ETHICAL GLOBALIZATION: The Dilemmas and Challenges of Internationalizing Civil Society

John D. Clark*, December 1998

ABSTRACT: Some of the forces and opportunities which allowed capital markets to become globalized apply similarly to civil society - the market place of ideas and values. In today's interdependent world it has become even more important for like-minded citizens’ networks to address the ethical issues posed by economic globalization and other factors in an internationally concerted fashion. Acting together, they have the opportunity to forge a more clearly articulated set of values which provide the underpinnings for their pro-poor programs and campaigns. Seizing “ethical globalization” in this fashion is opportune for a variety of reasons: a growing number of contemporary challenges can only be effectively addressed at a global level; citizen movements need to remain ahead of politicians in shaping the ethical political agenda for an inter-dependent world; they need to work systematically at national and international levels to enhance accountability of governments and their international institutions; citizens movements need to respond in kind to the regional and global political alliances being formed by governments; and enhanced communication makes global citizen action possible. But with opportunities come threats: without strategic effort to ensure consolidation and discipline the currency of citizens’ voice could rapidly become devalued; civil society capacity building is favoured by donors but - as with all donor fashions - this could fade fast; many uncivil elements are easily included in donor support; many northern voices or southern elites are eager to define the position of southern citizenry; and as citizens’ movements become more powerful, issues of accountability become critical. In the same way that economic globalization has required a clear - albeit light - framework of international regulations, coordinated policies, and international institutions, so too “ethical globalization” needs a more clearly defined framework of norms, some light international structures for coordination and accountability, and more honest negotiation of roles, particularly between northern and southern players.

Global interdependence was the theme of the Brandt Commission report in 1980, but few political leaders of the day took this theme seriously, or allowed their policies to be influenced by the North-South polarization described by that august group of elder statesmen and women. Now, however, with economic globalization the situation has changed. Stockbrokers in Europe check the East Asian markets before breakfast and political turmoil in Indonesia and Malaysia filters swiftly through into a domestic economic issue in USA. And almost $400 billion is exchanged in the world currency markets every 6 hours; more than the World Bank has lent in its entire 54-year history. As capital markets have become deregulated – allowing symmetrically for the free flow

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of capital and crisis – so too growing attention has been given to the ethical issues presented by neo-liberal economics². No one in high office today would deny that we live in an inter-dependent world, though policy responses largely remain focused on immediate national interests.

Less dramatic, though potentially as profound in terms of repainting the political landscape, has been the gradual emergence of a different form of globalism – that of citizens’ action. True, there are earlier examples that could be described, such as the anti-slavery movement or trade unionism. But the peace protests, emanating from the opposition to the Vietnam war in the late 60s, plus the mounting popular fear of nuclear war signaled a new age of global movements. This peace movement - followed by the women's movement, the environment movement, the human rights movement, and the economic justice movement – have important characteristics in common³:

1. They address political issues that were largely ignored (or were opposed) by all the mainstream political parties at the time; growing popular concern could therefore not be channeled immediately through conventional political routes.
2. They address issues that are truly global and which concern massive disparities of power.
3. Their goal is threefold: to influence public policy, to reform institutions, and to change public attitudes.
4. Their strategy is two-pronged: mass campaigning and use of mass media to demonstrate force of numbers and win hearts; and skillful research and advocacy to win the intellectual case.
5. They are global movements: they deliberately seek to create international networks and derive enhanced legitimacy as a result, they promote an ethos of internationalism, and they have come to favor simultaneous action internationally.

It is this very last point which has become a defining feature of contemporary citizens movements and a source of their growing influence⁴. Until the 90's, movement followers have been exhorted to reflect on the global consequences of the issue, to replicate actions that have been effective in other countries, but to plan activities at the national or local level. Now, followers are encouraged to draw evidence through careful study of their local context and share this by internet with fellow activists throughout the world, to argue on the basis of pooled information on effective global campaign strategy, and to act collectively or simultaneously in the implementation of that strategy. The old Peace Movement slogan: "Think globally; Act locally" has been transmogrified into a new adage: "Think locally; Act globally" – or perhaps "Think locally and globally; act locally and globally".

