

'New Directions in Non-Government Action'

Draft Paper for the 'Doubling Australian Aid' Conference, ANU, February 7, 2011, Chris Roche, Oxfam Australia

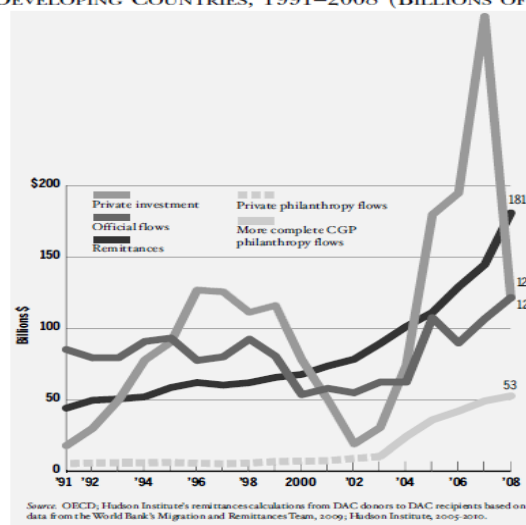
1. Introduction

This paper will focus on three elements. Firstly I will explore some recent trends in the scale of Non-Governmental aid. Secondly I will describe some of the key challenges facing the Aid sector. Finally I will explore some of the ways that Civil Society might contribute to addressing some of those challenges, over and above the more traditional roles of delivering services, responding to emergencies or undertaking advocacy for more aid.

2. Non Governmental Aid

Whilst it is difficult to estimate total flow of non-government aid there are a growing number of studies that attempt to do this. The Centre of Global Prosperity at the Hudson Institute produce a Global Index of Philanthropy and Remittances on an annual basis. Their analysis for the period 1991-2008 is contained in figure 1 below.

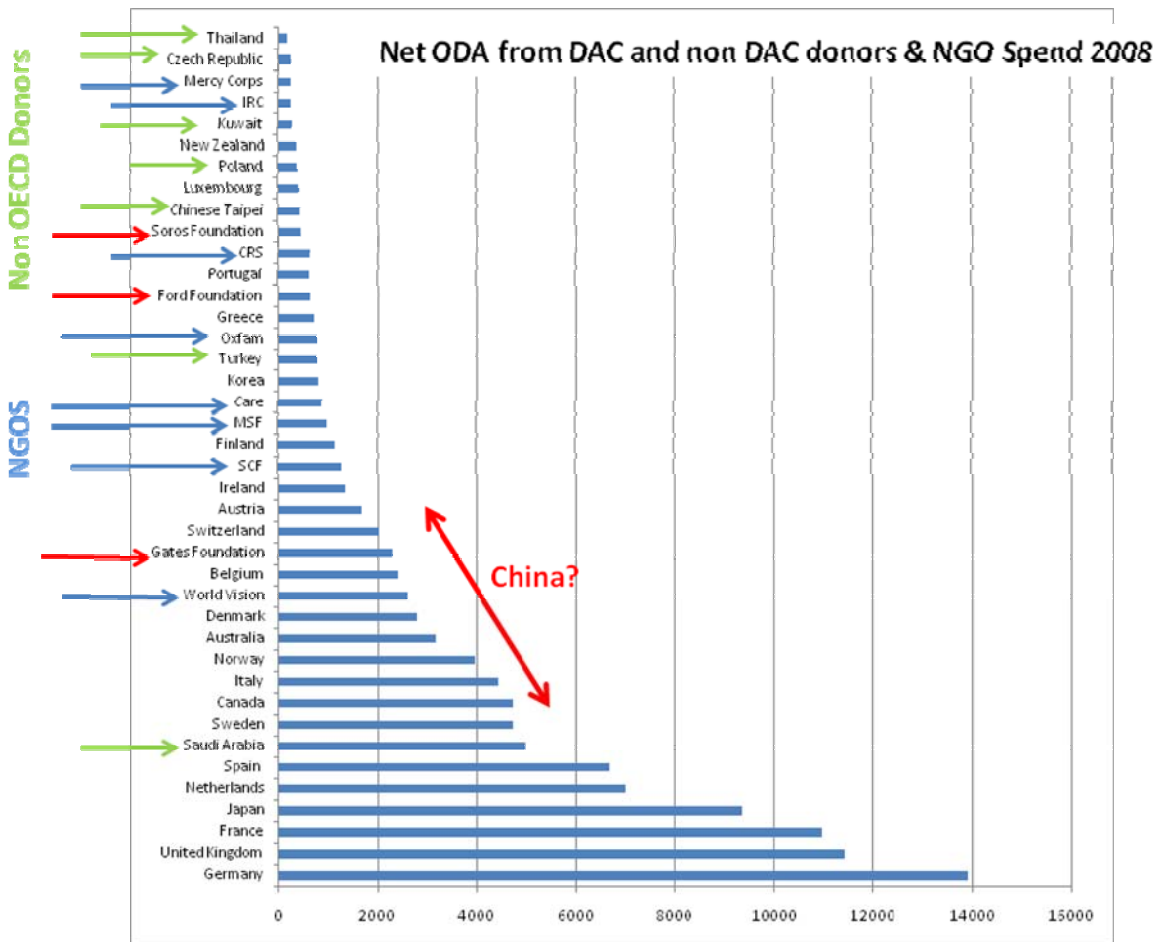
FIGURE 1
OFFICIAL, PRIVATE INVESTMENT, PHILANTHROPIC, AND
REMITTANCE FLOWS FROM OECD DONOR COUNTRIES TO
DEVELOPING COUNTRIES, 1991–2008 (BILLIONS OF \$)



