Common Grounds
Analyzing the Space for Civil Society Organizations

By Mariel Verdi
Advised by Daniel Masis-Iverson, PhD
University Honors in International Studies
Fall 2007
December 17, 2007

Table Of Contents

Abstract

Civil society organizations (CSO) are ubiquitous in the year 2007. They are organizations that educate the public in job or computer skills to grow the job force, people who build houses or schools, and groups that work with governments to grow the economy and make more opportunities for their citizens. This paper will include many forms of CSO, including local groups, community groups, international groups, and regional groups. This development field is ample, but not nearly large enough to fix the situations of all people who suffer from various problems that relate to poverty. Public, private, and civil sectors all have important roles to play in this process. Keeping in mind the multifaceted approach needed to remedy the toughest development programs, it is imperative that CSOs be integrated into these programs. The strengths of CSOs as grassroots, socially connected, and, sometimes, independently funded actors makes them a versatile and effective actor in the development field. Yet, friction between CSOs and government is often an impediment to their work. Many governments see a great deal of problems surrounding CSO involvement in their national and international affairs. Some academics have seconded that argument, yet others believe CSOs can greatly help in development efforts. In this essay I will endeavor to answer the question: What role can CSOs play in development in Latin America? Though I am assuming the positive aspects of CSO participation, I will present arguments that have been presented for and against CSO involvement in development.

The Real Civil Society?

Many people today are unaware of the meanings that the term *civil society* holds. It is a phrase often used to describe Nongovernmental Organizations (NGO) or local action groups, but the term is much older than either of these ideas. The concept began in "Aristotelian Greece," at which time it referred to "a community of equal citizens who participate in ruling and being ruled" (Cohen 1998, 1). A more modern and thematically appropriate definition of civil society is: "…a set of citizens' activities, either individual or associative, in the economic, social and political fields" (Feinberg et. al. 18). When it is defined as such, the term does not denote formal institutions like nongovernmental or nonprofit organizations that many intend to describe by saying *civil society*. Some critics make the point that civil society organizations (CSO) are not the same as civil society, saying that their goals do not align with those of the general public and therefore cannot represent that population. Others argue that civil society organizations form a part of the community because they perform services for the public good, such as feeding poor clients in a soup kitchen, providing a safe place for battered women, or things one would not think of; like preparing taxes for low-income families. Yet the distinction between civil society and civil society organizations is blurred because citizens participate in the activities, thereby bringing them into the sphere of civil society organization. This essay will explore the relationship between CSOs and civil, or citizens', society; in particular their economic development.

Despite the many roles that CSOs play in daily social fabric, many would not have used the words *civil society organization* or *nongovernmental organization* (NGO) fifty years ago. As Lewis describes, many people think that NGOs are a new thing, when, in fact, organizations like *Oxfam* and *Save the Children* have been in existence since 1942 and 1919, respectively (2001,

29-30). There are many theories as to why NGOs have come to the forefront in the last century. They range from the growing availability of funding, to globalization, to a change in political agenda (Lewis 2001, 31-33). In the end, the truth is that the acronym NGO is standard vocabulary in present day discussions of international relations. This discussion is both positive and negative. Some of those using the word, like the World Bank and the Organization of American States (OAS), speak of NGOs contributing to the development of poorer countries **(http://go.worldbank.org/4CE7W046K0)**. In fact, there is a vital role for CSOs to play, both in democratic processes and capacity building processes, in national development. Yet some actors, like politicians, say that NGOs should not have any influence over activities inside their borders because they are not elected officials (Shamsie 2003, 2). Yet, does the good that these organizations produce outweigh the bad? Many CSOs work to benefit citizens at the community level, making prosperity their ultimate goal. Indeed, the strength of many NGOs is that they work at the community level to affect change, instead of trying to enforce blanket policies. CSOs can formulate and improve systems in the places where the help is needed most. Given that many governments are being forced to downsize in order to conform to international loan requirements, CSOs can be a useful partner or substitute provider of services previously performed by governments. The dark side of the equation is that some organizations may become unrepresentative by pushing goals that are not shared by the people they are supposedly helping. They may also become ineffective puppets for donors' demands, or may reinforce bad policies by working through inefficient or unresponsive systems that should instead be fixed. Most dramatically, some organizations may experience corruption among their staff.

The compounded result of all of these perspectives on the positives and negatives of CSOs shows the richness of a sector whose work has been little explored. Yet, given the history

of long-existent organizations and with the increasing appearance of non-state actors, it is

apparent that these organizations will not simply cease to exist. Keeping in mind the realities that

this sector faces, this paper will endeavor to conceptualize the question: What role can or should

civil society organizations play in the future of development work?

Definitions

In order to have a discussion about CSOs in development, those words beg clarification.

First, the term *civil society organization* (CSO). The World Bank defines CSOs as a:

> Wide array of non-governmental and not-for-profit organizations that have
> a presence in public life, expressing the interests and values of their
> members or others, based on ethical, cultural, political, scientific, religious
> or philanthropic considerations (worldbank.org)

In this paper the majority of the focus will be inside of the civil society sector, primarily

nongovernmental organizations (NGO), though CSO is used as a blanket term to encompass all

of the organizations that fit into the following descriptions. These organizations are members of

the *third sector*- "organizations which are active in a vast spectrum of activities from welfare

services to leisure pursuits, from political groups to arts and lobby groups" (Lewis 2001, 1).

They are also often non-profit organizations in which the owners and managers receive no

financial benefit from their work (Salamon, Anheier, List, Toepler, Sokolowski, and Assoc,

1999, 3). In many cases, and especially in this case, the governing idea of NGOs and CSOs is

that they are made for public service purposes, such as "development, human rights, and social

change" (Lewis 2001, 38). For the purpose of this paper, CSOs are organizations, which are not

governmental bodies, that work on an issue, or group of issues, and pursue a goal of serving the

public good, guided by a mission pertaining to the creation of positive development or growth in

a community, country, or region (Salamon et. al. 1999, 3).

Development itself is a very conflicted idea because there are many ways in which people

4

propose to meet the final goal of making a community, nation, or region *developed*. Despite the differences in the process, the ultimate goal of development can be defined as, "The reduction of material want and the enhancement of people's ability to live a life they consider good across the broadest range possible in a population" (Lewis 2001, 67). I would argue that it is an accurate generalization to say that people all over the world want to live free from a daily struggle against privation. There are many such people in Latin America, and even though numbers may be used to quantify the state of poverty, there is no argument to justify that suffering at any level of poverty should be tolerated in today's world of over-abundant resources.

Though development means different things in different perspectives, it seems safe to assume that all parties want stable, successful economic situations for the target population. Yet, the method in which people of a nation become *developed* has become a source of conflict. Institutions like the International Monetary Fund (IMF) believe that the best way to develop economically is through tight fiscal policies and little to no social aid (Chang 2002, 63-64). Others like *OXFAM International* or *The Association for Progressive Communication* believe that capacity development and education to the lower echelons of society is the way to develop positive growth (http://www.oxfam.org/en/about/, www.apc.org). The extent of this conflict was most dramatically shown in the case of the protest at the WTO meeting in Seattle in 1999, where protesters rallied against trade practices that they thought were harmful to the poorer portions of the trading parties' populations (von Reppert-Bismarck 2005). The fight was between those who pushed for free market-driven growth and those who pushed for more socially equitable means of development. This essay argues that, while the former has caused a great deal of economic hardship, the latter can create a positive change in the lives of many Latin Americans.

Impoverishment and Improvement

It is impossible to visit Latin America without experiencing the effects of poverty. As in most of the world, this situation did not occur overnight, or even in the last 10 years. Richard Feinberg and his colleagues write, "Most of Latin America, during the period of autarkic capitalism known in the region as 'import-substituting industrialization,' had a statized and overprotected form of capitalism, which generated capitalist classes and working classes dependent on the state" (Feinberg, Waisman, Zamosc 2006, 9). The proposed solution to this problem was termed the "Washington Consensus," and it included such policies as, "liberalization of international trade and investment, privatization, and deregulation" (Chang 64, World Bank 2000/2001, 63). After the enactment of these policies, levels of poverty and unemployment increased (Stiglitz 2003, 12). To put it most simply, many countries became poorer (Stiglitz 2003, 13). According to Stiglitz, a strong critic of the policies that institutions like the World Trade Organization and the IMF promote, this hardship occurs because governments are required to enact tight fiscal requirements and under-fund safety nets like unemployment insurance or healthcare to those who become unemployed when "structural adjustment programs" eliminate state-run or owned industries (Stiglitz 2003, 56). Heeding IMF advice and selling off government industry meant that jobs were often eliminated before new ones were created, and people are thrown into a trap of unemployment and poverty (Stiglitz 2003, 16). Seeing that government was not allowed to create new businesses to employ these people, investment was limited to foreign companies that could remove all of their assets if hard times came (Stiglitz 2002, 4). The result of this market liberalization trend has been an increasing wealth gap in much of Latin America over the past 17 years. Since these neoliberal economic policies have been in effect, it has become increasingly apparent that they may have worsened the poverty situation, which has not only caused social problems, but holds the

possibility of becoming a hindrance to national development.

