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Nongovernmental Organizations, Definition and History

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Introduction

Non-governmental organizations (NGOs) are now recognized as key third sector actors on the landscapes of development, human rights, humanitarian action, environment, and many other areas of public action, from the post-2004 *tsunami* reconstruction efforts in Indonesia, India, Thailand, and Sri Lanka, to the 2005 *Make Poverty History* campaign for aid and trade reform and developing country debt cancellation. As these two examples illustrate, NGOs are best-known for two different, but often interrelated, types of activity – the delivery of services to people in need, and the organization of policy advocacy, and public campaigns in pursuit of social transformation. NGOs are also active in a wide range of other specialized roles such as democracy building, conflict resolution, human rights work, cultural preservation, environmental activism, policy analysis, research, and information provision. This chapter mainly confines itself to a discussion of NGOs in the international development context, but much of its argument also applies to NGOs more widely.

NGOs have existed in various forms for centuries, but they rose to high prominence in international development and increased their numbers dramatically in the 1980s and 1990s. It is difficult to know precisely how many NGOs there are, because few comprehensive or reliable statistics are kept. Some estimates put the figure at a million organizations, if both formal and informal organizations are included, while the number of registered NGOs receiving international aid is probably closer to "a few hundred thousand." The United Nations estimates that there were about 35,000 large established NGOs in 2000. Nor are there accurate figures available for the amount of resources that NGOs receive from aid, contracts and private donations. In 2004, it was estimated that NGOs were responsible for about $US23 billion of total aid money, or approximately one third of total ODA (Riddell, 2007: 53). *Newsweek* (5 September 2005) cited figures suggesting that official development assistance provided through NGOs had increased from 4.6% in 1995 to 13% in 2004, and that the total aid volume had increased from US$59 to US$78.6 billion in the same period.

The world of NGOs contains a bewildering variety of labels. While the term "NGO" is widely used, there are also many other over-lapping terms used such as "non-profit," "voluntary," and "civil society" organizations. In many cases, the use of different terms does not reflect descriptive or analytical rigour, but is instead a consequence of the different cultures and histories in which thinking about NGOs has emerged. For example, "non-profit organization" is frequently used in the USA, where the market is dominant, and where citizen organizations are rewarded with fiscal benefits if they show that they are not commercial, profit-making entities and work for the public good. In the UK, "voluntary organization" or "charity" is commonly used, following a long tradition of volunteering and voluntary work that has been informed by Christian values and the development of charity law. But charitable status in the UK depends on an NGO being "non-political," so that while Oxfam is allowed the formal status of a registered charity (with its associated tax benefits) because of its humanitarian focus, Amnesty International is not, because its work is seen by the Charity Commission as more directly "political." Finally, the acronym "NGO" tends to be used in relation to international or "developing" country work, since its origin lies in the formation of the United Nations in 1945, when the designation "non-governmental organization" was awarded to certain international non-state organizations that were given consultative status in UN activities.

The work undertaken by NGOs is wide-ranging but NGO roles can be usefully analyzed as having three main components: implementer, catalyst, and partner (Lewis, 2007). The *implementer* role is concerned with the mobilization of resources to provide goods and services to people who need them. Service delivery is carried out by NGOs across a wide range of fields such as healthcare, microfinance, agricultural extension, emergency relief, and human rights. This role has increased as NGOs

have been increasingly "contracted" by governments and donors with governance reform and privatization policies to carry out specific tasks in return for payment; it has also become more prominent as NGOs are increasingly responding to man-made emergencies or natural disasters with humanitarian assistance. The *catalyst* role can be defined as an NGO's ability to inspire, facilitate or contribute to improved thinking and action to promote social transformation. This effort may be directed towards individuals or groups in local communities, or among other actors in development such as government, business or donors. It may include grassroots organizing and group formation, gender and empowerment work, lobbying and advocacy work, and attempts to influence wider policy processes through innovation, and policy entrepreneurship. The role of *partner* reflects the growing trend for NGOs to work with government, donors and the private sector on joint activities, such as providing specific inputs within a broader multiagency program or project, or undertaking socially responsible business initiatives. It also includes activities that take place among NGOs and with communities such as "capacity building" work which seeks to develop and strengthen capabilities. The current policy rhetoric of "partnership" seeks to bring NGOs into mutually beneficial relationships with these other sectors.

