Aid and Civil Society Organizations

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Introduction

Civil Society Organizations (CSOs) are a subset of the much wider group of non-state actors (NSAs) in the aid system, which include grassroots social movements, faith communities, traditional authorities, armed groups, online networks, diaspora networks, private firms, trade unions and private foundations. Taken together, they have a profound impact on sustainable development, and play a myriad of roles and functions in the aid system. Many of them pre-date the official aid system (and indeed the state), and will doubtless remain important when and where such aid ceases to be a major source of development finance.

This chapter will focus on CSOs in particular, but readers should bear in mind that they are just one element of the NSA spectrum and in many times and places, not the most significant part.

CSOs also vary considerably, ranging from small local community-based organisations (e.g. residents' groups) to large membership-based organisations (e.g. India's Self-Employed Women's Association (SEWA)) to national/regional non-governmental organizations (e.g. Tanzania's Twaweza) to international non-governmental organisations (INGOs, e.g. Oxfam). Some are faith-based, others secular.[2]

CSOs have been the subject of much attention from researchers and policymakers for the important roles they play in delivering sustainable development, for example for their role in running local educational or health services, monitoring the performance of government authorities, advocating for human rights, campaigning on key political and economic issues, or taking part in governance systems at the national and global levels.

The involvement of CSOs at different levels is also intimately tied up with the rapid and continuous evolution of the aid system over the decades since its creation.

Who Gets What

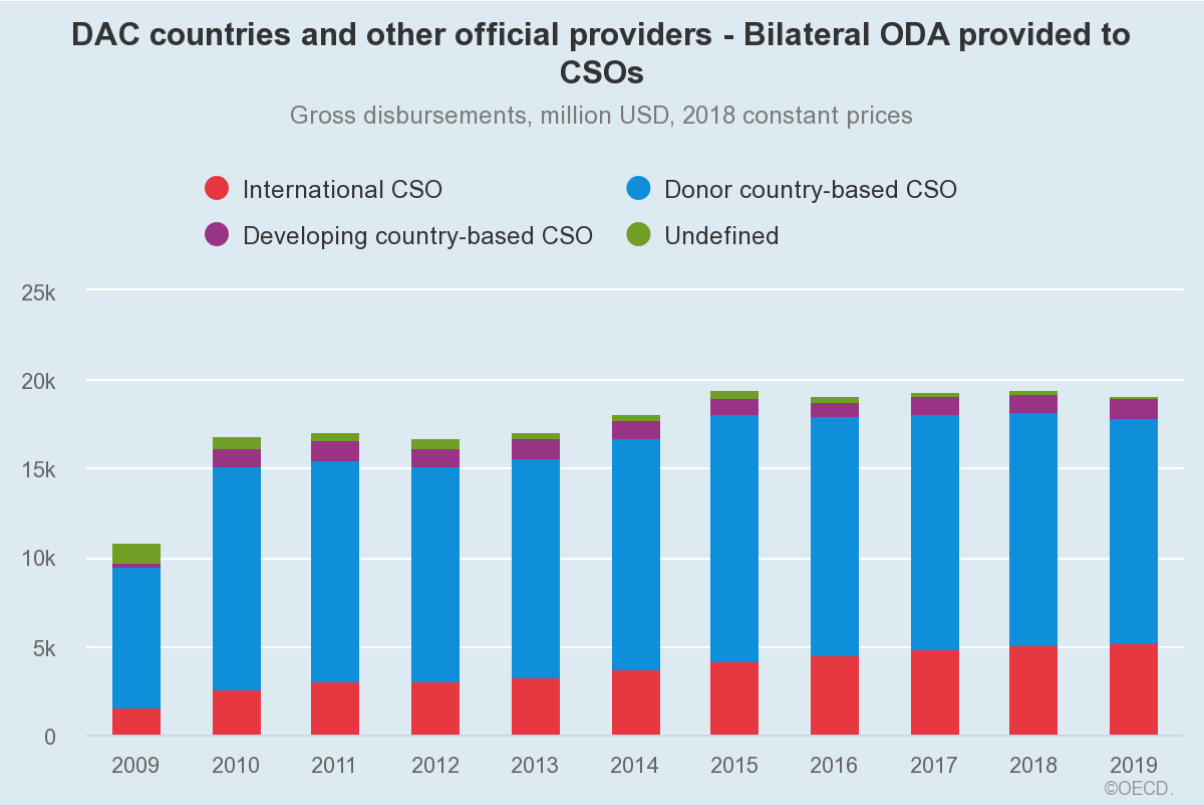
According to OECD figures from 2019, DAC members provided US$20.7 billion of gross bilateral ODA for civil society organisations. The share of bilateral ODA allocated to and through CSOs remained stable for DAC members at 15% of the total on average. Despite a small increase, developing country-based CSOs continued to receive the lowest share of support among all categories of CSOs (6.1% in 2019 up from 5.4% in 2018). CSOs receiving the largest share of ODA are those based in countries providing the assistance, which usually then partner with local organisations in aid-receiving countries.