This is not simply because people lack the resources to stimulate their economy; they also cannot offer incentives that would attract those resources. A severely poor population will continue to be poor unless there is strong intervention in terms of education, job creation, and job training that will make them more valuable workers (Sachs 2004, 122). Jeffrey Sachs, in his analysis of the poverty situation in tropical Africa, says that the severely impoverished portions of the continent have little hope of ending poverty. This is because low domestic savings are not offset by foreign direct investment, as lack of minimal human capital and infrastructure do not entice companies into putting their money into these poor regions (Sachs 2004, 121-122). A similar, but more micro-level problem is mirrored in indigenous communities in Latin America that are barred from overcoming poverty because they are discriminated against in land loans as a result of their poor education, lack of collateral, and lack of personal savings (Patrinos and Skoufias 2007, vi). These populations are also hindered from finding employment outside of agriculture because of low educational attainment due to income necessities of families during schooling years or lack of availability of schools (Patrinos and Skoufias 2007, v).

In order to better this situation in Africa, Sachs proposed a large push in social spending to create resources for the impoverished Africans to increase their attractiveness to foreign investors (Sachs 2004, 122). Given that many Latin American governments are bound to cut social spending by international financial institutions or international trade agreements, they cannot fund the surge that Sachs suggests. These governments can circumvent this problem by inviting and/or funding CSOs to create the infrastructure, educate populations, and thereby create the opportunity for growth and investment. Yet, CSOs are often an untapped resource for such endeavors and the cycle of poverty continues as development is put on hold.

Some may think that simply increasing industrial or agricultural output means development, but this is simply not true. The truth is, as the previously mentioned definition states, that development includes increasing the possibility for growth in the future, despite market peaks, and, particularly, drops. The way to do this is to create a strong base of agile employees that can work in a variety of economic areas.

Traditionally, the role of social investor has been filled by the public sector. Yet, with the shedding of responsibility that resulted from structural adjustment programs, governments have not been able to perform that role. This inability is further constrained by the fact that those who drive such policies are now asking that, in addition to its normal tasks as law-maker, security provider, and maintainer of social order, governments should take on more responsibility in macroeconomic development by creating a positive business environment (World Development Report 2005, 1). All of this is supposed to occur, while at the same time, governments are expected to decentralize and relinquish control. The World Development Report 2005 said, "Managing the tension between creating a favorable investment climate for firms and achieving other social goals is a major challenge for governments (World Development Report 2005, 24). This is an important gap that CSOs can fill. Many CSOs, both domestic and international, are involved in social programs. Using such organizations to continually evaluate and improve social ills, while using alternate government resources to develop a *positive investment climate* would create great opportunities for future improvement in living standards and macro-level economic growth.

CSOs have stepped up to fill the role of alternative service provider for quite some time. Anthropologist Robert Albro said that, after the Bolivian structural adjustment programs of the 1980s, a number of CSOs formed to provide the services that the government was no longer able

to provide (Albro, 10 Nov 2007). Activities undertaken by CSOs ranged from demanding more accountability by government and business, to providing modern agricultural training. By filling this role, people are allowed the opportunities to save themselves from poverty traps, as opposed to perpetuating negative processes that continually keep them from being productive, wealth-contributing, members of a society.

The problem with a national plan for development involving governments is that people who have seen the ugly side of neoliberal economic policies have felt disenfranchised and become angry at governing institutions, which they think should effectively manage the economy (Kurtz 2004). Take yourself away from Latin America and think in terms of the United States (US). When unemployment is high, the government is blamed. This same reaction occurs in Latin America, except on a much more volatile scale. The word volatile is most descriptive in these situations, as reactions in the recent past have taken the form of forcible removal of presidents as a result of poor economic situations in their country (Shifter 2004). This disenfranchisement has also been demonstrated in the rising number of populist (sometimes more authoritarian) leaders elected president instead of more moderate candidates because of the allure of their pro-poor rhetoric (Shifter 2004). These candidates campaign on promises to help the poor masses, and many policies that result from their election do not achieve the systematized poverty eradication the electing population was hoping for (Weyland 2004, 141). This disenfranchisement and internal instability further hinders economic development as frequent changes in government give little time and little continuity to social programs. The effect of all of this is that there are still poor people left without the tools to pursue successful economic advancement.

To Coup Or Not To Coup?

Many Latin Americans had grown accustomed to large interventionist governments that engaged in a great deal of social spending during the period of socialism (Lagos 142). That type of government is very different from the shrinking, poor governments of the 1990s and today. After 1980s, and some would say after the 1970s, there was this idea that economic liberalization and democracy must go hand in hand. The imposition of free markets in Latin America was thought to be absolutely imperative. To achieve this, the enforcement of regulations to create effective market systems and unwavering conditions for aid funding from the US and the IMF were imposed on Latin American countries (Chang 2002, 66). As a result, there are those who believe that this economic liberalization has been accompanied by less obvious leadership at a national level, and has had adverse effects for some Latin American presidents (Heo and Tan 2001, 463). Many governments in the region have fallen over the past 15 years, either in tandem with, or immediately following poor national economic performance (Shifter 2004). Bolivian president Gonzalo Sanchez de Lozada is the perfect example. His 2003 resignation came immediately after the news of a financial crisis rocked the country. It was the straw that broke the camel's back. The already impoverished coca growers were fuming over the fact that that their government had agreed to cooperate with the US government in eradicating coca, and were further enraged by the thought that they may have to deal with a Bolivian economy like the ones that occurred in the late 1980's and the end of the 1990's (Shifter 2004, Sachs 2003 and 2003b). Those who felt that the president was already not doing enough for them, given a situation of great inequality and poverty, were assured of his worthlessness after he agreed to US urgings to impede traditional coca harvesting in return for a relatively small amount of development aid. For this Latin American president, poor economic health meant his political demise.

This type of resentment is not unusual in such situations. Marcus Kurtz writes that,

because poorer people are further isolated from their government by the decline of participatory democracy that accompanies neoliberal reform, they are more likely to suffer from the woes of market liberalization (2004, 267). Especially in cases like Bolivia, participation in political processes and domestic development policies provide an outlet for enraged and marginalized populations. According to the World Development Report for 2000/2001:

> First, Participatory political processes encourage the use of voice rather than violence to negotiate conflict. Combined with guaranteed political rights, these processes reduce the potential for ethnic and other intergroup conflict, averting major sources of social and economic vulnerability for poor people. Second, political and civil rights and a free press allow people to draw attention to their needs and demand appropriate public action (112).

Low levels of participation by the poor in countries like Bolivia and other Latin American countries are strongly related to feelings that they are unimportant to politicians and elites who control the government (Shifter 2004, Lagos 2001). Yet, as the example of Bolivia shows and the World Bank suggests, marginalized groups' participation in politics and development work can diffuse conflict by assuring them that someone is listening when they talk about the problems they are facing and feel that they have ownership in the policies intended to fix them. In essence, participation is imperative to create an effective governing environment (e.g. one without violence), but even more importantly, it allows effective, appropriate programs and policies to be implemented within communities.

Specifically when formulating development policies and designing programs, participation is important because it ensures target populations receive the help they need in the areas that need it most. It further ensures that they are effective and not wasting money (World Development Report 200/2001, 108). This type of participation can and is easily provided by grassroots and international organizations, like the Latin America Association of Development

Organizations (ALOP) the Inter-American Democracy Network (www.alop.or.cr, www.redinter.org). The facilitating role that CSOs can offer would provide a large step in the direction of more effective government-citizen relations, which in turn can help create effective development policy that would allow earnest gains in the field.

Keeping in mind Sanchez de Lozada's overthrow, the following scenario could be contemplated using Kurtz's ideas: people are isolated from their governments by neoliberal reforms, especially poor people, and this breeds resentment and possible overthrow. In such a situation of resentment and conflict, a government finds it difficult to formulate development policies without harsh critique from its opposition. This fuels the economic stagnation, impoverishment, and a continuing circle of conflict between government and poorer portions of society.

According to Kurtz, CSOs fill the need for representative government by keeping them accountable for their actions and giving citizens a collective voice that is too often diminished by neoliberal policies (2004, 267). Drawing again on the Sanchez de Lozada example, CSOs playing a mediating role may have been able to assuage the aggravated portion of the population by showing that another actor, one that could more strongly lobby the government, was taking notice of their needs. Brysk seconds this idea in writing, "In less-developed post-authoritarian settings, democratization may involve civil society demanding more state attention to and accountability for an overlooked constituency, like shantytown dwellers" (155). Given this example and the affirmation by the World Bank that participation creates positive results, it can be concluded that greater action from nongovernmental sources may be able to help governments in creating effective policies, as well as communicating each side's goals and desires in the process. CSOs acting as intermediaries allow government to govern better by presenting

centralized, calm voices for outraged populations, which not only facilitates democratic interaction, but also appeases them and avoids conflict.

Though the recent trend of CSOs in Latin America has been towards strengthening democracy and liberation theology, it is very important to make the point that development must also be a democratic process (Salamon et. al. 199, 271). James Speth, a United Nations Development Program (UNDP) Administrator, emphasized this in 1995 when he said that the goal of development was to bring the poor to the forefront in the following century (1995, 3). As the writings of Kurtz, Stiglitz, and Brysk have shown, neoliberal economic reforms have created growth that has often made the rich richer and the poor poorer. This type of unequal distribution can be changed into more egalitarian forms of development. According to the World Development Report 2000/2001, when dealing with decentralization:

> The most important is that decentralization can bolster the power of elites in settings with highly unequal power structures. To benefit poor people, it must have adequate support safeguards from the center and effective mechanisms of participation (World Development Report 2000/2001, 106).