From Heidi Metcalf Little (2010), 'The Role Of Private Assistance In International Development', Hudson Institute

This analysis suggests that what they call 'private philanthropy flows'¹ and remittances from OECD countries have increased dramatically over the period to over \$50bn (i.e. equivalent to over 40% of ODA in 2008) and \$181bn (1.5 larger than ODA flows in 2008) respectively. They also held up much better than private capital flows² which declined dramatically in 2008, in the wake of the Global Financial Crisis.

Fengler and Kharas put the figure for private aid flows at \$60 billion, and note that a further "\$10 billion or more" comes from other bilateral non DAC governments³. Large International NGOs and non-DAC donors are now larger than many of the smaller bilateral agencies – see figure 2 below⁴.



¹ "Private philanthropy flows includes donations and grants from foundations, corporations, private and voluntary organizations, universities and colleges, and religious organizations" The Centre of Global Prosperity

² "Private capital flows include investments and lending on market terms, such as direct investment, private export credits, securities, bank credits, and other private transactions with DAC recipient countries". (Little 2010): 1094

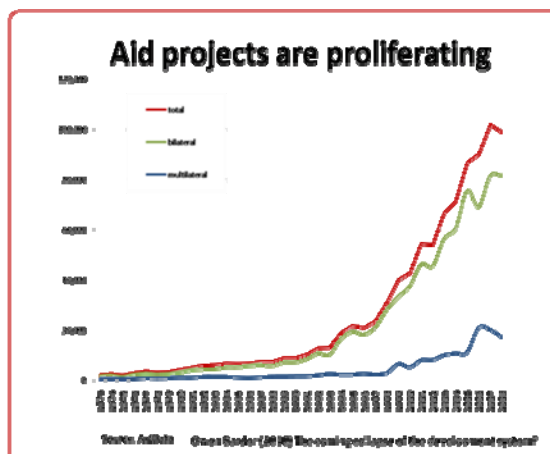
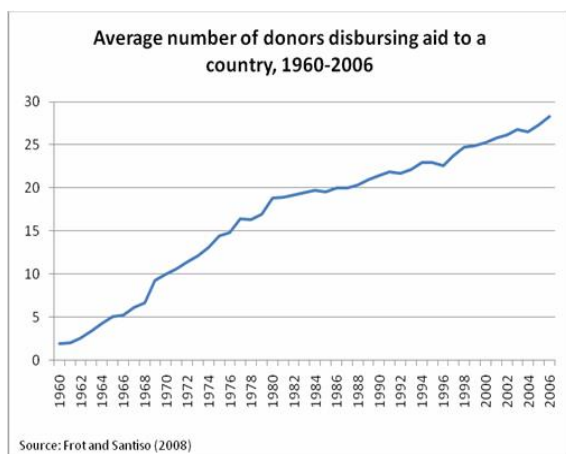
³ Fengler, W and Kharas, R (2011) Delivering Aid Differently