Definition

Precise definitions vary as to what constitutes an NGO, and the challenge of analyzing the phenomenon of NGOs remains surprisingly difficult. One reason for this is that NGOs are a diverse group of organizations that defy generalization, ranging from small informal groups to large formal agencies. NGOs play different roles and take different shapes within and across different societies. As a result, "NGO" as an analytical category remains complex and unclear. For example, despite the fact that NGOs are neither run by government, nor driven by the profit motive, there are nevertheless some NGOs that receive high levels of government funding, and others that seek to generate profits to plough back into their work. Boundaries are unclear, and as one might expect from a classification that emphasizes what they are *not* rather than what they *are*, NGOs therefore turn out to be quite difficult to pin down analytically. This has generated complex debates about what is and what is not an NGO, and about the most suitable approaches for analyzing their roles.

In relation to structure, NGOs may be large or small, formal or informal, bureaucratic or flexible. In terms of funding, many are externally-funded, while others depend on locally mobilized resources. While there are many NGOs which receive funds from and form a part of the "development industry" (which consists of the world of bilateral and multilateral aid donors, the United Nations system and the Bretton Woods institutions), there are also NGOs which choose to work *outside* the world of aid as far as possible. One basic distinction common in the literature is that between "Northern NGO" (NNGO) which refers to organizations whose origins lie in the industrialized countries, while "Southern NGO" (SNGO) refers to organizations from the less developed areas of the world. Another key distinction is between membership forms of NGO, such as community-based organizations or people's organizations, and intermediary forms of NGO that work from outside with communities, sometimes termed grassroots support organizations (GSOs). There are also numerous examples of bogus NGOs, such as those established as fronts by government (GONGOs – government-organized NGOs) or "briefcase" NGOs set up by individuals for purely personal gain.

Some NGOs are well-resourced and affluent, while others lead a fragile "hand to mouth" existence, struggling to survive from 1 year to the next. There are NGOs with highly professionalized staff, while others rely heavily on volunteers and supporters. NGOs are driven by a range of motivations and values. There are both secular and "faith-based" organizations. Some NGOs may be charitable and paternalistic, while others seek to pursue radical or "empowerment"-based approaches. Some NGOs aim to meet only people's immediate needs, while others take a longer-term view and seek to develop alternative ideas and approaches to problems. A single NGO might combine several of these different elements at any one time. Morris-Suzuki (2000: 68) notes that "NGOs may pursue change, but they can equally work to maintain existing social and political systems." For example, for radicals who seek to explore alternative visions of development and change, NGOs may be seen as progressive vehicles for change. For conservative thinkers seeking private alternatives to the state, NGOs may be regarded as part of market-based solutions to policy problems. A key point to note here is that NGOs can be seen as a kind of *tabula rasa*, onto which a range of current ideas, expectations, and anxieties about social transformation are projected (Lewis, 2005). It is partly because of this high degree of flexibility of the NGO as an institutional form, and the wide spectrum of different values that NGOs may contain, that the rise to prominence of NGOs since the late 1980s has taken place against the back-drop of the ascendancy of neoliberal policy agendas.

Salamon and Anheier (1992) argued that existing third sector organizational definitions had only limited usefulness because they were not holistic. They were either *legal* (focusing on the type of formal registration and status of organizations in different country contexts), *economic* (in terms of the source of the organization's resources) or *functional* (based on the type of activities it undertakes). Finding such approaches incomplete and partial, they instead constructed a "structural/operational" definition that was derived from a fuller analysis of an organization's observable features. This definition proposed that a third sector organization had the following five key characteristics: it was *formal*, that is, the organization is institutionalized in that it has regular meetings, office bearers and some organizational permanence; it was *private* in that it is institutionally separate from government, though it may receive some support from government; it was *nonprofit distributing*, and if a financial surplus is generated it does not accrue to owners or directors (often termed the "non-distribution constraint"); it was *self-governing* and therefore able to control and manage its own affairs; and finally it was *voluntary*, and even if it does not use volunteer staff as such, there is at least some degree of voluntary participation in the conduct or management of the organization, such as in the form of a voluntary board of directors.