Given the tendency for decentralization policies to favor the rich, development policies must be formed, as Speth said, by bringing the poor to the forefront. This represents the key to creating development that is not only participatory, but also confronts the situations of poverty and inequality in Latin America. As we have seen, CSOs could play an important role in promoting the voices of poor communities in government and ensure that this marginalized portion of the population is an important consideration in development. This would in turn allow for government to be more effective in their work, as they would not have to be working against adversarial populations.

The More the Merrier

While examining development in complex societies, one must consider the multiple actors that influence such activities. For the purposes of this paper, we will examine the three sectors of society: public, private, and civil society.

Economist Jeffery Sachs believes that all sectors have a vital role to play in development. In <u>The End of Poverty</u> (2006) he discusses how the public sector, e.g. the government, or first sector, should be involved in public investment to create capital accumulation. He lists human capital, infrastructure, natural capital, public institutional capital, and "parts of knowledge capital" as areas that can benefit most from government intervention (2005, 251-52). In countries where government is successfully governing, it has the power to ensure universal education, property rights, and security, which economic historian Douglass North envisioned would be necessary for economic and social development (1981).

Yet, this is one of the largest problems with development all over the world, Latin America included. Governments of poor countries cannot fulfill these obligations. Examining the importance of the different capital factors, the following scenarios should be considered in the development perspective. Case one: if a person does not have education to generate or manage personal financial capital, they will likely also not be able to generate enough income to feed themselves sufficiently and make a sustainable living, limiting them from effectively contributing to the economy. In such a situation, education would go a long way to allowing such a person to not only make an income, but also use that income for greater economic benefits like further education or education for their children. Case two: if a person cannot access clean water for drinking, cooking, or bathing; nor can they get to a doctor if they get sick, they are more likely to suffer from illnesses that prevent them from earning a sustainable living or contributing to the economy. These basic preventative measures, like access to cheap basic healthcare and

clean water would allow this person to be a valuable contributor. Case three: if a person cannot

market their wares or their skills (manual or intellectual) in a market that is somewhat easily

reachable, they will further not be able to contribute to an economy or make a sustainable living.

Infrastructure, like roads, can easily help this person reach a market where they can earn an

income. Case four: if people cannot live free from fear of harassment, robbery, or death; or if

they cannot legally defend their rights to their homes, farms, or businesses, they will not be able

to effectively contribute to an economy or generate a sustainable income as they will face greater

risks in transit to earning, will have earnings taken from him/her, and/or will be house-bound in

order to retain ownership of their land. Creating legal systems that defend people who are

harassed, robbed, or illegally pushed off their land, as well as systems of property rights can

allow people in such situations to become effective income earners. These few provisions can do

a great deal of work in creating viable solutions for people stuck in different types of poverty

traps. Yet, as Dr. Sachs and many other authors have shown, these basic provisions are often not

available to impoverished populations (2003, 244). Lack of such factors perpetuates people's

impoverished situation and represent prime examples of poverty traps (Sachs 2003 249-250).

Working to end these poverty traps in developing countries therefore depends on contributions

by other actors.

 The private sector, the second sector of society, has a great responsibility as both citizens

of the country in which they are working, and as contributors to the success or decline in the

economy. This sector consists of "employers, investors, infrastructure providers, and producers,"

altogether actors that provide for income and economic growth (Brinkerhoff et. al 2007, 58).

According to Sachs:

> The private sector (funded largely through private savings) should
> be mainly responsible for investments in businesses, whether in

agriculture, industry, or services, and in knowledge capital (new
products and technologies built on scientific advances), as well as
for household contributions to health, education, and nutrition that
complement the public investments in human capital (252).

While government would provide the basic things essential for an economy to run at a decent

level (e.g. education, infrastructure, and healthcare), the private sector is responsible for taking

those basics further and making them more convenient, effective, and profit-producing. The

private sector, in an ideal scenario, is the largest contributor to development and prosperity in

national and international settings (Sachs 2003, 252). Yet, given that some people cannot be

business owners, that some people will be unemployed, and that prejudice does not obey market

forces, there needs to be another actor that adds the extra step in promoting economic

development for these people (eds. Brinkerhoff, Smith and Teegen 2007, 61-63).

The third sector, civil society, often fills the spaces that the other two sectors may miss.

Robinson aptly drew a metaphor of the prince, the merchant, and the people to describe the

relationship of three sectors when he wrote:

…Governmental power and the maintenance of public order is the
job of the prince; economic power and the production of goods and
services the job of the merchant, and NGOs representing the
citizen, the power of the people. In this framework, NGOs
developed from citizen demands for accountability from the prince
and the merchant, competing with them for power and influence,
and demands that neglected groups (e.g., the poor, children) be
heard (cited Robbins 141).

Thus, in Robin's view, the third sector is that which represents the citizens' unmet needs. Others

see the third sector as service providers in aspects that neither the state nor the markets seem to

deliver (Gidron, Kramer, and Salamon 1992). Yet, experts are reluctant to come to the

conclusion that the relationship between government and the third sector is a zero-sum game,

meaning that they do not like the idea that these CSOs may have emerged as a result of failure by

"market and government in providing public goods" (Gidron et. al. 1992, 7). According to NGO

specialists Gidron, Kramer, and Salamon (1992), government has its own limitations, in that a

democratic government must adhere to the majority rule vote (Gidron et. al. 1992, 7). If the

majority does not choose to fund the desires of a significant minority, the government does not

have the support it needs to meet this "unsatisfied demand" (Gidron et. al. 1992, 7). In such a

scenario, NGOs and government can only complement each other, but cannot work together

(Gidron et. al. 1992, 8). Brinkerhoff, Smith, and Teegen seem to take the zero-sum position in

regards to CSOs and development when they wrote,

> Given the inability of some public-sector actors to fulfill poverty
> goals, despite their local and public good character, citizen
> interests are increasingly being reflected, promoted, and organized
> within nongovernmental organizations (2007, 1).

Thus we see that experts view CSOs' role in society as that of both a partnering and a competing

actor with regards to government and business. Both roles would be appropriate for CSOs in

national development strategies. In cases where the government is unable to provide for the

public good or lacks the mechanisms to consistently consult with its population, as in the case of

structural adjustment limitations, CSOs may play the role of watchdog by demanding

accountability by government officials. However, a partnering situation may behoove both actors

more in a situation where a functioning government may be available, but the efficiency,

capabilities, and relationships that CSOs have to offer may be more effective. Such a partnership

could ensure better program implementation and more appropriate use of funds in development

projects. Education, healthcare, clean water, roads, and safety are not impossible things for

governments to provide. CSOs can offer cheaper ways to get them to communities in ways that

offer greater chances of success. By using volunteer teachers from international backgrounds,

putting charity clinics in rural areas, and drilling boreholes for ground water, poor citizens

would, at least, have a few of their basic needs satisfied. Government can do something, even when they are faced with poor funding situations. They can contract CSOs that utilize cheaper alternative resources to supply these basic provisions for human development.

Conversely, government has some tools that smaller CSOs do not. It has a variety of diffusion techniques that work on a much larger scale than do those of smaller or more localized bodies, like corporations and NGOs. By using these tools, such as state-run television or radio stations, CSOs can more widely diffuse information about preventative health measures or micro-credit opportunities. An effective CSO will not only help government, it will engage governments' resources to be more effective.

CSOs do not only supplement failures by government; they also help fill some gaps that the market may not yet reach or simply may not find incentives to enter. For example, when speaking of credit in Latin America, Montgomery and Weiss (2005) wrote, "…The failure of commercial financial institutions to reach the poor provided the initial impetus for MFIs (microfinance institutions)" (2005, 7). Nowadays, CSOs represent the majority of microfinance providers in developing countries (Montgomery and Weiss 2005, 4). Thus, failure, as Brinkerhoff and her colleagues showed, is not only a symptom of governments, but also of the market actors. As the MFI example demonstrated, CSOs fill gaps where markets fall short.

Given the current and possible roles for third sector organizations in many different aspects not filled by the public and private sectors, it should be concluded that CSOs provide the outlet, create the space, or fill the gap where other actors can or have not (Gidron et. al. xi). Deepa Narayan expressed exactly that sentiment in her book on empowerment. Most specifically, she writes, "Confronted with unequal power relations, poor people are unable to influence or negotiate better terms for themselves with traders, financiers, governments, and civil

society" (Narayan 2002). Meaning that, without basic assets like literacy, systems for legal recourse, and the knowledge to hold politicians accountable, poor people are continuously stuck in poverty traps that keep them from exercising their rights as citizens and human beings (Sachs 2005). Though CSOs can be abetting actors in this dilemma due to a variety of organizational failures, they also provide the key to remedying such situations. Narayan herself writes,

> Intermediate civil society groups have critical roles to play in supporting poor people's capabilities, translating and interpreting information to them, and helping link them to the state and the private sector. However, such groups have to stay vigilant to ensure that they really do represent poor people's interests and are accountable to them (2002).

