

Can NGOs Make a Difference?

The Challenge of Development Alternatives

**edited by Anthony J. Bebbington,
Samuel Hickey and Diana C. Mitlin**

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ZED BOOKS
London & New York

Can NGOs Make a Difference? The Challenge of Development Alternatives was first published in 2008 by Zed Books Ltd, 7 Cynthia Street, London N1 9JF, UK and Room 400, 175 Fifth Avenue, New York, NY 10010, USA
www.zedbooks.co.uk

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Designed and typeset in Monotype Bembo
by illuminati, Grosmont, www.illuminatibooks.co.uk
Cover designed by Andrew Corbett
Printed and bound in Malta
by Gutenberg Press Ltd, www.gutenberg.com

Distributed in the USA exclusively by Palgrave Macmillan,
175 Fifth Avenue, New York, NY 10010, USA

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A catalogue record for this book is available from the British Library
Library of Congress Cataloguing in Publication Data available

ISBN 978 1 84277 892 0 hb

ISBN 978 1 84277 893 7 pb

Printed and bound in Great Britain by Biddles Ltd, King's Lynn, Norfolk

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PART V

Taking Stock and Thinking Forward

Reflections on NGOs and Development:
The Elephant, the Dinosaur, Several Tigers
but No Owl

David Hulme

One of the pleasures of being a (slightly) ageing academic is to see the work that one has done in the past revisited by younger colleagues.¹ Whether they build on your work, or point to its fundamental weaknesses, this is much better than it simply disappearing. One of the downsides of this pleasure is the realization that the concepts and ideas that one used earlier have both evolved and multiplied and, perhaps, become even more amorphous. In this short chapter I make no attempt to explore such theoretical advances. This task has already been admirably and concisely achieved in the introductory chapter to this volume. Another downside is that the empirical research base on which to test ideas has expanded so much that I am unable to master the rich resource it provides. The chapters in this volume, the larger number of papers at the 2005 Conference and the wider literature are only drawn on to a very limited degree in this chapter. In effect I am ‘shooting from the hip’ – though given the lowly standing of cowboy metaphors since George W. Bush came to office, I need to be careful about such an analogy.

One of the valuable points made in the Introduction and in other chapters in this volume is to recognize the fluidity of analytical boundaries and to avoid taking analytical bifurcations too strictly (Chhotray, this volume). Defining NGOs and precisely separating them from social movements may be less important than exploring the relationships between entities that seem to have NGO or social-movement characteristics. Rather than judging whether an NGO has contributed to development (the broad set of processes underlying capitalist development) or to Development (the subset of consciously identified interventions aimed at the ‘third world’) it may be more useful to look at the relationship between an NGO’s actions

on its 'little d' and 'big D' impacts. I shall strive for clarity in this chapter but recognize that ambiguity is an inevitable component of interpreting the role of NGOs in developmental processes.

I should also point out here that I have 'changed my spots' over the years. My recent work has focused much more on poverty, and especially the poorest (CPRC, 2004; Hulme and Shepherd, 2003), than it did in the 1990s and my concerns about NGOs undermining processes of public sector reform and state formation have reduced. For example, the concerns I had about BRAC substituting for the state in Bangladesh have evaporated. BRAC provides services that ideally I think the state should provide (primary education and basic health services) as well as services the private sector should provide (cash transmission and ISP services). However, I do not believe it is 'crowding out' the state or the market: there is plenty of unmet demand for such services if the public and/or private sectors in Bangladesh get their acts together. And the ideas, systems and staff of BRAC are resources on which the state and private sector can draw in the future. The question asked at the 1991 conference related to how NGOs can progress from their small islands of success to having an impact on the systemic pressures that cause and reinforce poverty, has been answered, at least in part (Edwards and Hulme, 1992: 7).

While there is little evidence that NGOs have made a profound difference, I take heart in some of the developments that have occurred since the early 1990s (see also Edwards, this volume). In 1992 BOND (British Overseas NGOs for Development) was a vague idea floating around the first Manchester conference. Today it is a functioning organization that, as part of its remit, helps small and medium-sized UK NGOs engage in lobbying and advocacy work and have a better grasp of the wider environment they are engaging. It may provide them with advice about applying for EU grants to deliver services, but it also helps to explain to them why the EU is such a weak donor.