This approach helps to clarify what constitutes an NGO, normally understood as part of the subset of third sector organizations that are primarily engaged in development or humanitarian action at local, national, and international levels. A usefully concise definition is that Au1 used by Vakil (1997: 2060), who – drawing on elements of the structural-operational definition set out above – states that NGOs are "self-governing, private, not-for-profit organizations that are geared to improving the quality of life for disadvantaged people." One can therefore contrast NGOs with other types of "third sector" groups such as trade unions, organizations concerned with arts or sport, and professional associations.

Historical Background

From the late 1980s, NGOs assumed a far greater role in development than previously. NGOs were first discovered and then celebrated by the international donor community as bringing fresh solutions to longstanding development problems characterized by inefficient government to government aid and ineffective development projects. Within the subsequent effort to liberalize economies and "roll back" the state as part of structural adjustment policies, NGOs came also to be seen as a cost-effective alternative to public sector service delivery. In the post-Cold War era the international donor community began to advocate a new policy agenda of "good governance" which saw development outcomes as emerging from a balanced relationship between government, market, and third sector. Within this paradigm, NGOs also came to be seen as part of an emerging "civil society."

The new attention given to NGOs at this time brought large quantities of aid resources, efforts at building the capacity of NGOs to scale up their work, and led ultimately to important changes in mainstream development thinking and practice, including new ideas about participation, empowerment, gender, and a range of people-centered approaches to poverty reduction work. For example, Cernea (1988: 8) argued that NGOs embodied "a philosophy that recognizes the centrality of people in development policies," and that this along with some other factors gave them "comparative advantages" over government. But too much was expected of NGOs, which came to be seen in some quarters as a "quick fix" for development problems. This had led to a backlash against NGOs by the end of the 1990s, when the evidence began to suggest that NGOs had only partially lived up to these unrealistically high expectations. A global shift also took place among development donors towards new ways of working with developing country governments, using mechanisms such as "budget support" and "sector-wide approaches" (Lewis, 2007).

Yet NGOs have a far longer history than this recent resurgence and retreat suggests. Many of the world's best-known NGOs predate the emergence of the development industry. Save the Children Fund (SCF) was founded by Eglantyne Jebb in 1919 after the trauma of the First World War. Oxfam, which was originally known as the Oxford Committee against the Famine, was established in 1942 in order to provide famine relief to victims of the Greek Civil War. CARE began its life sending US food packages to Europe in 1946 after the Second World War.

In fact, NGOs had been active at the international level since the eighteenth century in Western countries, when national level issue-based organizations focused on the abolition of the slave trade and movements for peace. By the start of the twentieth century, there were NGOs associations promoting their identities and agendas at national and international levels. For example, at the World Congress of International Associations in 1910, there were 132 international associations represented, dealing with issues as varied as transportation, intellectual property rights, narcotics control, public health issues, agriculture and the protection of nature, and NGOs

became prominent during the League of Nations after the First World War, active on issues such as labor rights. But from 1935 onwards, the League became less active as growing political tensions in Europe led towards war and NGO participation in international affairs began to fade (Charnovitz, 1997).

In 1945, Article 71 of the UN Charter formalized NGO involvement in UN processes and activities, and some NGOs even contributed to the drafting of the Charter itself. UNESCO and WHO both explicitly provided for NGO involvement in their charters. But NGOs again began to lose influence, hampered by Cold War tensions and by the institutional weakness of the UN Economic and Social Council (ECOSOC). It was not until the 1970s when NGO roles again intensified and they played key roles within a succession of UN conferences from the Stockholm Environment Conference in 1972 to the Rio Environment and Development (UNCED) in 1992, where NGOs were active in both the preparation and the actual conference itself, which approved a series of policy statements relating to the role of NGOs within the UN system in policy and program design, implementation and evaluation.