⁴ NGO and Foundation figures from individual annual reports, DAC and non DAC bilateral donors figures from OECD

3. Challenges for the Sector

Fragmentation

Clearly the growth in the number of donors, private sector and non-governmental actors is contributing to long standing concerns about fragmentation, coordination and ultimately impact (Barder (2009), Fengler and Kharas (2011), Riddell (2007)). In 2007, for example, it is estimated “official donors sent out probably more than 30,000 missions to manage their aid projects”(Fengler & Kharas p.14). The number of aid projects is proliferating and the average number of donors per country has grown from about 10 in 1970 to nearly 30 today⁵ (Frot and Santiso, 2008).



Transparency and Accountability

The growth in the profile of aid and commitments to its growth – and in particular the pledge to maintain that growth when other government departmental budgets are being cut – has heightened the debate about the effectiveness of aid and accountability to tax-payers in particular, and to a lesser extent to recipients, and those that aid ultimately seeks to benefit.

Overselling Aid

It has long been recognised that aid is but one of the things donors’ can do to promote poverty reduction and development cooperation. Trade, Climate, Migration, Defence and Foreign policies, and the role of the private sector are also key and often more critical. Aid can and has played an important

⁵ Frot, Emmanuel and Javier Santiso (2008), “[Development Aid and Portfolio Funds: Trends, Volatility and Fragmentation](#)”, OECD Development Centre, Working Paper No. 275.

role in specific contexts⁶, but arguably the need to maintain public support has led to governments and NGOs exaggerating aid's potential impact, downplaying its limits and under-emphasising the uncertainty and complexity that surround what is necessarily a risky enterprise. This ongoing 'promise inflation' makes the sector vulnerable to critics who point out its weakness and limitations

Politics and Aid

There is growing understanding of the critical nature of local political economies and informal institutional arrangements and their relationship with formal political structures in determining development outcomes in general and (gender) inequality in particular (Leftwich 2009⁷, Dinnen et al⁸, Vernon and Baksh, 2010⁹). Furthermore the ways that domestic political settlements are shaped by international interests – including those of aid agencies - also contribute to determining local outcomes¹⁰. These international links include those with: trans-national companies, particularly those involved in extractive industries and manufacturing; bi-lateral and multilateral relations and associated policy processes; stabilisation and security agendas, and trans-national civil society, communication and other social connections. As some have observed this interdependence makes the distinction between domestic and international policy making less and less useful (Roche, 2010¹¹)

There is a view that aid agencies' technocratic and engineering mind-set ignores this reality, and this undermines their effectiveness.

Addressing Inequality

Recent research suggests that 75% of the 'bottom billion' in 2007 are in fact in middle income countries. Thus, several of the biggest causes of poverty are therefore not the lack of development in a country as a whole, but political, economic and social marginalisation of particular groups in countries that are otherwise doing quite well. It is unclear that more aid from abroad is part of the answer, and therefore

⁶ For example see [Oxfam \(2010\) 21st Century Aid: Recognizing Success and Tackling Failure](#)

⁷ Leftwich, A. (2009) 'Bringing agency back in: politics and human agency in building institutions and states' Research paper No.6, DLP Leaders, Elites and Coalitions Research Programme