Narayan (2002) is parroting what Salamon (1999) and Lewis (2001) both described when defining CSOs as public service organizations. All of these authors believe that CSOs have a central role to play in all aspects of development and especially democratic development. Narayan's ideas also hark back to those of Kurtz (2004), Brysk (2000), and Weyland (2004), who have shown that participation by target citizen groups and accountability to the public are essential in creating lasting, effective, and sustainable development. In order to achieve effective, long-lasting economic development, the poor must be consulted, and CSOs can help them voice their concerns.

Given the lack of accountability exhibited by some politicians, Brysk was more than correct in writing, "Democracy is too important to be left solely to governments" (2000, 164). There needs to be another actor. Building on Brysk's analysis, one can conclude that markets and governments, even working together, do not ensure that poor people will gain equal resources and develop as easily as would those who are lucky enough to have pre-existing capital resources. In order to allow those who are continuously stuck in poverty traps to achieve positive growth, they must be a central consideration in the formulation of economic and development

19

policy. Furthermore, must have the ability to hold leaders accountable when development goals are not met.

In summary, all sectors have a role to play in national development. But when governments and markets cannot or do not provide all things, CSOs are there to fill the gaps. Economic growth requires educated, safe, and healthy populations. If the government cannot provide these things, organized locals or international organizations can do a great deal to substitute for, or improve such services. While the private sector provides the next step in nurturing human capital by supplying things like credit, the poor are often unable to tap into the market. Creating links between governments, markets, and citizens allows for needs to be met beyond the basics. CSOs take the place of private sector actors in some cases, as has been the case of micro-credit. Partnerships between the public sectors and CSOs provide much-needed services and also allow CSOs to scale up their programs. In cases where powerlessness is creating barriers to participation, CSOs are important actors to ensure that the voices of the less powerful are considered. Yet, CSOs themselves must be responsive to their constituents, just as governments and private sector actors should.

Better than a Seer Stone

As the previous section demonstrated, failures by the government and the private sector do occur. Especially in cases where the poor are not in a position to demand goods and services, interjection by CSOs has done a great deal of good. William Easterly (2006) is a strong critic of governments' ideas, as well as international plans to solve the poverty situation. In fact, according to Easterly, the reason why governments have failed to be successful in development programs previously is because they try to make "Big Plans" that they do little to achieve (Easterly 2006, 17-18). He believes that solutions should be produced from the bottom up,

through what he calls *Searchers*, with the best searchers being the poor themselves (2006, 28).

Reilly seconds this argument, saying that, when poor people demand services from the bottom

through proposals to the government funds are thereby not wasted on centrally directed programs

that do not sufficiently satisfy their needs (1998, 106).

Furthermore, Easterly believes aid programs are worthless attempts by planners to feel

that they are doing something. He repeats multiple times that *Searchers* are the ones who figure

out how things will get done (2006, 11). The most striking part of his argument is:

> The working level people in aid agencies or nongovernmental
> organizations are more likely to be searchers than planners.
> Unfortunately, the political realities of rich countries- the
> bipartisan support for Big Plans- foist these workers, these plans,
> taking money, time, and energy away from the doable actions that
> workers discover in their searching (2006, 18).

To Easterly, CSOs truly are the primary actors that create and implement effective aid programs.

He gives the example of a particular CSO working in Africa, named *Population Services*

International (PSI). PSI devised a plan to disperse bed nets throughout Malawi in order decrease

the incidence of malaria (Easterly 2006, 13). Previous plans that called for systematic

distribution in Tanzania and other high-malaria countries in Africa by the World Economic

Forum had failed (2006,13). In these programs, nets were handed out for free, but 40 percent of

recipients did not use the nets (Easterly 2006, 14). PSI's method was to sell the nets, normally

priced at four dollars, at clinics in the countryside for fifty cents. The nets went to those who

need them most: pregnant women and children under five, those who have been shown to

experience the highest rates of malaria. PSI would then sell the nets to richer Malawians through

the private sector organizations for five dollars. The nurses at the clinics would get nine cents

from every net that they sell, as an incentive to always keep them in stock. The profits from the

private sales went to subsidizing the low-cost nets (Easterly 2006,13). The result of the PSI

program showed that "… The nation-wide average of children under five sleeping under nets from 8 percent in 2000 to 55 percent in 2004. A follow-up survey found nearly universal use of the nets by those who paid for them" (Easterly 2006, 13-14). Easterly's idea is that people who see value in a program will make the effort to sustain it.

This NGO figured out how to distribute the nets in a sustainable, innovative way, and was effective in the process. Given the results of this study, even if it were only one in ten NGOs that were so successful, the rewards of these organizations would be unimaginably enormous. The development field needs more *Searchers* like PSI. Just as different actors may have different methods of development, they also have different ways in which they try to accomplish similar service-providing goals. Reilly writes, "From the perspective of policymakers and macro-level donors involved in policy dialogue and conditionality, the issue is not *whether* services should be provided, but *who* should provide them and, to a lesser degree, how they can be financed" (1998, 188). In a similar way, one could argue that all actors want people to be able to gain a livable income, but they have different ways of trying to create this possibility. Given their similar goals and abilities, it seems almost too logical that the three sectors of society should work together, that citizens in need of aid should be able to choose the institutions they work with, and that unequal power relations should not be a barrier to income-earning, wealth-generating activities. Yet, we do not see this in today's society. The following two sections will explore why this has not happened.

The State Versus the Stated Purpose

In review of the positive aspects of CSOs, the number of advancements that could result from a government or private sector partnership with such organizations, and the possibilities

they offer for effective development, one would think that CSO participation in the field would have very few dissenters. Yet, negative reactions to CSOs abound. The strongest opposition tends to come from national governments or their representatives. The conflict between governments and CSOs surrounds the idea of sovereignty, mainly sovereignty in representation and sovereignty in governance.

One of the most common arguments presented against CSOs is their supposed lack of constituency. Many opponents say that because the population does not elect them, they therefore do not represent their interests as governments do (Mendez 2004, 132). Yet, this seems contradictory to the composition of many CSOs, which are primarily made up of citizens simply working to defend their own rights or represent rights that other citizens cannot defend for themselves (Mendez 2004, 131). Though they are organizations, they are representing their own and others' rights and needs (Mendez 2004, 131). One example is *Citizens Working for Justice* (Ciudadanos Trabajando por la Justicia, CPTJ), a Bolivian NGO that works to create an independent, transparent, objective judicial system in its home country through pressure on legislators and public advocacy (www.participacionyjusticia.org). The staff and volunteers of CPTJ are not only representing themselves in their fight against a biased and inequitable judiciary, they are fighting for the rights of all Bolivians. Moreover, CSOs represent their constituency in all aspects of their work by doing what Wolf described as serving the public good (33). It is ridiculous to say that an organization working to improve the living situations of a population, are not representing a constituency. Those who stand by as these people suffer to make ends meet just to get a kickback from a paramilitary group are the ones who should be criticized for their unrepresentative activity (Vieira). If corruption like this were grounds for claiming a lack of constituency, a large part of the Colombian congress would have no public to

represent.

Another conflict between governments and CSOs, mainly activist and advocacy NGOs, surrounds their very existence. Some critics believe that CSOs violate their sovereign power to govern by working in areas that they claim dominance (Souter 75). It is as though NGOs have entered a dodge ball game on the playground uninvited. While NGOs may act in areas similar to governments, they are the skinny kid who goes and tells when someone cheats. Though overly simplified, it is true that governments still hold the cards when it comes to administering their territory. NGOs cannot force governments or citizens to do what they may not want to do. This is stated perfectly by Clark and her colleagues who write that, "On issues that centrally address state sovereignty, more NGO visibility only means a more forceful negative response" (Clark et al 35). NGOs are not governments, though some may think they could govern better. In the context of this essay, it is important to make the point that NGOs are paradigm actors for ensuring accountability, low levels of corruption, and delivering services, but "state sovereignty sets the limits of global civil society" (Clark et. al. 35).

Especially in Latin America, where caudillo, or strong-armed, politics has had a long history and still rears its head, advocacy NGOs present an affront to politicians. Reilly writes, "Some of the *clase política* view civil society leaders as unwelcome competitors for clientele…" (1998, 173). In other words, the situation may not be one where CSOs are disrupting government activities; but more that they are disrupting the pandering which politicians do to certain key populations. For many people, CSOs may be doing a double-service here: advocating for those who usually only get attention for their needs during voting periods, and disrupting dirty politics to ensure a more representative democracy is working for the people.

The criticism of one actor infringing on the sphere of the other can be focused on

governments as well. There is a number of what many call "Government Organized Non-governmental Organizations (GONGOs)" (Clark et. al. 1998, 22). A contradiction of words, to be sure. These organizations pose as NGOs, but are created and funded by governments. They have effectively been banned from NGO activities inside the United Nations (UN), as other NGOs have voiced concerns about governments' efforts to push their agenda in new arenas (Clark et. al. 1998, 23). These organizations, by their chartering, are bound to the goals of their parent government. Even though GONGOs are a backhanded way of pursuing agendas, their existence shows how important it is to have actors outside of government engaging in activities previously thought to be the work of the state.