[1] We would like to thank Melanie Kramers, Ida McDonnell, Jacqueline Wood for their helpful comments on early drafts. Any errors are our own.

[2] Although this chapter uses CSOs as the umbrella term, other authors distinguish between NGOs, defined as intermediary organizations engaged in funding or other forms of support to communities and other organizations that promote grassroots development; in contrast, CSOs comprise community-based and membership-based organizations that are closer to the grassroots (Hulme and Edwards, 2013). The boundary between the two is inevitably blurred, e.g. NGOs may offer direct support to communities, for example during humanitarian emergencies, and the larger CSOs such as SEWA develop a range of intermediary functions such as microfinance and insurance.

Looking more closely, the United States accounted for over one-third of the total bilateral ODA to and through CSOs (US$6.7 billion), while EU institutions increased their share (from 10.6% of bilateral ODA in 2018 to 11.5% in 2019), reaching US$2 billion[3]. Among other official development co-operation providers. Ireland (21%) provided the highest share of core contributions to CSOs, followed by Belgium (18%), Switzerland (11%), Italy (9%) and Norway (7%). Core support is most conducive to meeting the objective of strengthening an independent and pluralist civil society in partner countries.

The share of bilateral ODA for[4] CSOs declined in eight countries (Finland, Iceland, Ireland, Japan, Luxembourg, Poland, Switzerland and the United Kingdom).[5]



Functions of CSOs

CSOs have several functions in the aid system:

Additional resources. While we tend to think of aid as a state-led ecosystem, or that private philanthropic foundations are the only non-governmental sources of aid finance. NGOs added an estimated US$46 billion in private donations to the aid pot in 2019[6], and their contribution stretches well beyond disbursing money, including volunteer hours, pro bono technical expertise and their role in public education and policy change.

[3] For more on the distinction between 'to and through', see the 2020 DAC Members and Civil Society study
[4] 'for' here includes both 'to' and 'through', as do the figures in the graphic
[5] OECD, Development co-operation funding: Highlights from the complete and final 2019 ODA statistics

[6] https://stats.oecd.org/Index.aspx?ThemeTreeId=3, accessed 19 January 2022

Assurance. Many CSOs act as intermediaries. Official aid donors neither want nor have the capacity to implement aid projects directly and some wish to avoid direct budgetary support to developing country governments or going through multilateral institutions. So, instead, they look to CSOs to act as corporate contract managers, provide coordination and quality assurance of local actors, and manage the growing burden of compliance.

Delivery. Much of the last mile work of the development system is run by CSOs of all sorts – from local organizations running schools and health clinics to large INGO country humanitarian operations. This varies according to the nature of the aid and the actor. Although reliable data do not exist, our experience suggests that long-term development has least direct delivery by INGOs, while humanitarian response and even more of the advocacy/influencing work that the aid system funds is often performed by CSOs. This is partly due respectively to their greater local presence and the restrictions on the political activities of official actors. Private sector management consultants, most of whom are for-profit companies, have become increasingly involved in this area, but no overall figures for this subsector are currently being collated, as far as we know.

Wider Impacts. CSOs deliver other positive impacts, such as championing human rights, buttressing democracy, advocating for policy change, shifting social norms and tackling other development challenges. Some bilateral donors and philanthropic foundations have increasingly recognized this role, supporting local and national CSOs not just because they can deliver goods and services at the last mile, but also because they remain as part of the system, advocating for rights, supporting community participation and holding governments to account.[7]

Influencing change: CSOs have influenced the practice of the wider aid community, through demonstration effects, advocacy and their participation in the wider debates that endlessly shape and reshape discourse around the nature of development and 'what works' in aid. Issues which were previously seen as mainly CSO concerns gradually became institutionalized within mainstream donor work, such as participatory planning, the gender dimensions of development, increased attention to environmental concerns and rights-based development. Direct advocacy through vehicles such as the Reality of Aid network[8] has drawn attention to issues such as double counting and the proportion of aid that never left the North. (Lewis et al, 2012) More recently, CSOs have been at the forefront of pushing the aid system to take seriously the need for internal reforms to promote decolonization and localization. Taken as a whole, these reforms aim to push power, decision-making and resources down the aid 'supply chain' to be as near the ground as possible, but have encountered powerful inertial factors within the aid system[9].

Case Study of a grassroots national CSO: Beyond the Stars Society, Palestine

Ola Abu Alghaib's account of her encounter with donors graphically demonstrates the challenges faced by grassroots CSOs in accessing aid.[10] Alghaib was one of the founders of Beyond the Stars

[7] See, for example, the 'Dialogue and Dissent' programme of the Dutch Government, https://www.government.nl/topics/grant-programmes/dialogue-and-dissent-strategic-partnerships-for-lobby-and-advocacy, or the Ford Foundation's BUILD Programme to support CSO resilience, https://www.fordfoundation.org/work/our-grants/building-institutions-and-networks/, both accessed 4 February 2022

[8] https://realityofaid.org/, accessed 5th January 2022

[9] https://oxfamapps.org/fp2p/localization-in-aid-why-isnt-it-happening-what-to-do-about-it/, accessed 25th January 2022

[10] Ola Abu Alghaib, Aid bureaucracy and support for disabled people's organizations: a fairy tale of self-determination and self-advocacy, chapter in Eyben et al, 2015, The Politics of Evidence and Results in International Development

Society (BSS) in 2007, an organization that promotes the rights of women with disability in Palestine. By the mid 2010s, its annual budget was around US$500,000, with diverse funding sources.