⁸ Dinnen S, Porter D & Sage C, (2010) *Conflict in Melanesia: themes and lessons* World Development Report 2011 Background Paper,

⁹ Vernon, P. And Baksh, D. (2010) '[Working with the grain to change the grain: Moving beyond the Millennium Development Goals](#)', International Alert, London accessed 4 February 2011

¹⁰ Parks, T and Cole, W (2010) '[Political Settlements: Implications for International Development Policy and Practice, Asia Foundation Occasional Paper No.2](#)

¹¹ Roche C. (2010) 'Reconceptualising Development: the painful job of thinking' paper presented to the Reconceptualising Development Workshop, Deakin University, 29th October 2010

maybe we should rethink development as the ability of all the world's citizens to live decent lives, rather a problem of the development or industrialisation of poor countries¹².

4. Ways Civil Society might contribute to addressing some of those challenges

There are a number of views about how these challenges might be addressed¹³. They include:

- More coordination and harmonisation (i.e. better planning & Paris declaration type processes), including 'Whole of Government' approaches in donor countries (Riddell, 2007)
- More information, transparency, and accountability (see for example Barder 2010b¹⁴)
- More competition and market like mechanisms to provide choice,(Easterly 2002¹⁵)
- More evaluation and evidence- based decision making (Savedoff et al 2006¹⁶)
- Amplifying the voice and feedback of those aid is meant to ultimately benefit (Keystone, Gaventa et al)
- Moving beyond a focus on Aid to a vision of International Cooperation based on new ways of valuing progress, shared values and an extended sense of empathy and humanity (see for example Roche, 2010, Rifkin 2009, Taylor 2010)¹⁷

Given all of this what do in particular civil society (and not just NGO) experiences and innovations have to offer to the debate, and contribute to more effective aid, in addition to the more well touted roles of delivering assistance to 'hard to reach' and marginalized people and advocacy for more Aid?

¹² Sumner, A. (2010) '[Global Poverty and the New Bottom Billion: Three-Quarters of the World's Poor Now Live in Middle-Income Countries](#)' IDS Working Paper. Barder, O. (2010) '[UN Summit Round Up:Three Development Narratives](#)', Owen Barder's blog Sept 28, 2010,

¹³ See Barder, O. (2009) '[Beyond Planning: Markets and Networks for Better Aid](#)', Centre for Global Development, Working Paper 185, for a good overview and analysis of strengths and weakness of different approaches

¹⁴ [Following the money Owen Barder on why aid transparency-matters](#),

¹⁵ Easterly, William (2002). The Cartel of Good Intentions: Bureaucracy vs. Markets in Foreign Aid. *Center for Global Development Working Paper No. 4*.

¹⁶ Savedoff, W. Levine, R. Birdsall, N. (2006) 'When Will We Ever Learn? Improving Lives Through Impact Evaluation', report of the Evaluation Working Group

¹⁷ Roche (2010) *ibid*, Rifkin, J. (2009) 'The Empathic Civilisation: The Race to Global Consciousness In a World in Crisis', Polity, Cambridge Taylor, M.(2010) '[21st Century Enlightenment](#)', RSA Pamphlet Essay No.1, London

4.1 Addressing local power relations and inequalities.

Many civil society initiatives are focused on trying to address inequalities in local social relations. Attempts at dealing with gender inequalities through gender empowerment, or indigenous rights are common-place. These local struggles often seek to link to broader movements and support. There are a number of initiatives to address conflict and to create 'security from below'¹⁸. The Women of Kup for Peace in Simbu Province PNG who won the UN Pacific region Human Rights Award for 2007 are a good example of this¹⁹, although their ongoing struggle to prevent clan warfare has had repeated set backs.