Key Issues

A first wave of academic literature on NGOs emerged in the 1990s (such as Clark, 1990, Korten, 1991, Fowler, 1997) that was normative and applied rather than primarily analytical in its focus. While such work presented a wide range of case studies of NGOs in action and began to raise important questions about NGO performance and accountability, it was not until the following decade that a second wave of more detailed, theoretically grounded research on NGOs began to become more common within the field of interdisciplinary field of development studies (e.g., Hilhorst, 2003; Igoe & Kelsall, 2005).

As their name implies, NGOs also need to be viewed in the context of the government against which they seek to distinguish themselves. As "non-governmental" organizations, NGOs are conditioned by, and gain much of their legitimacy from, their relationships with government. Clark (1991) suggested that NGOs "can oppose, complement or reform the state but they cannot ignore it." NGOs will always remain dependent for their "room for maneuver" on the type of government which they find themselves dealing with at international, national or local levels. Government attitudes to NGOs vary considerably from place to place, and tend to change with successive regimes. They range from active hostility, in which governments may seek to intervene in the affairs of NGOs, or even to dissolve them (with or without good reason) to periods of active courtship, "partnership," (and sometimes "co-optation") as governments and donors may alternatively seek to incorporate NGOs into policy and intervention processes.

NGOs have received fierce criticism in some quarters. One argument has been about the role NGOs have played in shifting attention away from state institutions towards more privatized – and potentially less accountable – forms of public sector reform (Tvedt, 1998). For these critics, NGOs helped facilitate neoliberal policy change either by participating in *de facto* privatization through the contracting-out of public services, or by taking responsibility for clearing up the mess left by neoliberal policies which disproportionately disadvantaged poor people.

Another area of criticism has in relation to the shortcomings of NGO accountability. For example, Wood (1997) raised concerns about the creation of a "franchise state" in Bangladesh in which key public services were increasingly delegated to foreign-funded NGOs with weak accountability to local citizens. NGOs are also criticized for a tendency to become self-interested actors which impose their own agendas on the people in whose name they act. For example, some argue that NGOs sap the potential of radical groups, by drawing such activity into the safe professionalized and depoliticized world of development practice. For Kaldor (2003), some NGOs represent the end points of "domesticated" social movements that have lost their political edge. In the field of humanitarian action and response, there have also been strong criticisms of NGOs that have failed to live up to expectations in providing assistance in emergency situations, with their critics pointing to a institutional self-interest by individual NGOs, a lack of coordination leading to duplication of effort, limited understanding of local circumstances among international NGOs and a naive approach to the underlying causes of conflict and instability.

Critiques of NGOs are not confined to the "developing" world, nor necessarily to those on the political left. Many US neo-conservatives argued during the 2000s that NGOs were potentially harmful to US foreign policy and business interests. For example, the American Enterprise Institute (AEI), a think-tank close to the Bush administration, made headlines in June 2003 set up an NGO "watchdog" web site which set out to highlight "issues of transparency and accountability in the operations of nongovernmental organizations," seen as organizations that serve to restrict US room for maneuver in foreign policy. Such debates have continued to take place between NGO "supporters" and "critics" partly because of the diversity of cases and contexts, and partly because there is surprisingly little data available relating to the performance and effectiveness of NGOs.

International Perspectives

There is now almost no country of the world where NGOs do not exist or operate, yet their form and values are often strongly rooted in specific contexts. As Carroll (1992: 38) has pointed out, "all NGOs operate within a contextual matrix derived from specific locational and historic circumstances that change over time." The ebb and flow of international NGO activities in the contexts of Western Europe and North America is only part of the story. The diverse origins and influences on the third sector in different parts of the world also need to be considered.

In Latin America, the tradition of peasant movements seeking improved rights to land, and the efforts of political radicals working towards more open democratic societies both fed into the emergence of local NGOs. NGOs were also influenced by the rise of "liberation theology" that signaled a renewed commitment to the poor among some sections of the Catholic Church. In Brazil, Paulo Freire's radical ideas about "education for critical consciousness" and organized community action was influential and inspired many other NGOs around the third world. Alongside these radical influences there were also many highly professionalized careerist organizations in the Latin American NGO community with close relationships with donors and governments (Pearce, 1997).