Alghaib recounts how, in 2011, BSS submitted a concept note to a large global donor organization (anonymized as LDGO). Initial elation at getting approval for US$450,000 – its first big aid grant - to expand its work to Palestine, Jordan, Yemen and Egypt proved short-lived. Cutting a long and painful story short, after a year of conversations:

- BSS's budget was cut by half without explanation
- It was asked to drop Yemen in favour of Lebanon
- It had to reduce the project duration to two years to match the reduced funding
- It was asked to use some of the funds to recruit a consultant to develop the programme document and logframe according to the LGDO systems, and to have at least one team member able to report in English
- The LDGO repeatedly questioned BSS' understanding of the context in Palestine, the situation of women with disability, and thus their strategy

'There was no match between activities and resources. BSS also found itself with a complicated logframe built on results-based management that required external experts to help it comply with the formal requirements. BSS's initial enthusiasm for the project was replaced by uncertainty about whether it would be able to report against the progress anticipated by the donor.'

Other research points to the problem of membership-based organizations receiving the large grants favoured by major donors, which often eschew small grants as too admin-intensive. Based on research in Pakistan, Masooda Bano argues that aid often erodes the cooperation that underpins some types of CSOs. When foreign money flows in, the unpaid activists that form the core of such organizations can lose trust in their leaders, whom they now suspect of pocketing aid dollars. (Bano 2012)

What emerges from these conversations is that even if the upstream barriers to localizing aid, in the shape of obstacles within donors and INGOs, can be overcome (itself a big 'if'), the aid system's institutional procedures need reform to ensure that aid can genuinely support local groups, rather than 'killing with kindness'.

Case Study of A Regional CSO: Twaweza

Twaweza works in Tanzania Kenya and Uganda to enable citizens to hold their governments to account in areas such as education provision and health care. Its work responds to the deteriorating situation of citizens' most basic freedoms and rights in Tanzania and the region. The very existence of civil society is increasingly under threat.

Twaweza works by promoting civic action, carrying out national advocacy work, conducting research and convening coalitions of interested parties around particular issues. It takes particular pride in the depth and rigour of its evaluation and research, which has made it something of a 'donor darling'.

In 2020 Twaweza employed 40 staff and had a total income of US$5.3m (2021 report and accounts). Almost 100% of this came from a range of aid donors, principally bilaterals (UK, Sweden, Denmark, Switzerland, Finland) and philanthropic foundations (Hewlett, Wellspring, American Jewish World Service, Ford, Open Society).[11]

[11] https://twaweza.org/wp-content/uploads/2021/06/2020-Financial-Statements-01062020.pdf

According to Twaweza's Executive Director, Aidan Eyakuze[12]:

'It's not just aid money, but also being independent of domestic governments – that is powerfully important. For example, Uganda has a Democratic Governance Fund, which gathers up donor contributions and then funds approved NGOs. Donors went along with it. Then just before the elections, the government suspended the Fund and banned outside funding of NGOs, and so completely squeezed all the independent monitoring in Uganda. Government also had complete visibility of the NGOs and went after them, freezing accounts, raiding offices etc.

At Twaweza, direct aid funding helps maintain independence. It allows us to speak up, speak out, and engage constructively with politicians and officials at all levels. For example, a Ministry was putting together a decentralization policy and was required to do a public consultation, but had no budget. So Twaweza stepped in and said 'we will fund the consultation process'. We got 90 CSOs in six different regions, trained them to do proper consultation, and the government was very pleased with the quality compared to the efforts of civil servants. That needs flexible core funding.

The problem is that not enough funding has that flexibility. Although that is increasingly recognized by some in Foundations and bilaterals, their hands are often tied. We are supremely lucky and have fought hard to maintain core funding, that allows us to be true to our strategy, be flexible, especially when facing the kinds of [political] constraints we have faced in the last few years.

The other thing we have found useful is the ability to contribute to debates *within* donors on issues such as governance/democracy – we can help them improve their conceptualization of their own strategy. It's incumbent on us to be more assertive on this – the incentives to not rock the boat are huge for partner organizations.

Foundations v Bilaterals: Foundations are less constrained, less demanding on reporting, more flexible. They have asked us things like 'why don't you guys have a reserve fund?', whereas [Swedish bilateral] SIDA says 'we're not allowed to fund reserve funds'. They also tend to be more open to learning, genuinely – maybe we're just lucky, but we can engage with them at strategic decision-making level. The programme officers in bilateral donors tend to be at a more junior level, whether in HQ or the Embassy.'