The **We Can campaign**²⁰ in South Asia is an example of an attempt to move beyond the very local and use mass-mobilisation methods to address Violence Against Women in India, Bangladesh, Pakistan, Afghanistan, Nepal and Sri Lanka. Launched in 2004 - and now being taken forward by over 2,400 organisations across the six countries – the Campaign has created 2.7 million Change Makers who are pledged to actively commit to not perpetuating or supporting violence and influencing others to take a similar path. 'We Can' has raised large scale public awareness on bias, inequality and violence against women, particularly domestic violence, and is trying to "trigger a new consciousness, attitudinal change and enhancement of rights." For example in Bangladesh, the campaign produced a very popular 26 episode TV serial "Moner Janala" aimed at awareness raising.

In its second phase, 'We Can' is building links between the organisations involved and networks in attempt to build an organised mass movement. A recent evaluation of the campaign found:

- 9 out of 10 Change Makers report significant changes in their personal lives and taking proactive steps to influence others in their family & community.
- 90% reported speaking to other people about VAW.
- The majority reported changing their own behaviour and having intervened in family violence incidents or attempting to sensitise others.
- Females reported more freedom to control their own income and felt empowered to confront family members.

¹⁸ See Abello, Alejandra and Jenny Pearce. "Security from Below": Humanizing Security in Contexts of Chronic Violence." IDS Bulletin Volume 40, No 2, March 2009, *Transforming Security and Development in an Unequal World*.

¹⁹ Hinton, R. et al, 2008, 'The Kup Women for Peace approach to peacebuilding: taking the lead in the Papua New Guinea national elections', Gender and Development, Vol. 16, No. 3, pp. 523 - 533

²⁰ see <http://www.wecanendvaw.org/about-campaign> and Mehta, Mona and Gopalakrishnan, Chitra(2007)"We Can': transforming power in relationships in South Asia', Gender & Development, 15:1,41 — 49

- Males reported a change in their attitudes to women, and becoming more involved in housework and childcare.
- People's understanding of what constitutes violence has widened to include various forms of discrimination
- But 45% of respondents still believe its ok for men to beat their wives 'under certain circumstances'

However the evaluation also showed significant reduction in responses which blame women for the violence they face (e.g. what they wear, not doing housework, not taking care of their husband etc). Change Makers' attitudes & beliefs seem to have shifted so that they are able to better understand violence within a continuum of violations against women. This demonstrates greater sensitivity to male dominance and the subordinate position of women within gender relations. Linked to this is the increased recognition by respondents of the role that men can and should play. As a consequence respondents – including men - identify inequality between men and women as the leading cause of Violence Against Women. The 'We Can' campaign has therefore strategically positioned violence against women within the broader sphere of gender justice.

4.2 Amplifying the Voice and feedback of those aid and development processes are meant to benefit.

There has been a rash of initiatives that can be described as social accountability processes. These involve initiatives designed to increase participation as well as provide feedback to service providers, such as participatory budgeting and budget monitoring processes, community score-cards, as well as initiatives designed to map information through crowd-sourcing techniques (i.e [Ushahidi](#)), use new technology to reach mass audiences ([FrontlineSMS](#)) and the establishment of organisations to promote and catalyse more effective information flows ([Twaweza](#)).

There are also an increasing number of examples, such as the work of [Global Voices on-line](#) and [Witness](#) which illustrate the possibilities of providing groups and communities with the ability to tell and communicate *their* stories, provide feedback or publish evidence of human rights abuses or the performance of aid agencies on to the web. This mix of social accountability and social media and networking tools is providing exciting hybrids and networks of information that can start to create more real time 'barometers of change' and early warning, as well as collective action tools in their own right.

For example a randomised field experiment in Uganda of community based monitoring of primary health care providers has trial documented an estimated 20% increase in utilization of services, and a 33% reduction in under 5 mortality in the treatment communities. This was achieved at a cost of \$3 per household in the catchment of approximately 55,000 household, so US\$160,000 in total. The study concludes that these are results that “compare favorably to some of the more successful community-based intervention trials reported in the medical literature” (Bjorkman and Svensson²¹).