In Asia, a different set of distinctive factors has influenced the growth of NGOs, such as the influence of Christian missionaries, the growth of reformist middle classes and in India the influential ideas of Mahatma Gandhi, who placed a concept of voluntary action at the center of his vision of change, inspiring organizations such as the Association of Sarva Seva Farms (ASSEFA) seeking to build village level self-reliance. Other areas of NGO activity associated with South Asia, such as credit and savings, have been derived from local self-help traditions, such as rotating credit groups in which households pool resources into a central fund and then take turns in borrowing and repaying. The rise of the Grameen Bank in Bangladesh has been a home-grown solution to problems of poor people's lack of access to credit, helping to spawn a global microfinance movement through its distinctive group-based approach to small-scale lending.

A wealth of local associational third sector activity also underpins many African societies, such as the home-town associations common in countries such as Nigeria. These organizations mediate resources and relationships between local communities and global labor markets and educational opportunities. The well-documented "harambee" self-help movement in Kenya was a system based on kinship and neighborhood ties, and was incorporated by President Kenyatta as part of a modernization campaign to build a new infrastructure after Independence.

In the countries of Eastern Europe and the former Soviet Union, there were dramatic increases in the numbers of NGOs as Western donors began what they termed democracy promotion and civil society development. For example, while Armenia had only 44 registered NGOs in 1994, by 2005 the number had increased to 4,500 organizations. In this context, what constituted an NGO quickly became bound up with these external donor agendas, and the opportunities these presented to local activists and entrepreneurs. This led to a local classification of organizations into three categories: "genuine" NGOs, "grant-eaters" (NGOs set up as a form of corruption that allow unscrupulous individuals to access grants), and "pocket NGOs," front organizations that belong to the government (Ishkanian, 2006).

While NGOs have ended up taking different forms across these many and varied contexts, there are basic common features that remain at the core of people's efforts to organize in the third sector. On the one hand is the need to increase income, secure rights or demand services, and on the other, to avail of new opportunities that appear in the form of links with outside organizations and resources, exposure to new ideas, and political change which opens up new organizing spaces.

Future Directions

The dominant view of NGOs as heroic organizations seeking to "do good" in difficult circumstances has rightly become tempered in the new millennium as their novelty has worn off. The idea of NGOs as a straightforward "magic bullet" that would solve longstanding development problems has also now passed (Hulme & Edwards, 1997). Au3
For Bebbington et al. (2008), the strength of development NGOs remains their potential role in constructing and demonstrating "alternatives" to the status quo, which remains a pressing need:

> ► In being "not governmental" they constitute vehicles for people to participate in development and social change in ways that would not be possible through government programmes. In being "not governmental" they constitute a "space" in which it is possible to think about development and social change in ways that would not be likely through government programmes.

The relationship of NGOs to social transformation therefore takes many forms. For some, NGOs are useful actors because they can provide cost-effective services in flexible ways, while for others they are campaigners fighting for

change or generating new ideas and approaches to development problems.

The fact that NGOs have now become the focus of criticism from many different political perspectives is both a reflection of the wide diversity of NGO types and roles that exist, and of their increasing power and importance in the twenty-first century. The large volume of resources that they receive combined with the fact that NGOs receive a higher level of public exposure and scrutiny than ever before, speaks to their continuing importance. Perhaps there is now a more realistic view among policy makers about what NGOs can and cannot achieve.

Cross-References

- ▶ Accountability
- ▶ Democratization (civil society role in)
- ▶ Effectiveness and efficiency
- ▶ Grassroots associations
- ▶ Global civil society
- ▶ Lobbying
- ▶ NGOs and humanitarian assistance
- ▶ NGOs and international relations, UN
- ▶ NGOs and socioeconomic development
- ▶ Partnerships
- ▶ State–civil society relations

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