Also, I take heart in the fact that economists, and particularly economists that are neoliberal or inclined in that direction, wish to devote time and energy to criticizing NGO advocacy. Deepak Lal (2004) devoted an entire chapter of a recent book to the NGO scourge, and Paul Collier has proposed setting up an annual award for the NGO that advocates the 'worst policies' for African countries (i.e. policies that challenge economic liberalization and/or an export orientation). If NGOs have registered with heavyweight economists of the right and centre-right they must be doing something worthwhile. Back in 1992 virtually all (maybe 'all') serious development economists could ignore NGOs, as NGOs were merely 'social development'.

NGOs, Neoliberalism and Development Alternatives

While many of the chapters in this volume explicitly or implicitly indicate that over the last fifteen years NGOs have failed in relation to their promoting an alternative to the neoliberalism that seized control of Development in theory, policy and practice in the 1980s, I have a slightly different view. I believe that by the late 1990s full-blooded neoliberalism was vanquished as the global public policy prescription for all developing and transitional countries. Around that time policy shifted to a hybrid position (Bazan et al., this volume) or a post-Washington Consensus (Fine, 2001) or a Third Way (Giddens, 1998). No longer were the crude prescriptions of whole-hearted neoliberalism – minimize the state, transfer as many roles as possible to the private sector as quickly as possible, go for export-oriented growth whatever the consequences – dominant in discourse or practice. The hybrid was not a concise counter-narrative or a clear alternative to neoliberalism but a broad church that moderated the neoliberal fundamentalism of Development, and gradually impacted on development. It confirmed that economic growth was necessary to improve the lives of the poor, non-poor and rich; it believed that globalization was positive for human well-being in aggregate, but that it needed managing to offset its negative consequences; it recognized a significant developmental role for the state as well as the private sector; and it affirmed that human rights and participation were desirable, although it avoided pushing this issue when it encountered significant opposition (as with China).

This hybrid was highly plastic – while many key actors could agree in their discourse that a hybrid model was most appropriate, the prescriptions varied widely. On the right, the emphasis remained on the primacy of the private sector and growth; poverty was recognized as a concern (but not inequality); education and health were important (but in instrumental terms as raising human capital and productivity); environmental problems could be managed through technological advances; and social policy was acceptable but from a residualist perspective. Those to the left of centre highlighted human rights and/or human development as the starting point. While they agreed that growth was essential and that the private sector had a major role, they sought to reduce inequality as well as poverty; viewed access to education and health services as a right; believed that moderating consumption was an essential component of environmental policy; and saw a major role for publicly financed social policy. At the extremes, outside of the hybrid consensus, were powerful actors in the USA and the IMF on one side, and anti-globalists and eco-warriors on the other.

What role did NGOs, and particularly development NGOs, play in this shift? I say 'shift' because this hybrid has in practice yielded a moderated

neoliberal strategy for development and not a clear alternative. It is hard to judge, but the answer probably has to be 'relatively little'. Other factors and actors were much more important. To a very high degree, full-blooded neoliberalism undermined itself by its outcomes, most obviously in the former Soviet Union. The short, sharp shock that neoliberals predicted as the states of the FSU 'took the medicine' yielded a chronic, comprehensive collapse in economic growth, material living standards, life expectancy, educational quality and security. Self-evidently the pure neoliberal model did not work. Alongside this, rich-country practitioners such as the UK decided to move to a hybrid model and abandon neoliberalism. The intellectual inputs that supported the shift focused on human rights (and their reaffirmation in Vienna in 1993) and the conversion of Sen's concepts of endowments, entitlements and capabilities into the more comprehensible idea of human development. UN agencies played important roles in this (UNDP with the *Human Development Report* and UNICEF with its reactivation of UN global summits and conferences), as did social movements, especially the women's and environmental movements. Many NGOs provided support for these more powerful actors – propagating UN messages and occasionally playing more significant roles (for example, the International Coalition on Women's Health, and many others, in advancing the agenda for reproductive and sexual health).

If one were to take a more critical look – as much at academics researching NGOs as at NGOs themselves – then two key omissions in the 1980s and 1990s need highlighting. The first was the neglect of analysing and challenging those who would gain control of both discourse and practice in development. NGOs focused on publicizing and mitigating the consequences of neoliberalism in the developing world and launched attacks on the World Bank and IMF and sometimes the G7 and the USA. However, development NGOs failed to stand back and look at some key players in the underlying processes – as did researchers on NGOs (*mea culpa*). In the UK, development NGOs criticized what Margaret Thatcher was doing with British aid, and international development policy more broadly, but failed to examine the way in which neoliberal think-tanks, and particularly the Institute of Economic Affairs (IEA), had shaped and were shaping conservative thinking. International development was only a minor issue for the IEA – it was focused on development and not Development – but the ideas and prescriptions of this small cabal swept away the ideas and criticisms of the UK's development NGOs. They could carp and criticize, but could not provide a concise and coherent narrative of an alternative.