However a recent review of these types of social accountability initiatives by IDS Sussex reminds us that whilst these initiatives are blossoming the evidence of their impact to date is limited²². As Clay Shirky notes in his recent piece in Foreign Affairs regarding social media

“Despite this basic truth -- that communicative freedom is good for political freedom -- the instrumental mode of Internet statecraft is still problematic. It is difficult for outsiders to understand the local conditions of dissent. External support runs the risk of tainting even peaceful opposition as being directed by foreign elements.....The more promising way to think about social media is as long-term tools that can strengthen civil society and the public sphere. In contrast to the instrumental view of Internet freedom, this can be called the "environmental" view.” (Shirky, 2011²³).

In other words social accountability and social networking seem to offer great potential but their impact is highly sensitive to local context and there is a limit to what outsiders – and in particular ‘outside’ governments - can and should promote in an instrumental sense, as opposed to supporting more ‘environmental’, or political, space for local civil society to occupy.

4.3. Developing Innovative partnerships

The development of ‘unlikely’ alliances with different partner is often a feature of successful civil society initiatives.

Oxfam America, the World Food Program, the Relief Society of Tigray (REST), and global reinsurer Swiss Re, and a number of other Ethiopian and International partners, have been piloting a **weather linked micro-insurance program** in Tigray, Ethiopia. This has adapted ‘food-and-cash-for-work’ programs into an “insurance-for-work (IFW)” innovation.

²¹ Martina Björkman and Jakob Svensson (2007) Power to the People: Evidence from a Randomized Field Experiment of a Community-Based Monitoring Project in Uganda, World Bank Policy Research Working Paper 4268, June 2007

²² McGee, R. and Gaventa, J. (2010) ['Review of Impact and Effectiveness of Transparency and Accountability Initiatives'](#), IDS Sussex

²³ Shirky, C (2011) 'The Political Power of Social Media', Foreign Affairs; Jan/Feb2011, Vol. 90 Issue 1, p28-41,

This has brought together the World Food Program's experience in delivering public works and providing food for work, REST's local knowledge and development experience, Oxfam's work on disaster risk reduction and Swiss Re's ability to reinsure local insurance companies so that they can take a greater risk insuring poor farmers in vulnerable environments.

The program's weather indexed approach to insurance has been adapted to the local context and means that the costs of the operation have been significantly reduced, as all farmers who are insured in a region that experiences a pre-determined weather shock i.e. a certain level of drought, receive a payment which is not determined by an individual verification of their crop loss.

4.4 Pushing for transparency.

Without Transparency it is impossible for citizens, or those aid agencies seek to benefit to hold service providers, NGOs, governments, or private sector companies to account. Civil society has often been at the forefront of pushing for this for example through the Extractive Industries Transparency and associated Publish What You Pay Initiatives, the Publish What You Fund Initiative which specifically relates to aid flows and commitments, and the promotion of effective Inspection Panels for the Development Banks.

Recently civil society groups and NGOs are starting – not before time – to develop processes designed to improve their transparency e.g through the Humanitarian Accountability Partnership, the One World Trust Accountability reports, the Keystone reporting and Partner survey processes, and this month the creation of the 'Admitting Failure website' created by Engineers without Borders, Canada.

4.5 Developing connections

The development of connections which provide illustrations of how one might create shortened routes of accountability (**Kiva, Global Giving**) and build social and economic relations (**Fair Trade, Climate Change**) are important. They are potentially less vulnerable to fluctuating opinion than compassion, foment important discussions about changing life-styles in developing countries, and build an understanding on inter-dependence and in that in many areas 'we are in this together'.

If we are to build a constituency for international cooperation, then it will need stronger roots, these initiatives whilst not without their problems illustrate the possibility of more citizen to citizen linkages

that can keep pressure on the system to keep honest, as well as build innovative communities for change.

Similarly it is important that the connections between aid, trade, climate, migration, defence and foreign policies are made. Civil society plays an important role in developing countries in exploring these linkages and trade-offs, and advocating for greater coherence where this is appropriate and less when that makes sense. The promotion of the Seasonal worker schemes in Australia for the Pacific, based on the New Zealand experience, lobbying for reduced administrative costs being taken by money transfer industries and matching remittances²⁴ are examples of civil society agencies linking poverty reduction, remittances and seasonal work in ways that make a difference.