This also plays into another conflict between governments and CSOs; the idea that NGOs are puppets of their home country. Shamsie describes that "Some [governments] go as far as to accuse CSOs of being instruments of foreign governments, others are simply uncomfortable with an outside institution holding the purse strings, and potentially calling the shots of a local group engaged in advocacy work" (2003, 5). The most recent example occurred when Venezuela's *Controlar General* announced that Transparency International had no place criticizing the government. According to the *Controlar*, Venezuelan law says that Transparency International ineligible for legal NGO status because they are funded by international sources (Bachelet). It is important to note that this statement came in response to a Transparency International report in which Venezuela was rated poorly in accountability. This situation represents a perfect example of a government opposing the work or presence of a CSO based on their supposed loyalties. Yet, Transparency International is one among many organizations that are funded by international donors. It allows them to complete their important work while preserving independence from outside influences. In addition, homegrown CSOs often receive international funding as well

(Brysk 2000 159). In situations where organizations work to articulate citizens' desires, but simply cannot find the resources, especially in environments hostile to CSOs, international funds play an important role in allowing these organizations to pursue their advocacy goals (Brysk 2000, 159). Yet, this adversarial attitude on behalf of the Venezuelan government is not entirely surprising. Reilly writes, "In settings where civil society emerged in frank opposition to an authoritarian state, adversarial tones may linger on" (1998, 170). Thus, in places like Venezuela, where the media overthrew the government in 2002, the interference of non-state actors may be interpreted as yet another challenge to government power (Boudin, Gonzalez and Rumbos 2006, 79). While it is true that civil society does suffer from a history of adversarial actions in regards to government and continues to present a check on unaccountable officials, foreign funding is not an absolute for foreign loyalty.

Partnership, granting, and sub-contracting by some governments to CSOs has been occurring for years, yet others are still wary of these new players. State governments have, since the founding of the system, been the most powerful force in their territory. Strong CSOs, and especially international organizations, are relatively new actors in the old system. Some say these actors are unrepresentative of constituencies, others say they have no right to work in a specific territory, nor challenge the established institutions. Still others believe that they could act as subversive elements, while they may fund their own identically-structured organizations. Some accusations against CSOs may be unfounded, but the positive aspects of criticism do have their merit. The following section explores some mistakes, errors, and pitfalls of CSOs.

Un-Civilized Civil Society

Though organizations may have the public good in mind, they, like any other organization, face obstacles in maintaining this service relationship with their intended

constituency. The first obstacle addressed will be the importance of representation in the work of CSOs. Though it may seem that strict adherence to representative practices should always be an obvious occurrence in supposedly publicly-oriented organizations, due to reasons like mistaken methods, donor micro-management, and lack of participation, these things do happen, but are easily remedied. Next, the most devious and detrimental problem organizations face, corruption, will be explored in its effect on CSOs' relationships with the constituency. The effect of the environment on CSO activity will then be examined. Finally, competition amongst CSOs for funding and CSO cooperation will be explored. At the end of this discussion, a basic and necessary role for government in regulating the activity of CSOs will be addressed.

Representative CSOs

The founding principle of CSOs, as a classification and a mission, is serving a constituency. When an organization fails at this, it has essentially failed in achieving the reason for its creation. In consulting with one civil society academic, she said that an organization that loses touch with its constituency is not only hurting itself, it is also hurting civil society as a whole (Melissa Golladay, July 24, 2007). Meaning that failure to achieve the central tenet of serving the public good is detrimental to the perception of all organizations in the field. Author Allison Brysk seconds this statement when she writes, "Democratic deficits within civil society jeopardize its ability to perform its proper social functions—and its legitimacy at home and abroad" (151). Brysk points to a variety of factors that cause this deficit in civil society, one of which is representation. She writes that NGOs cannot always represent the entire clientele that they wish to serve, but rather, the membership, which may or may not share the same goals as the whole client constituency (2000, 156). There is no point to having an organization if there is no audience for its purpose. According to author Thomas Wolf, one of the biggest problems of

organizations is their failure to cater to the people who they intend to serve (1999, 34).

These descriptions are better put into examples. Say a poor tribe of indigenous, Andean-dwelling Ecuadorians is approached by an organization that wants to train them in computer skills. While a noble effort, there are no computers in this village, much less electricity. To use these skills, these people would have to leave their tribes and go to the city. True, the tribe may have wanted to find new ways to earn income, but they may not have wanted to do so by leaving their friends and loved ones. The organization that wanted to empower the tribe by teaching them to be technologically savvy did not achieve their goal because they did not cater to the wants and needs of their constituency. Failures like these detract from the legitimacy of CSOs everywhere. They show the weaknesses these organizations can demonstrate in terms of responsibility in consulting the target population about their needs and viable solutions to their problems.

The simplest answer to a problem like this is consistently consulting with the membership. This can be done through town hall meetings, surveys, evaluations, and tools of the like. By asking the constituency how the organization is performing, they can adjust their methods to fit constituent priorities, and avoid failures of representation (Brysk 2000, 162).

Donor Influence on CSO Activities

As was described in the previous section, some CSOs are accused of being pawns of their home countries, which may often be their biggest donors. CSOs can also encourage the idea that they are pawns to their donors by allowing them to push bad policies into otherwise useful methods. A particularly difficult situation could occur when a government, local or foreign, is funding an organization and attaching conditions, like teaching uninfected patients abstinence only in an AIDS clinic or saying only women can receive food aid. In light of this problem, Reilly asks the important question, "What happens to autonomous NGOs when they become

contractors for the state?" (1998, 180). He answers in writing, "NGOs will lose their identity

through close association with government organisms both national and international, thus

converting themselves into 'parastatals'" (1998, 187). NGOs/ CSOs, according to Reilly, will

simply become mouthpieces or additional arms through which the state can push its policies.

Especially when facing unrepresentative government systems or poorly planned policies, acting

as extensions of the state would do no good for the population in any aspect of civil society.

Yet, states are not the only ones guilty of imposing certain conditions for programs. Private

donors are also selective about how, for whom, and in what way programs are conducted. When

management of programs moves from being controlled by the staff on the ground to those in the

offices in a foreign country, there is often a decline in the quality of the program (Brinkerhoff et.

al 2007, 66). Seeing that CSOs are not elected as democratic governments are, and that they are

not as responsive as the private sector is to market forces, they must be more attuned to needs of

the constituency (Brinkerhoff et. al. 2007, 66). Donors should not direct program

implementation. There should be room for design and flexibility in programs once they are being

implemented in order to ensure quality and effectiveness. As William Easterly said, those on the

ground are the best *Searchers*, and should have the freedom to run programs in the best way

possible.

Avoiding a donor management problem can be done in exactly the same way that CSOs

maintain representative qualities. They should repeatedly have their constituency evaluate the

organization and its practices, and then readjust the program when necessary to fit local needs

(Brinkerhoff et. al. 2007, 198). It is the good of the public that is the ultimate goal of CSOs, not

the good feelings of donors that are at stake in dire development situations. Given these

constraints, the focus should always be on the constituency.

Corruption

In any organization or government, corruption is possibly the most severely

unrepresentative act that can be committed. It is also the simplest and most painful way for an

organization to lose legitimacy. Yet, one cannot ignore the corruption that can occur when such

enormous amounts of funding are available, often without adamant oversight by donors

(Carothers 1999, 217). Carothers writes, "Some NGOs pad expense reports, carry fictitious

employees, draw multiple salaries from multiple funders, and generally take advantage of the

often overrich funding environment" (1999, 217). It is far too easy to take advantage of this

availability of funds that are, when not monitored and when far from donors, impossible to

control. Brysk writes that corruption is sometimes somewhat unintentional, but severely

damaging to CSOs (2000, 157). By this, she was speaking of unauthorized spending, in which a

village leader or local organization president may use funds to distribute resources according to

"extended family ties or social norms rather than policy of public commitments" (2000, 157).

In order to stymie such activities, some donor agencies and organizations have asked that

CSOs submit annual reports in order to keep track of spending (Carothers 199, 218). Close

monitoring by donors is important to ensure funds intended for public service purposes are not

redirected to line people's pockets.

Reinforcing Bad Systems

In addition to being unrepresentative, a CSOs' operating methods may actually

undermine the work that they are doing instead of fomenting it. In situations where CSOs work

through a non-functioning local power structure, or continually looking for support from a

corrupt or impotent national government, they are just encouraging poor institutions and

ensuring that any small advancements made during a program will become undone after the

program ends. The 2000/2001 World Development report said,

> Sometimes NGOs reflect the political system in which they thrive,
> or local interest groups, and thus may not serve the interests of
> poor people as well as they might. NGOs are no panacea—it is
> important that they be accountable for their actions, especially to
> the poor groups that they seek to represent. (World Development
> Report 2000/2001, 111).

In other words, the political institutions and norms in the environment in which CSOs operate

have both a good and bad influence on program methods and outcomes. Yet, in situations where

these governmental norms and institutions are not accountable to, or work for, the population,

CSOs are not fulfilling their tasks by working through them to achieve their goals. Reinforcing

these negative practices creates no inroads for viable change in the future.

