



# NGOs

## in the service of whom?

*The role of NGOs, as part of civil society, in the WSSD process has become rather contentious. **James Petras** and **Henry Veltmeyer** examine whose interests are best served by the presence of NGOs in society.*

**T**hroughout history, ruling classes representing small minorities have depended on a coercive state apparatus and social institutions to defend their power, profits and privileges. In the past, particularly in the Third World, imperial-ruling classes financed and supported overseas and domestic religious institutions to control exploited people and deflect their discontent into religious and communal rivalries and conflicts.

Although these practices continue today, in more recent decades a new social institution has emerged providing the same function of control and ideological mystification – the self-described ‘non-governmental organisations’. Today there are at least 50 000 NGOs in the Third World receiving more than \$10bn in funding from international financial institutions, European, US and Japanese governmental agencies and local

governments. The managers of the biggest NGOs manage million-dollar budgets and receive salaries and perks comparable to those of corporate chief executive officers. Thousands of NGO directors drive 4X4s and live in fashionable suburban homes. They are more familiar with and spend more time at the overseas sites of their international conferences on poverty than the muddy villages of their own countries.

GUY STUBBS



They jet to international conferences, confer with top business and financial directors and make policy decisions that affect – in the great majority of cases, adversely – millions of people, especially the poor, women and informal sector workers. NGO leaders are a new class not based on property ownership or government resources but derived from imperial funding and their own capacity to control significant popular groups. NGOs have become the latest vehicle for upward mobility for the ambitious educated classes. Academics, journalists and professionals have abandoned their earlier interests in poorly rewarded leftist movements for lucrative careers in managing NGOs. They bring with them their organisational and rhetorical skills and a certain populist language. These structures have displaced and destroyed the organised leftist movements and co-opted their intellectual strategists and organisational leaders.

NGOs have become significant worldwide political and social actors

that operate in rural and urban sites of Asia, Latin America and Africa while their donors sit in Europe, US and Japan. The justification of their positions – that they fight poverty, inequality etc – are self-serving. There is a direct relation between the growth of NGOs and the decline in living standards: the rise of NGOs has not reduced structural unemployment or provided living wages for a growing army of informal workers. It has provided a thin layer of professionals with income in hard currency, which has enabled them to escape the ravages of the neoliberal economy that affects their country and people.

This image contrasts sharply with how they view their positions. They describe themselves in press releases and public debates as representing the 'third way'.

Today most left movements and popular spokespeople criticise organisations such as the World Bank, multinational corporations, etc who determine the macroeconomic agendas

for the Third World. The attack on the lives of those living in the Third World takes place on both the macroeconomic and micro-socio-political levels. The effects of structural adjustment programmes and other interventions have the potential of causing popular discontent. That is where the NGOs play an important function. They deflect popular discontent away from the powerful institutions towards local micro-projects, apolitical 'grassroots' self-exploitation and 'popular education' that avoids class analysis of imperialism and capitalism. On the one hand they criticise dictatorships and human rights violations but on the other they compete with radical socio-political movements in an attempt to channel popular movements into collaborative relations with dominant neoliberal elites.

Contrary to the public image of themselves as innovative grassroots leaders, they are in reality grassroots reactionaries who complement the work of the International Monetary Fund and other institutions by pushing privatisation from below and demobilising popular movements, thus undermining resistance.

#### Origins and growth of NGOs

Such organisations have emerged under different types of conditions:

- They emerged as a safe haven during dictatorships where dissident intellectuals could pursue the issue of human rights violations and organise 'survival strategies' for victims of harsh austerity programmes. These humanitarian NGOs were careful not to denounce US and European complicity in local human rights violations or question emerging free market policies that impoverished the masses.
- The real growth of NGOs has occurred in times of rising mass movements that challenge imperial

hegemony. Popular revolts loosened the purse strings of overseas agencies and millions of dollars poured into various hotspots from the 1970s. The growth of radical socio-political movements has been a lucrative commodity for ex-radical and pseudo-popular intellectuals who have sold the idea of NGO projects to interested and well financed private and public foundations closely aligned to European and US multinational corporations and governments. NGOs are essentially put in various countries to 'put out the fires'.

Under the guise of constructive projects, they argue against engaging in ideological movements, thus effectively using foreign funds to recruit local leaders, send them to overseas conferences and encourage local groups to adapt to the reality of neoliberalism. As outside money becomes available, we see the growth of NGOs that begin to compete for a piece of the action and this spills over into local communities. Each 'grassroots' activist corners a new segment of the poor to set up an NGO.

Deepening economic crises, where intellectuals and academics have lost their jobs, has led to a growth in NGOs. Such structures become job placement agencies where professionals can situate themselves.

NGOs might in some instances be progressive but often act as the vehicle for transactions between old regimes and conservative electoral politicians. They use their grassroots rhetoric and status as 'democratic' human rights advocates to channel popular support behind politicians and parties that confine their transition to legal-political reforms instead of socioeconomic changes.

### **Are NGOs internally elitist and externally servile?**

In reality NGOs are not non-governmental organisations as they receive funds and often collaborate with overseas government, institutions etc. It is questionable to what extent their programmes are accountable to local people as opposed to their overseas donors. The progress of programmes is reviewed not by the locals but by overseas donors. Aside from programme reviews, interventions are often not determined by local needs but by the agendas of overseas donors. Therefore, in order to secure funding, NGOs will structure project proposals in line with the interests of Western funding elites.

NGOs foster a new type of cultural and economic colonialism – under the guise of a new internationalism. Hundreds of individuals sit in front of high-powered PCs exchanging manifestos, proposals and invitations to international conferences with each other. They then meet in conference halls to discuss the latest struggle and offerings with their 'social base' and then pass on the proposals to the 'masses' through pamphlets and bulletins. When overseas funders show up they are taken on 'exposure tours' to showcase successful projects where the poor are helping themselves and to talk to successful micro-entrepreneurs. Shifts in funding priorities or bad evaluations by non-locals could result in the dumping of groups, communities etc.

### **NGOs compete with local socio-political movements**

NGOs are not and do not represent mass movements. They mobilise people around projects and use the 'language of the left' to bring people on board. The NGOs ultimately compete directly with socio-political movements for influence among the poor, women,

racially excluded etc. Their ideology and practices divert attention away from the source of and solutions to poverty. NGO 'aid' affects very small sectors of the population and ultimately leads to competition between communities for scarce resources. The same is true amongst professionals: each sets up their NGO to solicit international funds. The result is the proliferation of NGOs that fragment poor communities into sectoral and subsectoral groupings unable to see the larger social picture that afflicts them and even less able to unite in struggle against the system.

It is no coincidence that, as NGOs have become dominant in certain regions, independent class political action has declined and neoliberalism has gone uncontested. The bottom line is that the growth of NGOs coincides with increased funding from neoliberals and the deepening of poverty everywhere.

### **Is there an alternative way?**

One could well argue that not all NGOs are the same and some do criticise and organise against the big institutions. There is, however, an overwhelming view amongst peasant leaders in Asia and Latin America that even progressive NGOs continue to play a divisive and elitist role – they want to subordinate the local leaders so they can lead and speak for the poor. Progressive NGOs use peasants and the poor for their research projects and benefit but nothing comes back to the movements. The answer lies in NGOs converting themselves into members of socio-political movements.

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*This is an edited version of an article written by Petras and Veltmeyer entitled 'Globalisation unmasked: Imperialism in the 21st Century' published by Zed Press.*