4.6 Developing trans-national relationships and campaigns

The development of trans-national links and advocacy is important for the establishment of norms and standards. These processes support:

- communities ability to draw down from the international sphere to hold agencies and governments to account locally. In the Humanitarian arena SPHERE, the Humanitarian Accountability Partnership and the Active Learning Network for (ALNAP) have all been key initiatives in this regard. More broadly Rights Based approaches, Labour standards, notions of Gender Equality, the establishment of the International Criminal Court²⁵ have all involved important contributions from civil society organizations.
- bringing local concerns to the global arena. Issues of land-mines, blood diamonds and the Kimberly Process Accreditation, access to Anti Retro-Virals, agricultural subsidies for example on cotton, labour rights particularly involving multi-national companies with head-quarters in developing countries.
- shifts in moral agendas and discourse, which can subsequently lead to changed policies. The Jubilee movement and debt relief is a good example of how civil society and in particular church groups managed to reframe what was essentially an economic argument about moral hazard

²⁴ See TIGRA's Remit4Change campaign which has projections to show that by 2012 their users will have saved \$57 million and accredited companies will have reinvested nearly \$11.4 million into our base's communities - <http://www.transnationalaction.org/projects.html>

²⁵ Tornquist-Chesnier, M (2009) How the International Criminal Court Came to Life: The Role of Non-governmental Organisations 'Global Society, Volume 21, Issue 3 July 2007 , pages 449 - 465

into²⁶ a moral argument about rich countries taking money from poor countries and the consequences that had for people living in poverty. An issue for example that has been a long running which has similar echoes is that of Tax and Tax Justice²⁷.

The debates about the Tobin tax and now the Robin Hood Tax arguably foreshadow what for many is inevitable at some stage i.e. some form of global redistribution and social protection that is not underpinned by charity. This could be based on “shared responsibility and accountability to the poor (such as the Responsibility to Protect, known as R2P in humanitarian situations)”²⁸. It is equally resisted by most Western politicians, except for President Sarkozy of France. However the moral case is likely to grow as debates on governance, inequality and post-aid finance continue; as the obscenity of tax havens and their impact of developed and developing countries becomes better known; and as the irony of aid agencies sometimes contracting consulting companies who are allegedly part of elaborate tax avoidance regimes to run good governance projects, becomes clearer.

Whether the political circumstances emerge that would allow for global and domestic leadership on this issue is a moot point. However it is important that we recognize the role of civil society actors play in imagining different futures, even when they seem impossible at the time.

5. Conclusion and Overall message

The Aid system faces numerous challenges. Civil society groups and processes offer important lessons and insights into addressing these, over and above the usual roles that are suggested for them. There is a danger that the push for larger more cost-effective programs, and the emphasis for measureable and tangible results, will mean that smaller, more imaginative and more transformative initiatives are ignored (Natsios, 2010²⁹). Any expansion of Australia’s international cooperation efforts needs to firstly ensure that it is open to supporting social capital ventures (a Venture Social Capital Fund?) whose

²⁶ Broome, A (2009) 'When do NGOs Matter? Activist Organisations as a Source of Change in the International Debt Regime', Global Society, Volume 23 Issue 1 2009, Pages 59 – 78

²⁷ See the website of the Tax Justice Network http://www.taxjustice.net/cms/front_content.php?idcat=2

²⁸ Sumner, A (2010) *The New Bottom Billion and the MDGs – A Plan of Action*, IDS In Focus Policy Briefing, page 2.

²⁹ Natsios, A. (2010) 'The Clash of the Counter-bureaucracy and Development', Centre for Global Development Essay

outcomes are by definition unpredictable, and secondly expand notions of how civil society might contribute to achieving long term sustainable development.