

A Wave of Change: How Irish NGOs Will Sink Or Swim

A Discussion Paper on the Future roles and relevance of Ireland's Development NGOs

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DRAFT 1



This document outlines a range of challenges facing Irish Development NGOs. It builds on a 2006 Dóchas paper on NGO accountability which identified the issues, challenges and lessons relevant to members. The discussion presented here specifically focuses on how accountability issues may influence the future role and relevance of Irish development NGOs.

The core tenet of this paper is that, in a context where the independence, the integrity, the credibility and the relevance of Development NGOs are being called into question, NGOs need to be accountable in ways that go beyond the formal accountability to donors.

Dóchas has argued that its member organisations will need to enhance their accountability to all their stakeholders, to maximise their own learning. NGOs should be accountable, not because they *have to*, but because *they want to*. By seeking active comment and involvement from a range of people and organisations that have an interest in their work, Development NGOs can invite the expertise and mindsets required to meet the many new challenges to their role and relevance.

This paper outlines a number of those challenges. It tries to summarise these challenges and present them according to their origin. In our view, the work of Development NGOs is facing new challenges from donors, staff, general public, partners and beneficiaries alike.

1. Rising levels of aid

Aid is increasing, but patterns for NGOs are changing, potentially squeezing out the small NGOs and putting pressure on big NGOs to conform to donor priorities.

Irish official development assistance has increased rapidly in recent years and will double over the period until 2012, by which time Ireland is set to achieve the 0.7% ODA/GNP target. By extension, it is reasonable to assume that vast amounts of Irish aid money will continue to be spent through Irish Development NGOs.



Even though aid levels can be expected to continue to rise, there are changing patterns in its allocations. Proportionally more Irish aid is now given directly to developing country governments and to multilateral agencies. Furthermore, aid donors are increasingly prioritising funding for high visibility emergencies, and large-scale programmes. In the UK, for instance, DFID has increased funding through large grants and large NGOs, squeezing out some of the smaller NGOs.

NGOs are being asked to improve their accountability to funders, and to demonstrate that they are having tangible impact.

International NGOs played an important role in promoting the understanding of Development as the fulfilment of human rights, and not just the meeting of basic needs. However, at the same time as NGOs were highlighting the need for policy reform, they were also advocating for more aid. Ironically, the resulting pressure on governments to spend the additional aid moneys has at times caused the funding of initiatives that run counter to a rights-based approach to development.

The larger aid flows have also produced other challenges, related not least to greater political and media awareness. There is more scrutiny of how funds are used and this in turn is fuelling the demand on NGOs to be accountable 'upwards' to donors. The pressure on NGOs to adopt professional standards is increasing rapidly as a result, as is the demand for measurable indicators of impact. In the quest for 'value for money', NGOs are being asked to engage in measurable activities only.

As donors are working to improve the efficiency of their aid mechanisms, the pressure on NGOs to conform to donor agendas will increase.

With increased NGO dependency on governmental donors, the potential for NGOs to challenge any changes in donor priorities will diminish. With the tighter control of NGO funding, donors have effectively driven NGOs into a system that emphasises quantitative approaches to development work, with a heavy emphasis on financial and report-based

accountability. As a result, NGO innovation may become a rare phenomenon, and NGO performance may be measured in terms of compliance with donor priorities, not their responsiveness to the needs of their beneficiaries and partners.

The reasons why donors are supporting NGOs have changed, and may reduce NGOs to roles that are useful to donors.

Increasing levels of NGO funding from donor governments risks dependency, at the same time that the standardised policy towards poverty reduction threatens cooptation: Donors that work within the 'new aid architecture' see two potential roles for NGOs: sub-contracted service providers, or providers of the service of 'accountability'. In the latter role they are either external monitors, or work to stimulate demand among poor people for effective services¹. The two different roles of watchdog and contractor are rarely compatible in practice. Claims that local CSOs can hold their government to account and create a 'demand side' to ensure efficient service delivery look tenuous. The contradiction is particularly acute in contexts of widespread corruption and a lack of 'political space' for civil society.

Dóchas Breakfast Seminar 1 The Aid Effectiveness Agenda

In 2005, major aid donors agreed a set of principles to improve the management of aid. Some of the wealthiest and poorest countries of the world have signed up to fifty commitments to do aid better. Their plans for new mechanisms for monitoring and division of labour are set to have a profound impact on donors' attitudes to NGO work.

By scaling up their work, NGOs can become victims of their own success.

As we have passed the half-way point for the Millennium Development Goals, it is clear that current aid efforts will not suffice to achieve them by the 2015 target date. There is consequently pressure on NGOs to scale-up some of their activities in order to help meet the MDG agenda. In spite of concerns they may have regarding the relevance or appropriateness of the MDG agenda many NGOs have thus been co-opted into working exclusively towards its attainment.