[End case study]

Case Study of a Large INGO: Oxfam[13]

Oxfam's work combines humanitarian assistance, development programmes and campaigning for solutions to the structural causes of poverty. Founded in 1942, its evolution can be seen in three broad phases. The first was characterised by volunteers who raised funds from the British public, engaging a spirit of solidarity with people around the world. There were no paid members of staff for many years.

A second phase emerges in the 1960s, with the formalisation of the aid sector, the creation of Overseas Development Assistance and of new agencies dedicated to channelling those funds. This was accompanied by professionalisation and institutionalisation, including structures that sought to promote consistency and efficiency. It was not until the 1990s that Oxfam, along with other international development organisations, began to receive significant amounts of government

[12] Zoom interview, January 2022

[13] Please note that both authors are employees of Oxfam GB, though Duncan also teaches at the London School of Economics.

funding. By 2020, the Oxfam confederation worked in more than 90 countries, through more than 4000 partners, and had a combined income of around US$0.9bn.

Like many INGOs, aid funding to Oxfam has increasingly shifted from grants to contracts, often with increasing levels of conditionality and compliance. This makes the generation of unrestricted income even more important, through streams such as a network of high street shops selling and recycling donated goods, and public mass fundraising events from sports challenges to festival stewarding.

Since the 2010s, Oxfam has been trying to create a more globally-balanced network, increasing the number of affiliate members in the Global South, and reforming its governance. Like many INGOs, Oxfam is also seeking to to shift more power and resources to implementing partners, and to focus its efforts on where it can add most value, for example providing assistance and strengthening civil society in fragile states, and leveraging its global advocacy network to address shared challenges such as climate change and inequality.

Based in part on the case studies, the table below digs deeper into the different roles and challenges faced by different kinds of CSOs.

CSO type/example	Additional Resources	Assurance	Delivery	Externalities	Challenges
INGO (Oxfam)	Y	Y	Y (esp humanitarian and advocacy)	Y (through global and national advocacy)	Numerous. Discussed in more detail in the next section
National/Regional NGO (Twaweza)	N	N	Mainly via advocacy rather than direct delivery	Y (through research, advocacy and the spread of ideas)	See Twaweza case study. Political constraints, risks to civic space.
CSOs (general, not just from the BSS case study)	Y (from membership dues, in some cases from services like micro-finance)	N	Y (wide range of services from microfinance to education to insurance)	Y (through advocacy and organization)	See BSS case study. Aid structures often incompatible with genuine grassroots organization.

Spotlight on INGOs[14]

Table: Largest INGOs by income (2020)

- World Vision: $3.1 bn

[14] OECD reporting distinguishes between INGO (e.g. Oxfam international, ICRC, World Vision), donor country-based NGO (e.g. Trocaire in Ireland), and developing country based. In practice, the first two categories exhibit many commonalities in thinking and behaviour.

- Save the Children: $2.3 bn
- Medecins Sans Frontieres: $2.3 bn
- SOS Children's Villages: $1.7 bn
- Plan International $1.1 bn
- Oxfam: $1.1 bn

Source: IFL Forum, 2021 INGO peer review (unpublished)

INGOs constitute a minor part of the overall aid system in terms of financial clout, their budgets dwarfed by UN agencies such as the World Food Programme ($8.5bn in 2020[15]) and many government donors. Yet they are prominent voices on sustainable development issues. The major INGOs were founded in the same Western countries that emerged victorious from World War II and went on to dominate the institutions of global governance: the United States, Britain, and France. A second tier were founded in other former colonial powers (the Netherlands, Belgium, Italy, Germany, Spain, Japan), with a smattering from other high income countries (Canada, Australia, New Zealand).

INGOs can be distinguished from government aid agencies in three key ways: they are relatively independent from state geopolitical interests; they offer ordinary citizens a way to play a part in tackling global challenges such as poverty; and, via their CSO partners specialising in advocacy or programming, they are often able to engage more effectively with marginalised communities. (Lewis, 2007, p. 133)

Table: INGO Evolution (adapted from Galway et al, 2012)[16]

Wave	Approximate era	Defining characteristics
1st	WWII to late 1960s	• Small number of large, well established NGOs
		• Primarily involved in emergency and conflict relief
		• Religious and missionary affiliations commonplace
2nd	Early 1970s to early 1980s	• Role expanded beyond emergency and conflict relief
		• Community level work employing participatory approaches commonplace

[15] Source: IFL Forum, 2021 INGO peer review (unpublished)
[16] Chapter 11 in this 2003 OECD report gives further insight on the history of INGOs in the aid system: https://www.oecd-ilibrary.org/docserver/9789264158528-en.pdf?expires=1642676998&id=id&accname=ocid84004878&checksum=8C019A0A3F11870EE8F025121B967A78