This was not just a UK phenomenon: the omission spread across to the USA (the G1 as John Clark has accurately described it in the early twenty-first century) where think-tanks that were not mentioned at the Manchester and Birmingham conferences of the 1990s – the American

Enterprise Institute, Hudson Institute, Cato Institute, Heritage Foundation and others – had made significant contributions to ensuring that the GI was, at best, ambivalent to the goals of poverty reduction or social development in developing countries. Even after 9/11, US political parties and public opinion were so well conditioned that there was no serious thought given to a ‘soft power’ (Nye, 2004) strategy to strengthen US security – such as taking a leadership role in global poverty reduction or the MDGs to counter the continual global rise in anti-Americanism.

This takes me to the second omission – the failure of developmental NGOs outside of the USA, but also probably in the USA, to fully examine the ways in which American civil society and media understand and relate to the problems of poorer people and the developing world. The task of shaping development discourse, policy and practice in developing countries was not matched by understanding and seeking to re-shape the way that US citizens and the US media deal with these issues. At a general level, NGOs outside the USA (and probably within the USA) might be able to criticize US government and civil society policies and positions, but they failed to move beyond criticism to try and work out how, as a long-term project, they might contribute to reshaping US public attitudes about poverty and social problems in the developing world. More concretely, when US environmental NGOs were able to seize policy agendas and block off World Bank investments that might foster growth and poverty reduction (Mallaby, 2004), development NGOs could gasp at the influence of such minorities but could not mount an effective challenge to the eco-imperialism promoted by such groups.

These omissions generate very difficult questions. How might a domestic constituency be built up in the USA to support the forms of ‘moral vision’ for international development that have evolved in Scandinavia, the Netherlands and, most recently, the UK? What can be done to make the US media less negative about the struggles of poor people and poor countries and more honest about the US role in such problems? Even, what can be done to reduce the isolation of the US population and help them engage more in a global civil society? Developmental NGOs can only be a component part of tackling these big questions, but surely this must be a significant part of the future task? ... which takes me to looking into the crystal ball, to the future.

The Elephant, the Dinosaur, Several Tigers but No Owl

So, what can we learn from the condensed and highly oversimplified account I have provided? Building on Mike Edwards’s ‘elephant in the room’, I shall provide an expanded menagerie of issues that I think are staring NGOs

in the face. First, I have to confirm the elephant. NGOs have been slow to take up the innovative approaches to accountability and strengthened legitimacy that were discussed in earlier conferences and in Edwards and Hulme (1995) and Hulme and Edwards (1997), or to change their relationships and escape the aid chain. The renewed availability of aid, the recent rise of mega-philanthropy and, in some cases, more effective marketing and fundraising, have allowed many NGOs to drift on ameliorating social conditions in many poor countries but avoiding genuinely strategic thinking (see Chapter 1).

But there is also a dinosaur in the room – the USA. With the wisdom of hindsight it is clear that a component of all NGO strategic analyses in the future should pose the question, ‘can we do anything to help reshape US public opinion, the content of the US media and (even) the nature of the US media?’ The answer will often be ‘no’ but for some NGOs there may be new strategies for experimentation. Could Comic Relief assist its UK comics to meet up with US comics? Not to get them to ask the US public for money, but to encourage them to seek out air-time (on private and public television and radio) to get a message across to US citizens about the need to engage with Development and development. Could the Christian NGOs in Europe, and their many church-based groups, link or ‘twin’ with Christian NGOs and church groups in the USA to foster a less isolationist, conservative viewpoint? Could Latin American NGOs find ways of mobilizing the USA’s vast Latino population to challenge the conservative orthodoxy and moral vision in US public attitudes, and convert that into pressures on US congressmen? Surely there must be some possible means of trying to integrate more US citizens into an emerging global civil society.