The scaling up that this requires can itself also cause problems. NGOs can become afflicted with what has been termed 'tunnel vision': "Generally, they have limited capacity for large-scale endeavours, and as they grow, the need to sustain growing budgets can compromise the independence of mind that is their greatest asset."²

2. Partnership and participation

As NGOs have included advocacy and campaigns work in their 'raison d'être', they will have to find new ways of engaging with their Southern partners.

Rising levels of aid have also created expectations and frustrations in developing countries. As NGOs are moving away from supply-driven aid flows to demand-driven accountable aid, there is a substantial risk that international NGOs come to be perceived by their partners to focus on nebulous process-oriented activities, while the expectations are for more immediate improvement in living conditions.

Making the links between the micro- and macro- level advocacy activities and between service delivery and advocacy work is difficult. As the longer term impacts of advocacy work are not well understood or explained, or without tangible deliverables, Development NGOs are

¹ S. Lister, 'The Future of International NGOs; New Challenges in a Changing World Order', a paper for BOND's NGO Futures programme, April 2004.

² J.T. Mathews, 'Power Shift', Foreign Affairs, January/February 1997

opening themselves up to the criticism of pursuing their own agendas, and imposing them on their partners.

Although many NGOs work in ‘partnership’ with organisations in the global South, very few have clearly defined what that means.

Greater awareness in developing countries of the activities of international NGOs has been facilitated by new forms of connectedness through new social movements, the media and the internet. NGOs often present a different image to their beneficiaries and partners in developing countries than that presented to the public or to donors through reporting mechanisms. Frustrations on the ground with the methods and impact of NGO interventions have at times led partners, clients and beneficiaries to question the value of International NGOs and to become cynical about partnership and participation.

Partnership and participation have long been championed by international NGOs as the tools of a rights based approach to development. However, NGOs have been attacked for having unequal partnerships in practice, with little input from below on organisational decision-making and limited transparency downwards. At times, participation has been seen as another administrative ‘hoop’ for Southern NGOs to jump through in order to secure NGO funding, rather than a way of promoting democratic and equal decision-making. In that context, Southern NGOs wonder if their views have the same impact on their European ‘partners’ as those of donor governments.

Dóchas Breakfast Seminar 3
Between professionalisation and popular mobilisation

At the third seminar, Dóchas members will consider the tension between Development NGOs’ need for control (managing ever greater budgets and accounting to donors) and innovation (responding flexibly to the needs and opinions of the communities and organisations that they are trying to serve). NGOs must consider the dangers of acting like ‘experts’ and technicians, at the cost of their role as supporters of Southern partners.

Significant challenges still face NGOs attempting to respond to the concept of partnership and participation. Some Northern NGOs continue to be operational on the ground, and even where they work through ‘partners’, there is little real evidence that Northern NGOs are handing over local-level activities to Southern groups³. Participatory approaches are often used as a tool to involve communities in NGO-driven agendas: few NGOs have developed structures that respond to grassroots demands. Although NGOs talk constantly of ‘partnership’, control over funds and decision-making remains highly-unequal, and methods of partnering remain ill-defined.

3. Greater public awareness

Overall, the Irish public continues to support the work of Development NGOs. But this support can no longer be taken for granted, as uncertainty about impact undermines NGO credibility in the public’s eyes.

Research by Dóchas showed that in 2006, its member organisations were supported by over 850,000 individual sponsors and volunteers. Over the years, this support has continued to grow, and the public has responded very positively to NGO campaigns and mobilisation efforts.

Thanks to development education, advocacy campaigns and increased media scrutiny the Irish public is now better informed about development issues. The debate on aid has become deeper, more complex and more nuanced with a focus on equality, justice and rights.

³ Edwards, Hulme & Wallace, ‘NGOs In A Global Future: Marrying Local Delivery to Worldwide Leverage’, Conference background paper, Birmingham 1999. Posted on www.gdrc.org/ngo

At the same time, uncertainty about the impact of the work of NGOs after so many years of funding has led to growing scepticism about the credibility of NGOs and they are no longer necessarily seen as positive forces. As NGO roles have evolved, so have NGO mission statements: instead of the charity approach's 'relief of poverty', NGOs now seek to promote development processes and social justice – Big and intangible objectives, which are hard to measure.

The public wants NGOs to engage in practical activities, and NGOs have been unable to communicate the complexities of their actual remits.