Wave	Approximate era	Defining characteristics
3rd	Mid/early 1980s to late 1990s	• Rapid proliferation of NGOs around the globe linked to changing political and economic ideologies of the time
		• Significant increase in funding for INGOs, especially for humanitarian emergencies, in response to the Ethiopian famine • With growth came scale, professionalism, co-ordination, and an increasing diversification of activities.
		• NGOs considered viable development alternatives and become the 'favoured child' of development agencies
4th	Early 1990s to current	Many INGOs adopt 'rights-based approach' and devote greater resources to public campaigning and influencing public policies on issues such as debt, trade and climate change
		Large NGOs such as Oxfam and Save the Children start to come together in formalized international confederations
5th	Early 2000s	• NGO activity shaped by poverty reduction agendas and Millennium Development Goals
		The Paris Declaration (2005) focussed attention on the government-to-government relationship to the detriment of CSOs. The Accra Agenda for Action (2008) brought CSOs back onto the agenda. The 2021 DAC Recommendation on Enabling Civil Society in Development Co-operation and Humanitarian Assistance may reinforce the donor-CSO relationship in some respects but not others e.g. a renewed push for localisation may have negative consequences for INGO funding.
		• In response to political differences, the 'rediscovery' of the state, and the focus on value for money, efficiency and scale, donors started to redirect money through more biddable management consultants and multilaterals. However, despite these pressures and increased scrutiny, overall funding to NGOs holds constant, according to OECD figures.

Wave	Approximate era	Defining characteristics
6th	Looking ahead	The adoption of the Sustainable Development Goals for 2030 has broadened the focus beyond poverty and has greater buy-in from a range of stakeholders including the private sector to contribute to a shared agenda. A rise in alternative models to the traditional INGOs for creating change, often thanks to technology that allows for the emergence of new social movements such as Black Lives Matter and Me Too. INGOs trying to redesign their structure and approach, in order to shift power and resources to the partners implementing the majority of the work, to tackle racism and decolonise, and to try to create a new type of social justice network fit for the future.

INGOs' autonomy can be restricted by a high dependence on funding from governments, primarily as implementing agents for official aid and emergency relief programmes.[17] To maintain independence, many seek to restrict the proportion of state funding, but given the pressing levels of human need this is a difficult tightrope to walk.

INGOs' thinking and practice have evolved over time. An ethos of 'helping the needy' in the 1950s and 1960s was replaced by self-help mantras in the 1970s and 1980s (captured in the slogan 'Give a man a fish and he eats for a day, teach a man to fish and he eats for life'). Since the mid-1990s, a 'rights-based approach' has gained ground, centred on respect for civil, political, economic, social, and cultural rights. Alongside this is increasing concern for the environment (suppose pollution kills the fish?) sustainability (suppose the man catches all the fish?) and gender equality (what are women doing while the man catches fish?).

In recognition of the impact of wider social and political processes on their work, in the 1970s and 80s INGOs sought to connect with struggles against oppression in southern Africa and Central America. The developing country debt crisis and International Monetary Fund structural adjustment programmes in the 1980s and 1990s moved INGOs to devote increasing resources to public education, campaigns, and lobbying on economic justice, aiming to influence the behaviour of governments, corporations, and other institutions that affect the lives of people in poverty.

From the mid-1990s onwards, the largest development NGOs began to formalise their relationships into federations and confederations. They recognised that the collapse of Communism, the new drive for globalisation, and powerful new communications media made a global response to suffering and poverty both necessary and feasible. Today, these INGOs act as catalysts, brokering relationships between social movements, governments, and the private sector, raising public awareness directly or through the media, and as lobbyists, putting co-ordinated pressure on

[17] The proportion of total NGO funds in a country that are drawn from official sources varies very widely, from 90 per cent in Sweden to about 29 per cent in the case of CARE USA. The average across 51 large INGOs came to 50% private donations, 44% government grants and 6% commercial income, (Lewis et al, 2021, p. 174)

international organisations such as the UN and the World Bank, in response to issues such as aid, debt relief, the arms trade, access to vaccines, climate change, and international trade rules. INGOs based in Latin American, Asian and African countries are increasingly influential in this work.

Critiques

There has been increased scrutiny of INGOs in recent years. Although some critiques are motivated by political differences, many pinpoint issues that deserve urgent attention, and have given rise to profound soul-searching.

Efficiency: As with government aid, INGO assistance can suffer from delays, under-funding, lack of co-ordination/duplication, or inappropriateness, and impose excessive demands on local partners.

Ideology: The growth in INGO advocacy helped to challenge the Washington Consensus policies of liberalisation and deregulation espoused by the World Bank and major aid donors since the 1980s. However, INGOs have proved more adept at criticising existing policies and practices than articulating a convincing and comprehensive alternative paradigm. One reason for this may be that NGOs' promotion of active citizenship, which has undoubtedly helped push issues of rights and participation up the political agenda, has not been matched by a clear view of the role of the state in development or of how best to create (rather than merely distribute) wealth.