And then there are the ‘tigers in the room’. I use this to refer to the emerging economic superpowers of China, India, Russia and Brazil (or the BRICs, as bankers call them). In the future they will be big players in the world economy, with Chinese and/or Indian GNP likely to overtake US GDP mid-century, and by choice or default will take on roles in both Development and development. China is already beginning to play a major role in Africa and Central Asia from what political scientists would describe as a ‘realist’ position – strict national self-interest. India is moving into Development with the establishment in 2007 of the Indian International Development Cooperation Agency (IIDCA). It also seems to be adopting a ‘realist’ stance, with 99 per cent of Indian aid going to South Asian neighbours and being tied, but there may be the possibility of refocusing this. In the long term one might imagine the creation of a domestic constituency in India for a more progressive engagement with ‘little d’ development (Hulme, 2007). Russia appears to be solidly ‘realist’,

given its stance to both rich and poor nations. As for Brazil, I must confess my ignorance, while noting that political trends in Latin America appear to have a distinct autonomy from the rest of the world with their shift to the left and talk of 'socialism'. Any serious development NGO should be revising its strategy to ask what it could do to help contribute to at least one of the BRICs seeking to be not merely an economic superpower but also a social superpower.

Last, but not necessarily least, is the owl – the missing faunal component of my menagerie of future opportunities for development alternatives. I use the owl as a metaphor for wisdom, and by that I refer to what has been missing from the contemporary environment in which NGOs operate. More precisely I am referring to a theoretical body of knowledge that can be stripped down into a persuasive policy narrative. The neoliberal hegemony of the 1980s and (at least) early 1990s was partially founded on its capacity to claim deep intellectual roots (Hayek and Friedman) to colonize the discipline of economics, and perhaps other social sciences, with rational-choice frameworks and to produce a simple policy narrative that could be repeated by the cognoscenti and the less erudite – 'private good, public bad'! The theoretical alternative of socialism and associated policy narratives waned from the late 1970s onwards with the ascendancy of neoliberal thought. It was further marginalized in the late 1980s with the collapse of the Soviet Union – argued by those on the right to be the concluding, empirical proof that socialism could never work – and the 'success' of globalization in the 1990s through economic growth and poverty reduction (if you select the 'right' datasets and turn a blind eye to Africa and the former Soviet Union).

The main theoretical alternative that has risen is Nobel prize-winning Amartya Sen's capabilities theory, and the associated policy narrative of human development. This has helped to shift Development and, to a much smaller degree, development from full-blooded neoliberalism. However, it has not created the intellectual apparatus sufficient to launch a 'development alternative' that could vanquish, rather than simply challenge, neoliberally oriented analyses and narratives. While Sen is feted in Europe, Asia and elsewhere, his theory has made only limited progress in the USA outside of its north-eastern homeland. In the absence of a global, alternative intellectual and ideological 'breakthrough' to match neoliberalism in the late 1970s and early 1980s, NGOs will have to continue their struggle with tools at hand – human rights, capabilities and human development. Other 'new' concepts, most obviously social capital in the 1990s, will need to be treated with caution as they are double-edged swords that might help or hinder the search for the intellectual high ground of a development alternative.

Conclusion

To summarize – over the last fifteen to twenty years a clearly demarcated ‘development alternative’ to neoliberalism has not emerged. This is not necessarily a failure of progressive NGOs, however, but a broader failure of the global, intellectual community opposed to neoliberalism to develop a theoretical body of knowledge and an associated policy narrative that could vanquish neoliberalism. Capabilities, human development and human rights have mounted a challenge that have, however, shifted discourse and subsequently policy and practice to a more ‘hybrid’ theoretical basis. The lessons that I take from this potted history, and the papers in this volume are fourfold:

1. Following Mike Edwards’s introduction, NGOs must be encouraged to move out of the ‘comfort zone’ provided by expanded foreign aid flows, to think about the relationships they forge – ‘the elephant in the room’.
2. NGOs in both South and North need to strategize about how they might contribute to reshaping US public opinion and the media so that ‘the dinosaur in the room’ might become less socially isolated and narrowly self-interested. This might be individually, as coalitions of NGOs or, more effectively, as networks of NGOs, social movements and perhaps even faiths.
3. NGOs need to think long term about the emerging economic super-powers of China, India, Russia and Brazil. Can they help promote the evolution of domestic constituencies in these ‘tigers’ that have entered the room that will engage in a progressive fashion with Development and global development?
4. Finally, we await the creation of a theoretical body of knowledge that can underpin a full-blooded development alternative. We might gain ideas about how this might be fostered by reading the accounts of those who claim to have strategized for the ascendancy of neoliberalism (Blundell, 2007). Alternatively, a different path that is less elitist, less Eurocentric, and not financed by profits from battery hens may be required.

Whatever, progressive NGOs need to struggle on, resist the temptation to strategize only about Development and aid, and listen for the owl to start hooting.

Note

1. Many thanks to Sam Hickey, Diana Mitlin and Tony Bebbington for encouraging me, and supporting me, in the writing of this chapter. Thanks to Karen Moore for advice and research assistance.

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