"Development" has proved too abstract a concept to communicate to supporters, being both dull and complex. Some commentators and development workers blame NGO communications strategies for this, since NGOs often fail to engage the public beyond an emotional outpouring of concern when starvation hits the headlines.



One reason for this failure is a lack of consistency in the message. NGOs often appear to need a new fashion to help them raise more money. There is a divide between the advertising images of NGOs and the activities they actually pursue⁴. The need to raise funds often leads to a distortion of an NGO's actions because, just as businesses, NGOs rely on "what sells" in order to stay in business. The images the ads portray replace serious discussions of the constraints and issues facing the NGO. In addition, annual reports as a main means of communication with many stakeholders often do not reflect what an NGO does in practice⁵.

In the absence of clear measures of efficacy and impact, the public turn to the issue of overhead costs as the way to assess NGOs.

Concerns over administrative overheads are often raised by those donating, particularly when donating for longer term development activities. These concerns are occasionally picked up by the media. Stories portraying 'lords of poverty' enjoying hotel swimming pools, air conditioned 4x4s, and servants are quick to make media headlines.

The high marketing costs of major NGOs have also recently come under media scrutiny. The competitiveness of NGOs has long been acknowledged within the 'industry', but some in the donating public can be disconcerted by competing pitches for the same emergency response. The pressure for joint appeals mechanisms such as in the UK may grow in Ireland, from among the public and possibly also from Irish Aid.

⁴ Ontrac 'NGOs: Ethics, Accountability and Regulation', Ontrac. No. 17, INTRAC, January 2001

⁵ Ibid

While ‘charities’ are asked to be practical, the public debate increasingly recognises that ‘development’ is about more than aid - and aid agencies - alone.

The work of NGOs on the ground is still acknowledged, and is by and large above reproach. But it certainly no longer is the main story. The growing realisation that the world is a smaller place, as evidenced by increasing concern over environmental issues or the ‘war on terror’, has served to undermine emphasis on the local. As a result, the community focus of NGOs is in danger of sounding parochial.

Some agencies are already responding to this change in emphasis toward the sophisticated and worldly ‘big picture’. Larger NGOs and bilateral development agencies are increasingly staffed by people with non-traditional development skills. The general trend in development work is away from hands on-work toward an emphasis on our responsibilities for the structural long-term impact of terms of trade, the debt burden, our own consumer choices or the behaviour of our multinationals. One risk facing the development sector is that the disconnect between the micro and the macro becomes too great.

The changing ethnic and cultural make-up of Irish society, may also start impacting on Irish Development NGOs.

The charity tradition in Ireland is very strong, and many Development NGOs have based their support on decades of interaction with Irish society. Many of the assumptions underlying this interaction may, however, not be shared by the new communities in Ireland, who may have radically different mental frameworks for the work of Development NGOs.

**Dóchas Breakfast Seminar 2
Aid and The New Communities**

In March 2008, Dóchas and the Africa Centre undertook an informal poll of Africans living in Ireland. The survey showed that many Africans may be appreciative of the existence of Irish Development NGOs, but are less than impressed about their work in general, and the way they portray Africans in particular.

Inversely, the new communities present a body of experience and skills that traditional Irish Development NGOs may find it hard to tap into.

4. Changing concepts of what “charities” should do

The relevance and added-value of NGOs is not clear

International civil society is comprised of diverse actors, many of whom focus directly or indirectly on development issues. New social movements are broad networks of information, civic action and learning, and are generally perceived to be more radical than NGOs. These social movements see themselves as democratic, and untainted by the ‘corporate turn’ taken by NGOs. In response, NGOs claim to be more realistic than the radical movements, but they have failed to demonstrate the relevance or the added value of this realism and are often accused by grass-roots activists of elitism and professionalism.

In contrast to the innovative social movements, NGOs have begun to look inflexible and lacking in creativity and sincerity.

Many of the new social movements have been quicker to make full use of the new opportunities the internet provides for sharing and learning than development NGOs. Information technology enables less hierarchical modes of organisation and communication - advantages already well-exploited by the business community from which NGOs have already borrowed corporate theory and tools.

There are new and unprecedented opportunities for civic action, but NGOs are often seen by activists as compromised and technocratic. Research⁶ shows that many activists perceive NGOs as elitist, snobbish and with a vested interest in maintaining the status quo. NGOs are also considered to abuse the right of participation, rushing to fill spaces that open up, rather than facilitating the voices of those who are not usually heard. Additionally, they are perceived to be too keen to sacrifice process values in order to meet competitively set goals. The researchers even ask whether there are “perhaps issues around the race and class profile of NGO employees and their supporters?” that have contributed to NGOs losing touch with the groundswell of radical activism which is mobilising large numbers of people around the same causes as they espouse.