The role of the state: Some INGOs provide basic services such as health care and education in lower-income countries, particularly in situations where the state is unable to deliver them. Such efforts can never meet the needs of all people and may compete with the building of an effective state. In 2005, one study found that the 667 NGOs working in Bolivia were conducting 4,482 projects, a quarter of which were in health and sanitation. Not only did this make oversight of the health service almost impossible, but 'neither general nor health specific NGO activity is related to population need, when defined as population health status or education level or poverty levels.' (Galway et al, 2012) Even in Bangladesh, which has some of the largest and most influential NGOs anywhere in the world, total combined NGO services reach only about 18 per cent of the population. The aim must be to strengthen government systems to ensure that everyone has access to essential services.

Risk aversion and red tape: According to former Oxfam GB CEO Mark Goldring: 'Demands for political and media accountability, quick results, and compliance with legal, money-laundering, anti-corruption, counterterrorism and other requirements, along with donors' own overstretched capacity, mean that it is hard to see many funding relationships as true partnerships.'[18]

Caution and compromise: Whether through a conscious desire to curry favour, a greater familiarity with the constraints on decision-makers in high-income countries, or the more subtle influences exerted by regular contact with powerful people and the desire to be seen as 'sensible interlocutors', staff in INGOs often adopt more conciliatory attitudes towards governments than their grassroots and national partners and allies. Dependence on government funding, or fear of being denied permission to operate, can lead to self-censorship and a narrowing of permissible

[18] Goldring, 2019, 'Six things INGOs need to fix to be fit for the future. Mark Goldring's outgoing reflections, https://oxfamapps.org/fp2p/six-things-ingos-need-to-fix-to-be-fit-for-the-future-mark-goldrings-outgoing-reflections/. See also https://www.humanitarianoutcomes.org/sites/default/files/publications/ngo-risk_report_web.pdf

debate. This donor influence can be stark, as when US government funding for HIV and AIDS programmes required contractors to promote abstinence rather than condom use.

Short-termism and service delivery: The focus on 'results-based management' imposed by some government funders can bias the activity of INGOs and their local partners towards short-term, measurable results and away from efforts to promote longer-term change and respect for rights. It is easier to measure how many clinics or school places have been created than the extent to which attitudes to women's rights have changed. Similarly, the large chunks of government aid money on offer can turn NGOs into mere 'ladles in the global soup kitchen', focused on service provision.[19] Much of the new aid money is for relief and emergency work, which reinforces the bias toward service delivery, rather than social change. Some NGO insiders have gone so far as to say that 'We need to bury the aid paradigm in order to liberate ourselves to achieve the impact we say we want.'[20]

Accuracy: INGOs sometimes move too quickly to cry wolf. The same pressure that tempts INGOs to overstate crises, combined with their can-do ethos, may also cause them to be less than forthright about the limits of their ability to cope with the aftermath of catastrophes, thus raising unrealistic expectations.

Failure to decolonise and localize: In recent years, INGOs have come under considerable criticism for a failure to 'decolonise' their systems and practices[21]. An open letter to INGOs from a group of NGOs mostly based in countries in Africa and Asia summarises the challenge sharply: "We appreciate that over the years, many of you have sought to help deliver much-needed services, and have helped to elevate some issues of concern, like debt relief, gender or climate change, to the world stage. But times are changing. And you have (rightly) been facing a number of critiques in recent years – around your legitimacy, your 'whiteness' or the fact that far more aid money ultimately ends up in the pockets of northern organisations' headquarters than it does in the Global South."[22]

In the aid sector, the language of decolonization overlaps to a large extent with that on 'localization' - can the system respond to the case for the greater localization of aid spending through national and local CSOs, who currently receive directly only a tiny proportion of the aid pie? A 2021 study of localization in the humanitarian sector concluded that:

'Perceptions of and attitudes to the fiduciary, legal, reputational and security risks posed by working with local actors; perceptions of capacity and capacity strengthening; and the perceived ability of local actors to uphold humanitarian principles…. shape and interact with issues including the lack of trust between international and local actors; the nature of partnerships; the quality and quantity of funding; internationals' self-preservation; and, fundamentally, power dynamics between different actors. The literature shows that assumptions about risk and localisation are not grounded in empirical evidence.' (Barbelet et al, 2021)

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[19] Fowler (1994)

[20] Michael Edwards, speech, June 2005

[21] For a fascinating discussion within the aid community on this issue see 'Responses to 'Are INGOs ready to give up power?', December 2019, https://oxfamapps.org/fp2p/responses-to-are-ingos-ready-to-give-up-power/

[22] 'An open letter to International NGOs who are looking to 'localise' their operations', *Opendemocracy*, March 2020, https://www.opendemocracy.net/en/transformation/an-open-letter-to-international-ngos-who-are-looking-to-localise-their-operations/