Such a case was demonstrated in the Dominican Republic, where civil society

organizations, in this case, grassroots organizations (GRO) that began in the community, tried to

work to protect their marginalized *barrios* from government eviction. These GROs were trying

to teach the residents to more effectively lobby the government, but were faced with severe

limitations due to a lack of accountability on behalf of municipal and national government

(Choup 2003, 38-39). The Dominican public, according to Choup, relied on pleas to the

president and his advisors for top-down solutions to their problems (Choup 2003, 29-31).

According to Choup, the GROs originally tried to demand that public institutions rise to fulfill

their given duties, but when one of the *barrios* was on the brink of being destroyed, they reverted

to groveling to the president's advisors to save them (2003, 39-40). This not only creates a

temporary solution to a long-lasting problem, it allows the unabated continuation of systems that

do not meet the necessities of the poor.

To combat such systems, Brysk proposes that, organizations "should strive to emphasize

issues rather than relationships" (Brysk 2000, 162). Meaning that the CSOs should shape their

methods around goals, not who they can use to achieve them. Such situations weaken their ability to hold governments accountable and decrease their effectiveness as public service organizations, and, more importantly, reinforce poorly functioning systems that must be changed.

CSO Competition and Cooperation

One of the greatest problems amongst CSOs in achieving development goals is their lack of cooperation. In this sense, cooperation is unlike sub-granting, where a larger CSO will sub-contract their work to smaller CSOs. This involves cooperation amongst organizations of similar capabilities in similar fields and regions in order to achieve overarching development goals. In many cases CSOs are in a great deal of competition with one another.

Given that there are a variety of organizations working on similar issues, with similar methods, there is an abundance of competition for funds. This especially applies to Latin America where development aid is the third lowest in the world, and the competition for funds is fierce (Radelet 2006, 21). Yet, many organizations are doing the field a disservice by working so hard to compete over aid funds, as they are not exploring the benefits that could be brought by working together (Carothers 1999, 9). This is, in fact one of the things that Melissa Golladay (2007), a civil society scholar and practitioner, said is the downfall of the CSO community (24 July 2007). Providing services and creating capacities should involve innovation and competition, but to the point where CSOs will not work together is simply overzealous. As many scholars of poverty would attest, international development requires a multifaceted approach to solving the most difficult poverty traps, and therefore, multiple stakeholders need to be involved. For this reason alone, development CSOs should be working together.

Yet, this is not the only reason to cooperate with one another. Lack of cooperation detracts

from the overall perception of CSOs. According to Choup's study of civic organizations in the Dominican Republic, "Leaders of GROs and nongovernmental organizations frequently remarked on the weakness and lack of organizations of civil society" (2003, 28). If goals are to be achieved, and development CSOs are to be respected in the development arena, some type of consensus needs to be formed amongst these organizations. Though this is not an easy task, it can be done. The perfect example comes from the political activism arena: the Inter American Democracy Network. Its intention was to coordinate CSO activities that aimed at strengthening democracy via collaborating organizational efforts and sharing best practices in the field (www.redinter.org). Through this program, workshops, action groups, and advocacy activities involved citizens and civil society leaders in order to strengthen democratic methods in Latin America (www.redinter.org/contenidos). Though there are networks of development CSOs used by different global institutions, there is a distinct need for greater coordination amongst these organizations. This would provide a solid step towards strengthening, legitimizing, and integrating development CSOs into policy discussion and global decision-making.

Solutions

In the end, there is one strong solution that could be used to remedy many of these pitfalls. There needs to be some recourse for populations who do not feel represented by the CSOs that are supposedly helping them. As such, there needs to be an actor who can check the power of CSOs. Eduardo Joaquín writes:

> As the state unloads responsibility for implementation and administration, it should pick up instruments of regulation, especially those which promote competition and equity, since there is little to be gained by shifting from inefficient state bureaucratic control to inefficient private monopoly (176).

CSOs need to be held responsible for the activities that they engage in if they truly intend to be

effective actors in the development arena. Carothers writes that CSOs need to be challenged by other, equally competent CSOs in order to ensure quality and commitment (Carothers 1999). Government could greatly contribute to making CSOs accountable by engaging in citizen consultation itself. Though it may seem contradictory given the idea of CSOs as substitutes, but if a partnership between CSOs and government is pursued, each side acting as a check on the other would ensure both sides were fulfilling their obligations. It should be noted that CSOs should not be substitutes for functioning governments, but a way to foster better government, and in turn, better economic development strategies. All sectors truly do have a role to play in creating better-functioning government, more inclusive societies, with greater economic opportunities for all citizens.

Though lack of representation, corruption, misguided practices, and CSO competition present obstacles to efficient, effective CSO operations, these are not unsolvable situations. Many of these problems can be remedied via evaluation, restructuring, and regulation. International development needs effective actors, and CSOs themselves must be effective in order to fill that role.

Role-play: CSO Involvement in Development?

Poverty is a terrible situation that has become somewhat accepted in Latin America. The desires for more socially sensitive solutions to poverty and economic growth have created a niche for civil society. These spaces have been created by the fact that many Latin American governments are relatively weak, that accountability is one of the most serious issues in governance, and that after so many coups, one wonders if a democratic government can stand up in the region (Shifter 2004). Given the gravity of these problems, Salamon (1999) and his colleagues explain:

> Prompted by growing doubts about the capability of the state to cope on its own with the social welfare, developmental, and environmental problems that face nations today, this growth of civil society organizations has been stimulated … by the striking expansion of the educated middle class elements who are frustrated by the lack of economic and political expression that has confronted them in many places (Salamon et. al 1999, 4).

This excerpt is saying that the people who are discontented with their government are searching for a new path. Given the rising number of CSOs in the past three decades, it seems that people are hoping it may come from organizations that strive to help the community itself make things better. In their capacity as community workers, CSOs can propel growth from the grassroots, which, in turn, would allow for stable, effective governance; governance that is so badly needed to facilitate economically stable nations.

This is not the simple hope of a person looking for a better tomorrow; this is a solution to a problem that has been plaguing a region for decades. Many NGOs focus on such issues as representative government and human rights, but that is not all they do. Brysk writes, "Nonstate and private actors may serve other useful desired goals besides deepening democracy, such as articulating identities or delivering resources" (2000, 154-155). Delivering resources is the most important part of this statement in terms of Latin American development. In countries like Bolivia and Argentina, which faced numerous problems with providing public goods while undergoing structural adjustment, the role of CSOs providing basic human capital resources is crucial. Robinson writes, "…NGOs serve to replace, perhaps at a lower cost, most of the services in welfare, health, and education that peripheral countries are being forced to cut in exchange for World Bank loans, foreign investments, or loan restructuring" (Riddell, Robinson, de Coninck, Muir and White 1995, 141). As Sachs noted, it is basic *human* resources that make nations attractive to foreign investors, and provision of such basics by CSOs could be instrumental in

helping national economies build or rebuild themselves. Resources are not simply planks of

wood to build a school; they are educational opportunities, healthcare, and infrastructure. The

2000/2001 World development report described:

> In most developing countries NGOs are central actors in
> antipoverty policies and programs. The social and educational
> background of many NGO staff enables them to interact easily
> with the staff of national institutions, and they can help create
> bridges between these institutions, outside agencies, and grassroots
> organizations. NGOs can also be very effective in delivering
> technical assistance to poor people…(World Development Report
> 2001/2002, 110).

NGOs have a great deal to contribute in many situations. Their role as global humanitarians

could encourage economic development for people who are politically, physically, or

economically distant from their government.

Though there may be some adversarial feelings between government and NGOs, there is

room for cooperation in many facets of economic and social development. Lewis believes that

NGOs offer governments a pragmatic way to achieve their goals, and that, vice versa, the link

with government may provide useful opportunities for NGOs to achieve goals and receive

funding (Lewis et. al 150-151).

CSOs can also act as partners with the private sector in a variety of different aspects. For

example, the Ford Foundation is one of the largest donors to CSO activity all over the world.

Sponsored by the Ford Motor Company, this huge private sector actor has taken social

responsibility above and beyond what many expect by promoting democratic institutions,

empowerment, and economic development (Lewis et. al. 2001, 150). They provide enormous

amounts of funds to a variety of projects and have been great contributors in many CSO projects.

By receiving funding without restrictive conditions and in larger amounts that private

organizations, like the Ford Foundation can provide, there is no limit to the services and

opportunities that CSOs could offer.

In addition to simply receiving funding from the private sector, CSOs can work with companies in both community development and consultation. This allows the company to contribute to its neighborhood without establishing its own philanthropy arm, and also provides them with a non-affiliated, less biased resource for exploring community sentiments towards its presence (Lewis et. al. 2001, 152). By using CSOs in this way, companies can avoid the stereotype of the big, mean multinational corporation by being more sensitive and responsive to community complaints.

Though partnerships are highly effective means of achieving development goals, CSOs as independent, innovative actors have a great deal to contribute to many facets of economic development. One such innovative group that has taken the initiative to pursue a more obscure problem in the field is Worldvision. In Peru, many people have been forced to migrate from their homes because of the Shining Path insurgency in the 1990's. As their homes were burnt, or while in transit, many people lost their identification documents (Smith 2005, 144-45). The documents are very expensive, and are necessary to obtain credit and public services, like education (Smith 2005, 145). Worldvision is now working with local governments to make these documents easier to obtain, both in terms of paperwork required, and cost (Smith 2005, 145). This provides poor, shell-shocked migrants with opportunities for economic advancement, and human capital gains that they may otherwise have not (Smith 2005, 145). Worldvision represents the perfect example of an organization working in innovative ways to tackle some of the most difficult development problems.