For their part NGOs are not sure how to harness this outburst of energy for social change and perhaps risk being shown up or left behind.

The Development NGO sector is no longer flexible enough to meet the changing demands for personal involvement.

As a direct consequence to Ireland’s greater exposure to the wider world, there has been a phenomenal increase in the number of development-related private initiatives. Micro-level solidarity initiatives, campaigns, parish twinning schemes, sponsorship plans, exchange programmes, private sector ventures and ad-hoc fundraising have created a new context for established NGOs, and are bringing with them a range of threats and opportunities. Private sector companies and philanthropists are paying greater attention to the developing world, and may start competing with NGOs, not just for funding, but also attracting greater media attention.

**Dóchas Breakfast Seminar 5
Development NGOs and Irish Society**

In the last breakfast seminar of the series, Dóchas members will reflect on the growing gap between their own understanding of their role and the Irish public’s experience and expectation regarding development. Dóchas members will need to find creative and innovative ways to redress the balance.

Changes in technology may mean that International NGOs will lose their position as traditional ‘development middlemen’.

In addition to the challenges related to the ‘civil society’ nature of Development NGOs, there is another, possibly more fundamental, challenge to the role of Irish and International NGOs: technology may mean that the service provision role of NGOs will be taken over by new, more flexible actors.

⁶ Lister S, ‘The Future of International NGOs; New Challenges in a Changing World Order’, A paper for BOND’s NGO Futures programme, April 2004

In any sector, changes in the regulatory and technological environment can lead to fundamental changes in the roles and make-up of the central actors. Examples in the private sector of how changes in technology can render entire industries irrelevant abound, including the virtual disappearance of record shops and travel agencies due to the advent of digital alternatives.

In the Development sector, advances in international travel and communications may well lead to the eventual disappearance of International Development NGOs as service providers. Web-based lending schemes, mobile credit facilities and other forms of direct access to services are increasingly rapidly and are starting to undermine the relevance of services provided by NGOs. If NGOs see themselves primarily as service providers, they may be overtaken by more innovative and flexible technology-based alternatives.

Weak internal governance and accountability provides ammunition to NGO critics.

In reality, though, most Irish Development NGOs are moving away from service provision to capacity building and advocacy roles. But this move in itself has provoked its own backlash. Many commentators, particularly in US think tanks, question the legitimacy of NGOs, pointing out that no-one elected these self proclaimed agencies of democracy to speak on behalf of others.

It is said that Governments are becoming dangerously beholden to unelected NGOs, and NGOs have even been identified as a threat to sovereign democracy. The backlash is not 'anti-charity'; rather it is in reaction to the political turn of development work - "the extraordinary growth of advocacy NGOs in liberal democracies has the potential to undermine the sovereignty of constitutional democracies"⁷ Some see NGOs as having "become too big for their boots"⁸. In addition, critics question the record of NGO governance: "are the champions of the oppressed in danger of mirroring some of the sins of the oppressor?"

Dóchas Breakfast Seminar 4 Irish NGOs in the 21 Century

In the June seminar, Dóchas members will reflect on the changes and trends in Ireland's non-profit sector in general. There are opportunities and challenges relating to the sector's potential to self-regulate and the impact of the changing regulatory environment, following the expected introduction of the Charities Bill.

Rather than facing down the criticisms, NGOs have tended not to respond, and in so doing have fuelled the backlash.

The criticism of NGO work has been fuelled by bad experiences in some contexts, such as badly coordinated or ineffective NGO interventions (eg. Asian tsunami response), where the sector's potential to adhere to basic standards of behaviour have been called into question. The impression has been created that NGOs are more interested in flag waving and fund-raising than in upholding the moral values that their mission statements portray.

NGOs often have failed to acknowledge that the bad behaviour of some has repercussions for all. Moreover, ad hoc, defensive and secretive responses to such criticism have further undermined the credibility of NGOs among their peers and supporters.

⁷ See for instance www.ngowatch.org

⁸ M. Shaw Bond, 'The Backlash against NGOs', Prospect, Issue No. 51, April 2000

5. Next Steps?

This paper has tried to outline some of the main challenges facing Irish Development NGOs at the beginning of the 21st century. It does not claim to be exhaustive. Nor does it aim to suggest that all these challenges are necessarily going to have the impact suggested in this paper.

The aim of this paper is to start a process of discussion and reflection among Dóchas members.

Over the next couple of months, Dóchas will host a series of breakfast seminars, offering staff of member organisations the opportunity to reflect and debate the challenges presented in this paper.

**If you want to participate in the meetings,
or want to comment on this paper,
please contact the Dóchas office.**