
- voluntary (i.e., formed by choice, and involving voluntary contributions of time and money)
- with private and independent governance
- not for profit (i.e., not distributing profit to staff or shareholders)
- for a clearly stated and definable public purpose
- related to a constituency of needy people
- formally constituted in law.

Interestingly in nearly each characteristic we can find an obverse or shadow characteristic. For NGOs to retain or recapture the moral high ground, they need to learn to recognize these shadow characteristics, which often reflect the corrupt practices of the cultures in which they work. Having identified these characteristics they will be able to clarify where the problems are, and what house cleaning is needed.

One of the most common forms of corruption can be found when an NGO's commitment to improve other peoples lives changes to a desire to improve its own. In a global situation of increasing unemployment, NGO wealth has encouraged an increasing

number of people to hawk fraudulent proposals, with the main (though obscured) purpose of personal gain. Such people rarely have a constituency to which they relate.

A second form of corruption occurs when a state, business, political party or donor agency puts forward an organization as an NGO that they, not independent citizens, control. The state does this to gain access to funds available to NGOs but not to governments or to set up a rival to a threatening "real" NGO. Businesses do this when commercial advantages can be gained (e.g., tax concessions) or when criminals seek safe hiding. Political parties do this to gain benefits for politicians or political constituencies. Donor agencies do this when their pressures to disburse funds outpace the available NGOs.

A third form of corruption happens when an NGO creates an income source that ostensibly benefits its public work but then allows a portion to be channeled into the pockets of the board of directors or staff, or when an NGO pays their officers (or provides other benefits) that far exceed the usual rates of compensation. The proportion of income used for the program dwindles as the proportion pocketed by the board or staff increases.

A fourth form of corruption takes place when an NGO becomes a "gun for hire" - a contractor who takes on any job for which funding is provided. Far from having a constituency whose well-being provides the driving force behind the NGO, the NGO does anything for anyone.

In many countries and, particularly in the South, such abuses have meant that public opinion sees NGOs as operators of self-interested scams, putting the onus on NGOs to prove their bona fides. It will take time and effort for NGOs that operate for the public good to prove themselves honest, responsible and accountable. In the past they have failed to spend enough time and energy to educate the public about the work they do, and how they do it.

One way to address corruption is for NGOs to set up self-regulating bodies, the same as doctors, accountants and other professional organizations have done for their professions. Another is for NGOs to advocate for tighter legal and regulatory environments so that checks and balances are built into each country's legal system. A third way to reduce corruption is for those whose money is unbalancing the system to be a good deal more discriminating in deciding to whom their money is given.

It is unfortunate that part of the globalization agenda from the West has meant that its institutions have been promoted as panaceas for Southern problems. Specific Western nations' democratic institutions are trumpeted and displayed - parliaments, ombudsmen, legal systems, local government etc etc. Together with this has come a Western desire to support "civil society" - by which they usually mean non-profit organisations like those they know back home. Southern civil society is pushed to become NGOs of the kind that Northerners are familiar with. If there are no such NGOs in the South to meet these expectations, smart operators quickly provide them. By doing

so, sadly, they ignore the variety of interesting and different aspects of civil society that exist in the South.

Each country, depending on its culture, history and legal structures can provide examples of corrupt, self-interested organizations that call themselves "NGOs," who misrepresent themselves as nongovernmental, nonprofit, value-driven public benefit organizations. Each countries' examples illustrate the variety of ways in which NGOs can become corrupt and the extent to which this has happened. Happily each country also has examples of exemplary NGOs that represent the best that civil society organizations can offer. Responsible organizations of civil society must realize the extent of the problem and seek ways by which NGOs can regain the moral high ground. NGOs no longer have to apologise for being NGOs, or rather for being different from businesses. The free market ideology has shown its own grosser defects. NGOs now need to clean up their own act and make sure that their grosser defects do not sink them.

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