Though development organizations do not make up the majority of CSOs, their ability and willingness to engage in grassroots activities would be a positive step in creating an

intelligent, agile workforce (Salamon et. al.1999, 23). To name a few CSOs already existing and able to provide these resources, there is the Association for Progressive Communication, Partners of the Americas, and the Latin American Centre for Development Administration; all of which work on different facets of development, specifically in the Americas (www.apc.org, www.partners.net, www.clad.org.ve/english.html). CSO involvement is no longer a matter of state sovereignty. It is a matter of delivering the assistance that people need to move forward as citizens of a developing nation.

The socioeconomic problems in Latin America have been thrust in the face of international financial institutions, and many of them have created sectors of their organization to work specifically on poverty issues. Despite the positive aspects of their efforts, it does not seem logical or efficient for international institutions to grow while they try to pressure national governments to shrink. To solve this contradiction, CSOs are there to act. The same policies that those financial institutions promote are based on moving activities away from inefficient state control, and moving them to the private sector, which would be able to undertake them more efficiently (Stiglitz 2002, 4). In this regard, why not give these activities to CSOs; private actors who make it their mission to more efficiently and effectively pursue grassroots economic development strategies? Institutions and/or governments should out-source the development of the poorest percentages of the population to CSOs while the government develops the national-level economy[1]. Many organizations ask for very little in terms of funding and depend a great deal on volunteer labor, much of which comes from the communities in which they work. Lester Salamon (1999), a man who has made it his profession to analyze the quantitative side of non-profit work, states that volunteer activity makes up millions of man-hours every year, which

---

[1] This idea also appears in Yasmine Shamsie's article *Mutual Misgivings: Civil Society Inclusion in the Americas*, though the idea was not drawn from that source.

further lends to greater efficiency in civil society organizations (Salamon et. al. 1999, 10).

While I wish I could take credit as the innovator of this wonderful idea, this is not the

first time it has been articulated. The Human Development 2002 claimed:

> In the era of rapid globalization, markets and political
> liberalization- not government planning are often the main drivers
> of economic and social change… And 1990 was the tail end of the
> planning era of development, with the state as the primary actor…
> In addition, consensus is emerging on the importance of collective
> action by people and civil society groups in shaping the course of
> human development (54).

Reilly seconds this idea in writing, "Five decades of development initiatives have followed a

curious sequence: nearly three-and-one half concentrating on market forces, and a scant half-

decade of enthusiastic rhetoric about the virtues of civil society" (Reilly 1998, 170).

A third opinion, that of Lester Salamon and his colleagues proclaim:

> Because of their unique position outside of the market and the
> state, their generally smaller scale, their connections to citizens,
> their flexibility, their capacity to tap private initiative to support
> public purposes, and their newly rediscovered contributions to
> building 'social capital," civil society organizations have surfaced
> as strategically important participants in this search for a 'middle
> way' between sole reliance on the market and sole reliance on the
> state that now seems to be increasingly underway (Salamon et al.
> 1999, 5).

Surely the redundancy of similar statements leaves the impression most effectively in mind, thus

I will leave that argument here. I need only summarize this idea that has been voiced by numbers

of development scholars. It is time for a new strategy in confronting the problems of developing

countries. Governments and markets have not been effective in doing it on their own, and with

an increasingly interdependent and intertwined world, there needs to be a solution to

development problems. According to many authors and experts, this solution should involve

CSOs.

It is time that the role of CSOs in development is seriously tested. Given the need for

more participatory development plans, NGOs and other CSOs, as community organizers, must

take part in the process. As representatives of the poor (the undoubted experts on poverty and

development), these organizations have a great deal to contribute to development policy

formulation and implementation. Learning from past ventures has created the history books of

today. In this sentiment, it seems time that a new avenue for solving global, or at least regional,

poverty must be explored in order to see what effect it may have on the future of development.

CSOs can be a valuable contributor to this effort. They work at the community level, draw

income sources from outside donors, and have the experience needed to play a positive role in

development. These organizations are created for the specific reason of helping poor populations,

providing an extra hand in a field that many scholars agree needs a multi-faceted solution.

Recruiting CSOs to engage in development also achieves the goal of shrinking government that

global financial institutions require, and creates the opportunity for efficient use of resources for

development. Given all of these factors, CSOs seem the most efficient, effective, and helpful

outside actor to aid in poverty alleviation, and therefore propel national development from the

grassroots.

Real-Life Impediments to CSO Involvement

The previous pages have shown that there are those who do not believe that CSOs should

be active participants in development, democratic advocacy, or international relations. Though,

hopefully, this paper has demonstrated how imperative it is to earnestly integrate CSOs, NGOs,

NGDOs (nongovernmental development organizations), GROs, etcetera into the development

field. Especially in Latin America, there needs to be a solution. There needs to be tangible, measurable steps toward human development.

The biggest question that should be considered in CSO involvement is: If development will include CSOs, will the promises of incorporation by international institutions and governments be empty words and inaction, or will there be genuine change? There is a distinct possibility that CSO involvement may result in nothing but an outward show of support by governments or intergovernmental organizations, without genuine steps taken to truly integrate these actors. We see a great deal of contracting or sub-granting from governments and international institutions to CSOs, but there is a lack of CSO presence in policy formulation and program design. For example, in 2006, the International Telecommunications Union (ITU) met for the World Summit on Information Systems (WSIS) in Tunisia to discuss the use and regulation of information and technology, including their applicability in national development (Souter 8). CSOs were invited to this conference, and they attended in record numbers (Souter 14). Yet, in attending the conference, their advice was listened to, and only indirectly integrated into the results. In the end, CSOs were not considered as primary actors in implementation (Souter 74). In the light of skills and possibilities CSOs bring to the table, this represents a huge mistake. As stated before, CSOs have people on the ground, with experience, with the knowledge to implement programs (Souter 83). Yet, given the results of WSIS it seems that they will consistently be not only the third sector, but also the third party consulted and utilized to create sustainable change. This foolhardy practice must be discontinued.

The Final Score

In summary, there is a problem. There is a large population of poor people in Latin America, many of whom were pushed into this situation after the shift from socialist

governments to a free market democracy eliminated many state-owned industries. When free trade agreements and other forms of economic liberalization later eliminated more jobs without creating a commensurate amount of new jobs, the number of poor Latin Americans increased. The most dramatic examples of the woes of poverty have been expressed in the sweeping elections of populist leaders who promise social redistribution of wealth, and in the coups against leaders who were unlucky enough to preside over a declining economy. Utilizing CSOs as ambassadors between government and citizens can help prevent this. Such organizations could assuage angry citizens by providing alternative means to make their voices heard and considered in the formulation of public policy. Given the relatively powerless role of some portions of society, CSOs play a vital role in teaching communities how to pressure officials to obey laws and fulfill promises, and, in some cases, teach them how to effectively call attention to community problems.

This not only provides a nonviolent outlet for citizens' concerns, it allows the people who most need help from government and other social actors to develop programs that more effectively address their situation. Yet, under some circumstances, CSOs must act as a substitute for ineffectual state institutions that fail to provide services. Such situations can also foster partnerships, rather than the adversarial roles, between the public, private, and third sector. As the state unloads responsibilities in order to fit conditions set by international financial institutions for loans, CSOs often emerge to cater to the needs of the people. In fact, this is a plausible and well-suited role for organizations to fill in this new century of globalization.

Non-profit, nongovernmental organizations and other types of CSOs work toward lifting the lower echelons of the population out of their poor economic situations. Their methods, according to experts like Jeffery Sachs and William Easterly represent the most cost-effective

and innovative methods of building earning potential in poor nations. By acting as educators, doctors, and facilitators of democratic participation, CSOs integrate many different factors that are necessary to achieve long-lasting economic development.

Strangely, even with coups and economies prone to shocks from the international economic system, some government actors still oppose the presence of CSOs inside their borders. Their claims range from CSOs' supposedly un-representative nature, to claims that they attack a governments' sovereign duties, and even more bizarre claims of the subversive elements of NGOs; all which is happening while some governments are creating such organizations themselves. Though there have been instances of representation failures, corruption, and poor practices by CSOs, these instances are correctable and preventable. Systems that encourage evaluation and regulation by states, as well as donors, are just a few of the methods of doing so.

Many CSOs aim to help communities, not to turn a profit, but simply to benefit the public good. Furthermore, so many authors have demonstrated their strong support for an initiative that would create a larger role for CSOs in development that their benefit is unavoidable. Given the graveness of poverty and its disruptive nature, not only in the social fabric, but also in the process of development, it seems to be the time to let a new actor help in alleviating this decades-old problem. It is time for civil society organizations to take a more active role in development.