Disempowering and racist imagery: Images of people looking desperate and vulnerable have been called out as 'poverty porn'. Although such imagery can be effective in the short-term in terms of creating a strong emotional response that drives people in high-income countries to donate to fundraising appeals, the long-term effect of such storytelling creates a misleading impression that people in poverty lack agency, and are permanently in a state of helpless misery. This ties into the move to decolonise not just how INGOs work with partners and communities, but also the way they communicate their work to the public. There is increased public awareness of these issues after high profile cases including Comic Relief's use of white celebrities, the work of groups like No More White Saviours and conversations like #charitysowhite. There is some evidence that, among more conscious audiences, the old model of imagery has diminishing financial returns.[23]

Keeping people safe

A high-profile scandal revealing Oxfam's failure to protect survivors of the 2010 earthquake in Haiti from abuse was a wake-up call for the entire aid sector. It dented public trust in charities, and led to a recognition that not enough had been done to address inherent risks, nor to encourage people to come forward with concerns. In response, INGOs have invested heavily in strengthening safeguarding systems and processes, to both reduce the likelihood of abuse, and to ensure any incidents that do occur are identified and rapidly and appropriately addressed. Organisations like Oxfam have adopted a survivor-centred approach that encourages people to report abuse in confidence and gives them the support they need[24]. Sector-wide initiatives such as the Misconduct Disclosure Scheme and Aid Worker Registration Scheme aim to stop known perpetrators from finding jobs with other organisations. Collectively, the sector is working to find ways to overcome challenges posed by different legal systems and in places where the rule of law has broken down. There is greater transparency and regular reporting of cases, and conversations with donors about adequate funding to ensure safe programming. Importantly, improving safeguarding is now seen as part of a longer journey of culture change to tackle imbalances of power that enable abuses to occur.

Accountability

INGOs have responded to critiques over the years by improving their transparency (for example, publishing financial statements and policies), agreeing codes of good practice on issues such as humanitarian relief work, adopting membership structures, and instituting peer reviews and regular consultation with a range of 'stakeholders', including partner organisations in developing countries.

In most countries, INGOs are accountable by law to the host government. This can lead to tensions when states resent NGO activities, as happened in January 2022, when the Indian government's Ministry of Home Affairs effectively blocked millions of dollars in aid funds when it refused to renew the registration of 179 Indian CSOs, including Oxfam India, under the Foreign Contribution Regulation Act[25]. INGOs are also subject to rigorous reporting requirements to their official funders.

In recent years, INGOs have invested significantly in strengthening their accountability to the communities they are trying to support, particularly in the area of humanitarian response, where many of the greatest concerns over abuses and lack of accountability arise. As often happens with nascent disciplines, there was an initial proliferation of different accountability standards, which then began to coalesce into an industry-wide consensus version. The Core Humanitarian Standard on

[23] https://www.developmentcompass.org/publications/briefs-and-reports/the-price-we-pay-gb-sandbox-june-2021
[24] https://www.oxfam.org.uk/about-us/tackling-abuse-information-and-updates/keeping-people-safe/
[25] https://www.oxfamindia.org/press-release/fcra-renewal-denied accessed 10 January 2022

Quality and Accountability (CHS), approved in October 2014, sets out nine commitments that organisations and individuals involved in humanitarian response can use to improve the quality and effectiveness of the assistance they provide. At the time of writing, over 240 national and international organisations working in more than 160 countries had committed to adopting the standards[26].

Despite such steps, and while activists from developing countries appreciate the support that their organisations receive from INGOs, they often complain that INGOs are domineering, using their resources and skills to hog the limelight, impose their own agendas, and lure talented staff away with the promise of higher salaries. In the long term, this dynamic could well undermine the effort to build active citizenship in developing countries, and is particularly significant in light of the growth of increasingly sophisticated Southern NGOs, which are challenging the traditional roles of their Northern counterparts as intermediaries between Northern funders and poor communities and as 'builders of capacity' of grassroots organisations.

Conclusion and Ways Forward

During four decades of rapid expansion, both at the international and national level, CSOs have had to face innumerable challenges, from shifting donor fads and requirements, to the increasing hostility of governments. This has inevitably created tensions and trade-offs between institutional survival and remaining true to their core values and missions.

These challenges can be summarised in seven groups:

Firstly, donors and INGOs have yet to put their money where their mouths are on localization, due to a combination of risk aversion, racism, and institutional incentives (e.g. income growth is often central to CSO strategies; application processes for funding often promote competition over collaboration).

Secondly, even as their own experience has brought home the importance of challenging unjust or ineffective politics and policies, the legal and financial constraints on such challenges have grown harsher, in countries around the world.

Thirdly, the move to global confederations, while a logical response to an increasingly interconnected world, has clearly created internal bureaucracies that do not facilitate the urge to be nimble and to 'dance with the system' of fast changing political and social opportunities to bring about change.

Fourthly, as aid has fallen as a percentage of many recipient economies and state revenues, aid actors have found themselves increasingly irrelevant in the places where 'doing aid' is easiest, and corralled into a set of fragile and conflict-affected states where poverty is most deeply rooted, and doing anything about it is hardest.

