The Role of NGOs in Development Cooperation

Some Notes on Empirical Research Findings

There has been an impressive proliferation of non-governmental organizations in development cooperation in the last two decades. The main reason for this has been the belief – among both experts and the public at large – that NGOs have a number of advantages over the state sector when it comes to aid efficiency. The following article examines these apparent advantages and concludes that NGOs are often not nearly as effective in practice as the theory purports.

In response to the poor performance of state-centred development models and to the spreading phenomenon of aid-pessimism, development policy institutions now find themselves under increasing pressure to present strategies and programmes which offer some prospect of success. The main measure of such success is whether or not support measures manage to reach poor sections of the population, to strengthen their capacity to help themselves and hence to improve their living conditions not just sporadically but on a sustained basis. In the wake of reform efforts, then, the instruments of development policy have been undergoing a radical review in recent years, in terms of their objectives, the measures taken and the cooperating partners used.

Whereas the prevailing view for decades was that modernization processes needed to be induced and guided from above – i.e. by governments – the neo-liberal approach which is now visibly in the ascendancy assumes that development can only be self-sustaining if it comes from below, from the grass roots of society itself. The practical consequence of this shift is that the role of third world states is being trimmed back to the basic tasks of creating an adequate framework for development in terms of law and order, an efficient administration and sound macroeconomic management, and of catering for social welfare, with particularly pronounced cutbacks occurring in the overblown economic interventionism practised by many governments. At the same time, the role of the private sector is being enhanced, i.e. the role both of private businesses and of non-governmental organizations (NGOs), making up what is also known as the third sector. NGOs in particular would appear to suggest themselves as an alternative way forward for aid which has the intent of allowing increasing socio-economic and political participation by broad sections of the population in processes of decision-making and income and wealth distribution.

No universally accepted definition of a non-governmental organization or precise delimitation from other organizational forms has yet become established. The category currently includes anything from grass-roots initiatives with just a few members via self-help promotion organizations, farmers’ associations, cooperatives, civil rights movements, more or less elitist civic clubs, academic think-tanks all the way across the spectrum to donor organizations from industrial countries which may have budgets running into hundreds of millions of dollars. All the “NGO” catch-all tag says about an organization is precisely that it is “non-governmental”, but that does not give any indication of the characteristics which give it its real identity. In spite of differing definitional approaches, the NGOs operating in the development field do nevertheless have one common denominator, namely that their chief purpose consists in enabling poor population groups to meet their “basic needs” (food, clean water, housing, clothing and the provision of basic social services) plus their politico-cultural “basic human needs” (respect for human dignity and human rights, conservation of the ecological habitat, education, political participation, cultural identity) on a higher level than has previously been the case. Such improvements may be achieved by way of people’s organizations (POs), via external support given by intermediary NGOs in the developing countries concerned (which can be grouped together with the POs to
be defined as the southern NGOs), or via support provided by the northern NGOs in the industrial countries, which also carry out an intermediary function. Indeed, all of these organizations mediate in a number of different ways, acting as a bridge between donors and the ultimate target groups of development aid, while also conducting liaison on the political stage, whether between the state and society at large, between different social groups or else, at an international level, between different societies altogether.

**The Mushrooming of Southern NGOs**

The amount of attention now being paid to the NGO phenomenon primarily reflects the rapid growth in the foundation of new organizations which, commencing in the 1970s but becoming more intense in the 1980s, has now embraced most developing countries with the exception of certain socialist countries (e.g. the People's Republic of China, North Korea) and of the Arabian region. In Latin America and in South and South-East Asia in particular, NGOs have multiplied at a tremendous pace, many countries showing growth rates of 200% to 400% within just three to four years. In Africa, where there are several tens of thousands of self-help groups of a mainly traditional character, indigenous NGOs fulfilling intermediary functions have been relatively late in forming. They are still relatively few in number today, and they hold less autonomous positions relative to national governments and foreign donors than is the case in many Asian or Latin American countries. Nevertheless, even the African countries have begun to experience considerable NGO growth in recent years, and it has reached almost explosive proportions in some of them such as Zimbabwe or Kenya. According to estimates made by the Club of Rome, in the mid-1980s approximately 100 million people around the world were involved in some way with the work done by NGOs, of whom 60 million live in South and South-East Asia alone.2

The impressive proliferation of NGOs is chiefly a reaction to the continuing lack of economic growth in many countries, to the resulting mass poverty and to the inability of governmental decision-makers to provide satisfactory answers to the major questions of social survival. This has been added to in many places by political causes such as the suppression of ethnic or religious minorities, the systematic disregard of human and civil rights, and the obstruction and banning of opposition parties, which have forced many reforming intellectuals to seek alternative forms of social protest and political participation.

Another quite substantial factor contributing to NGO growth has been the considerable broadening of social involvement by religious organizations, especially Christian churches. Influenced by the reformed social doctrines following the 2nd Vatican Council (1962-1965) and by liberation theology, Catholic institutions in particular have acted as a focal point for NGO movements in many countries, and have undergone a transformation from defenders of the status quo into protagonists of social change and opponents of authoritarian regimes.

In addition to these internal factors, a major portion of the accelerated development of the "third sector" may also be attributed to "supply-led" growth as various sections of the intelligentsia in developing countries have responded flexibly to expansion in the North-South flow of aid. The NGO sector has opened up opportunities for some of the middle classes with academic backgrounds, especially in the social sciences, to develop new job opportunities over and above the insufficient demand created by the state and the private sector by setting up organizational structures of their own. While the aid supplied by Northern NGOs (from OECD countries) was approximately $1.9 billion in 1976, by 1988 the total had reached $6.5 billion, or approximately 12% of all development aid.3 This increase in private-sector assistance was generated both by an increase in the funds and donations received from Northern NGOs and, more importantly, by above-average growth in government cofinancing of private-sector development projects, in which about a third of Northern NGO support funds was involved in the 1980s. An additional funding source for Southern NGOs which increased rapidly in its significance in the last decade was direct support from bilateral and multilateral donors which were seeking closer contact to the grass roots and greater emphasis upon promoting self-help when allocating their financial backing.

**Intermediary Organisations**

One of the key features of the boom in newly founded organizations has been an extraordinary rate of growth in intermediary service organizations. These include ecclesiastical establishments, umbrella organizations for farmers and cooperatives, academic sponsoring institutions, or organizations run by the private business sector which provide various forms of services to poor sections of the population, though the officials and employees working for such organizations will normally belong to other social groups. The organizations are frequently founded by leading personalities with a strong

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1 K. S i n a g a : An Assessment of the Role and Development of NGOs in Indonesia: Aiding Poor People's Movements or Becoming the 'Long Arm' of the Powerful?, Bielefeld 1993, p. 2.
3 OECD: Development Cooperation, Paris, various years.