Epilogue

The pages of this analysis have bombarded you with an enormous amount of information. Even I did not know that so many people existed who supported and encouraged the work of CSOs in development. Now looking back on what has been presented, I ask you to take a critical look at the present state of development and hope that you ask why more has not been done. Ask

yourself and those you know, why have we not explored every single option to make

development goals a reality? And, finally, what is the next step?

Works Cited

"About." Association for Progressive Communications. 7/28/2007. www.apc.org

"About." Latin America Centre for Development Administration. Accessed 7/28/2007.
http://www.clad.org.ve/english.html

"About." Partners of the Americas. Accesses 7/28/2007. www.partners.net

"About." Oxfam International. Accessed 7/29/07. http://www.oxfam.org/en/about/

"Acerca de la RID." Red Interamericana para la Democracia. 16 November 2006. Accessed 4
December 2007. http://www.redinter.org/contenidos.php?
id_secciones=99&pathAcum=c2VjY2lvbmVz/SW5zdGl0dWNpb25hbA==/QWNlcmNh
IGRlIGxhIFJpZA==&ACTION=TW9zdHJhclVuQ29udGVuaWRv&id_contenidos=OA
==

"Propuesto Participativo." Red Interamericana para la Democracia. 24 November 2006.
Accessed 4 December 2007. http://www.redinter.org/contenidos.php?
id_secciones=83&pathAcum=c2VjY2lvbmVz/UHJvZ3JhbWFz/VHJhbnNwYXJlbmNp
YSBlbiBsYXMgQW1lcmljYXM=&ACTION=TW9zdHJhclVuQ29udGVuaWRv&id_co
ntenidos=MzM=

Bachelet, Pablo. "Chávez's Silencing of Critic Causes Uproar". Miamiheral.com. July 26, 2007.
http://www.miamiherald.com/579/v-print/story/182542.html. Accessed 7/26/2007.

Berenson, William M. "The Structure of the Organization of the American States." Government
of Colombia. Department of Legal Cooperation and Information. Bogota, Colombia.
Mar. 2001.

Boudin, Chesa, Gabriel Gonzalez, Wilmer Rumbos (2006). Venezuelan Revolution:100
Questions- 100 Answers. New York, NY: Thunder's Mouth P.

Brysk, Alison (2000). "Democratizing Civil Society In Latin America". Journal of Democracy
11. 3 (July): 152-165.

Carothers, Thomas (1999). Aiding Democracy Abroad. Washington, DC: Carnegie Endowment
for International Peace.

Chang, Ha-Joon. "Kicking Away the Ladder." *Challenge* 45.5 (Sept/ Oct 2002): 63-96.

Choup, Anna Marie (2003). "Limits to Democratic Development in Civil Society and the State:
The Case of Santo Domingo." *Development and Change* 34.1: 25-44.

Clark, Ann Marie, Elisabeth J. Friedman, and Kathryn Hochstetler (1998). "The Sovereign
Limits of Global Civil Society: A Comparison in the UN World Conferences on the

Environment, Human Rights, and Women." *World Politics* 51.1: 1-35.

Cohen, Jean. "Civil Society." <u>Routeledge Encyclopedia of Philosophy</u>, E. Craig ed. London: Routeledge 1998. Accessed July 8, 2007. http://www.rep.routeledge.com.proxyau.wrlc.org/aarticle/S006SECT3. Personal Communication. Dr. Daniel Masis- Iverson. July 8, 2007.

"Defining Civil Society."The World Bank Group. 2007. Accessed.7/10/07. http://go.worldbank.org/4CE7W046K0

"Democratic Governance for Human Development." Human Development Report 2002, United Nations Development Program: 51-61.

"DPI/ NGO Partnership."Department of Public Information: Non-Governmental Organizations, United Nations. Addessed 7/27/2007. http://www.un.org/dpi/ngosection

Feinberg, Richard, Carlos M. Waisman, and Leon Zamosc (2006). <u>Civil Society and Democracy in Latin America</u>. New York, NY: Palgrave Macmillan.

Golladay, Melissa. Personal interview. 23 July 2007.

Gidron, Benjamin, Ralph M. Kramer, and Lester M. Salamon (1992). <u>Government and the Third Sector: Emerging Relationships in Welfare States</u>. San Fransisco, CA: Jossy-Bass Publishers.

Heo, Uk, and Alexander C. Tan (2001). "Democracy and Economic Growth." *Comparative Politics* 33.4 (July): 463-473.

Interamerican Democratic Charter. Washington, DC: Organization of American States Secratariat for Political Affairs, 2006.

Kurtz, Marcus J. (2004). "The Dilemmas of Democracy in the Open Economy: Lessons from Latin America." *World Politics* 56 (January), 262–302.

Lagos, Marta (2001). "Between Stability and Crisis in Latin America." *Journal of Democracy* 12.1 137-145.

Lewis, David. <u>The management of Non-Governmental Development Organizations: An Introduction</u>. New York, NY: Routeledge 2001.

Montgomery, Heather, John Weiss. "Great Expectations: Microfinance and Poverty Reduction in Asia and Latin America." ADB Institute Research Paper Series, No. 63 (February 2005).

Mendez, Juan E (2004). "Sociedad Civil y Calidad de la Democracia."<u>La Democracia en América Latina</u>. Lima, Perú: Programa de la Naciones Unidas Para el Desarrollo.

Micklethwait, John, and Adrian Wooldridge (2001). "Think Again: The Globalization Backlash." *Foreign Policy Magazine* (Sept/Oct), pp126.

Norh, Douglass (1981). <u>Structure and Change in Economic History</u>. New York: W.W. Norton & Co., Inc..

Narayan, Deepa (2002). <u>Empowerment and Poverty Reduction: A Sourcebook.</u> Washington, DC, World Bank.

Patrinos, Harry Anthony, Emanuel Skoufias (2007). <u>Economic Opportunities for Indigenous Peoples in Latin America.</u> Washington, DC: World Bank.

"Programa Ciudadanos Trabajando por la Justicia." Red Participación y Justicia. Partners of the Americas. Accessed 6/30/07. http://www.participacionyjusticia.org/paginas/f_pctj.php

Radelet, Steven. "A Primer on Foreign Aid." Center for Global Development, Working Paper No. 92 (July 2006).

Reilly, "Charles A. "Balancing State, Market, and Civil Society: NGOs for a New Development Consensus." Tokman, Victor, Guillermo O'Donnell (1998). <u>Poverty and Inequality in Latin America.</u> Notre Dame, IN: U. of Notre Dame P.

Riddell, Roger, Mark Robinson, John de Coninck, Ann Muir, and Sarah White (1995) <u>Non-governmental organizations and rural poverty alleviation</u>. New York: Oxford U. P.

Robbins, Richard H. (1999). <u>Global Problems and the Culture of Capitalism</u>. Boston: Allyn and Bacon.

Sachs, Jeffrey (2003). "Call it our Bolivian policy of not-so-benign neglect." *New York Times*, 23 October 2003, B02.

----- John W. McArthur, Guido Schmidt-Traub, Margaret Kruk, Chandrika Bahadur, Michael Faye, And Gordon McCord (2004). "Ending Africa's Povety Trap." *Brookings Papers on Economic Activity*, no.1: 117-240.

----- (2005). <u>The End of Poverty</u>. New York, NY: Penguin Books.

Salamon, Lester M., Helmut K. Anheier. Regina List, Stefan Toepler, S. Wojciech Sokolowski, etc. <u>Global Civil Society: Dimensions of the Nonprofit Sector</u>. Baltimore, MD: Johns Hopkins Center Civil Society Studies 1999.

Shamsie, Yasmine (2003). Mutual Misgivings: Civil Society Inclusion in the Americas. North South Institute, VOICES, CIDA, Aspen Institute. Ottowa: North South Institute, 1-43.

Shifter, Micheal. "Breakdown in the Andes." *Foreign Affairs* 83.5 (Sept/ Oct 2004).

Souter, David, and Abiodun Jagun. <u>Whose Summit? Whose Information Society</u>. Association for Progressive Communication. San Francisco, CA: Creative Commons Attribution. 1-127.

Speth, James G. "From Rio to Istanbul: UNDP and Oppotunities for Partnership with Civil Soceity." United Nations. UN 50th Anniversary Conference. United Nations Development Program, San Francisco, CA. 23 June 1995.

Stiglitz, Joseph. "Globalism's Discontents." *American Prospect* 13.1 (January 1-14, 2002). Accessed through http://www.prospect.org/print/V13/1/stiglitz-j.html.

Stiglitz, Joseph. "Whither Reform: Towards a New Agenda in Latin America." *CEPAL Review* 80 (Aug 2003): 7-37.

von Reppert-Bismarck, Juliane. "Trade Unionists working within the WTO; Protasters Take Message Directly to Negotiators." Washington Post, 12 Dec 2005: Financial, D05.

Weyland, Kurt (2004). "Neoliberalism and Democracy in Latin America: a Mixed Record." *Latin American Politics and Society* 46.1: 135-157.

Wolf, Thomas. <u>Managing a Nonprofit Organization in the Twenti-First Century</u>. 2nd ed. New York: Simon and Schuster, 1999.

World Bank (2002). "World Development Report 2000/2001: Attacking Poverty." Washington, DC: World Bank

World Bank (2006). "World Development Report 2005: A Better Investment Climate For Everyone." Washington, DC: World Bank.