Fifthly, as local/national CSOs have grown, there is inevitably a process of professionalization. Large organizations need processes, rules, HR departments and all the rest. But that can sit uneasily not just with agility, but with the ethic of voluntary and brave activism that underpins many such organizations. Simply 'speaking truth to power' (even when it constitutes a good theory of change) becomes a good deal harder when you acquire some power yourself.

[26] https://corehumanitarianstandard.org/the-standard accessed 19 January 2022

Sixthly, the increased number of protracted crises, lasting for decades, massive challenges like the climate crisis, and now Covid, create huge extra pressures which INGOs do not have the resources to address.

Finally, INGOs' partners of choice – local/national CSOs, are under the political cosh from increasing numbers of governments. While this may be an indirect testament to the rising importance of civic activism, it undoubtedly constrains the ability of civic partnerships to bring about change. In many countries, that activism has moved outside the borders of stable politics into spikes of unruly protest and political populism, both of which are hard for INGOs to engage with.

Aid critics often accuse INGOs of complacency, failing to pursue the necessary reforms to the aid system because they benefit from the status quo. Our experience is the opposite – a profound sense of disquiet to the status quo, leading to intense efforts to chart new ways forward.

One such example[27] is a 2018 paper by Penny Lawrence[28], a former Oxfam GB Deputy Director. Lawrence identified a developmental 'trilemma': INGOs are trying to be fully international, agile and work across the multi-mandate spectrum of humanitarian relief, long term development and influencing. Large INGOs seem to think it is possible to be all three, but in reality, the best they can do is choose two out of three.

Lawrence identifies three 'structural options' for large INGOs:

1. Fragment: into 'smaller, empowered, more independent, more agile, more manageable business units. (Examples include Whitbread, Scope, digital INGOs; Groups such as Dimensions, Coram Group, Virgin Group; PWC franchise model)'
2. Consolidate: use mergers and acquisitions to 'acquire the skills or assets needed to respond to change (Examples include IKEA, Sainsbury's/Asda, Housing Associations, Help the Aged/Age Concern, Cancer charities).'
3. Unbind: 'organisations are not bound by traditional organisational boundaries. They provide platforms to enable others to connect, and add value through convening, triaging, or quality control: (Examples include. Wikipedia, Airbnb, We Farm). This is more of a 'reboot' or 'start again' option.'

But so far, through a combination of obstacles created by ideas, organizational interests and the institutional barriers created by the workings of the aid business, the success of efforts to respond to these critiques have been mixed at best.

CSOs and Aid: Future Prospects and Possibilities

Even if INGOs were to find the path to significant reform, shifting power, decision-making and finance to their southern counterparts, issues of power and exclusion would not go away. Power follows money everywhere, including within developing countries – the adage that he who pays the

[27] For another example by one of the authors see Green (2015), Fit for the Future? Development trends and the role of international NGOs, Oxfam, https://oxfamilibrary.openrepository.com/bitstream/handle/10546/556585/dp-fit-for-future-INGOs-110615-en.pdf?sequence=4

[28] Whither Large International Non-Governmental Organisations? https://www.birmingham.ac.uk/Documents/college-social-sciences/social-policy/tsrc/working-papers/working-paper-142.pdf, Birmingham University, accessed 5th January 2022

piper calls the tune does not stop at borders. Similarly, if CSOs based in lower-income countries reduce their dependence on aid, and raise more money domestically[29], there is still a risk that one paymaster replaces another. But given the current inequities within the aid system, these would undoubtedly be nice problems to have.

As for INGOs, these authors do not agree with the oft-spoken suggestion that they should 'work themselves out of a job'. While the rise of CSOs in the Global South has massively improved the prospects for genuine, bottom-up development, and created the conditions for INGOs to step back, much else remains to be done. INGOs are well placed to campaign on Global Public Goods such as action on climate change, reducing inequality[30], or increasing access to medicines (Covid-19 vaccines currently top of the list). Powerful governments continue to need watching, restraining and holding to account by their publics. Transferring money from wealthy people to those living in poverty will continue to be a valid and useful expression of solidarity. But these activities have to take place within a new and more just contract between people around the world, one that respects skills, knowledge and agency, and does its best to create fairer, more equal societies and organisations.

As for the wider aid system, if it wants to support the push for localization, then it will have to transform its procedures, assumptions and biases. We believe such an effort is amply justified by both moral and instrumental arguments in terms of supporting power, agency and decision-making by those at the sharp end of inequality and injustice.

[29] For examples of how this is happening, see https://www.oecd-ilibrary.org//sites/9a58c83f-en/1/2/1/index.html?itemId=/content/publication/9a58c83f-en&_csp_=7301d6b20a278ecf2da78853e8bcf075&itemIGO=oecd&itemContentType=book#section-d1e2659

[30] https://oxfamapps.org/fp2p/deconstructing-this-years-oxfam-davos-report-what-makes-it-so-good/, accessed 25th January 2022

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