Lester Salomon celebrates this evolution of citizens power as a "global associational revolution that may prove to be as significant to the latter 20th century as the rise of the nation-state was to the latter 19th century".⁵ This article seeks to trace why global movements have now become such a powerful force, and to analyze the typical dilemmas and tensions inherent in these movements, particularly in the context of development. It then suggests that the time is ripe for a next stage – that of "ethical globalization" - in which the moral underpinning of citizens' networks are consolidated
into a more systematically articulated political philosophy that is genuinely international in character, and in which movements expose their strategies to more rigorous ethical road testing. Some specific suggestions are given for achieving these ends.

**Why global movements**

The growing strength and number of global movements is due to a variety of factors, especially:

**Emergence of global challenge:** recent decades have seen the ascendancy of issues of popular concern, which are global in nature. These include a range of environmental issues, HIV/AIDS, narcotics trade, third world debt, nuclear testing, and the social ramifications of economic globalization. In that these issues cannot be effectively addressed without concerted action by governments throughout the world they lend themselves to international citizens’ action. Globalization of the economy by promoting open markets, through what George Soros (himself one of the world's most successful speculators) calls "market fundamentalism", has become a particular bete noir of civil society throughout the world. Trade Unions, NGOs, churches, networks of intellectuals and others have come to believe that the current economic crisis, which started in East Asia and has thrown a third of the global economy into strong recession, demonstrates the need for a new financial order, including curbs on the mobility of capital. Soros concludes that market fundamentalism is a greater threat to society than socialism, even though he is keen to stress he is not against market forces (how could he be?) and that he sees markets as "amoral".

If markets were simply mechanisms for making economic decisions, based on surveying all pertinent economic information, they might be amoral. But when some participants in the market have access to information that is denied to others, and when regulations bring in parameters determined by one set of governments only, then biases come in, as do moral questions. Then comes the question whether it is possible for civil society to bring moral suasion into market mechanisms. Clearly the answer is yes. Many polluters or pornographers have been put out of business by local protests. Environment campaigners drove out the use of CFCs in aerosols, country by country. And a many-country boycott contributed to the ending of apartheid in South Africa. The conclusion from this is that the more local is the market ugliness, and therefore the more focused the protest, the more susceptible it is to citizen action. The ills of market fundamentalism, as described by Soros, are too intangible to be influenced significantly by civil society as yet, because this pressure has not been coordinated internationally (with the exception of the efforts of the International Confederation of Free Trade Unions).

**Enhanced communication:** 15 years ago, at the start of international campaigning on the Narmada dam, it took at least 10 days for a letter from Indian activists to reach their partners in Oxfam's headquarters and that was the fastest means of communication. Now, even grass roots organizations are equipped with fax machines, mobile phones and electronic mail, and may even be able to post latest news on their own website. Information exchange is instantaneous, and international discussion on campaign strategy can be achieved at modest expense. Movement leaders also have more opportunity to
meet counterparts from other countries, thanks to conferences organized by international organizations and major NGOs, and to cheaper air travel. When WHO and UNICEF organized a conference on the marketing of breast milk substitutes in 1979, they gave baby milk campaigners from 5 countries (in 3 continents) their first opportunity to meet face to face. At the close of the meeting this small group held a press conference to announce the launch of the International Baby Foods Action Network, and within a year over a hundred NGOs had joined in, representing every populated continent. This was the birth of the first multi-national campaign targeted at multi-national corporations. The network's founders had coordinated strategy and shared information by mail for some years, but the physical coming together was the catalyst needed for the formation of this global network. Today, any such campaigning on a common issue in a number of countries would very quickly become an international campaign, helped particularly by modern information technology and cheap and increasingly reliable telecommunications.

**Emergence of Political and Economic Blocs:** as countries have increasingly conglomerated into political, trading and economic blocs it has become more important for the leaders of movements to network with counterparts throughout these blocs so that their advocacy is at least concerted. At present, with the emergence of actively coordinating center-left regimes throughout much of OECD, there is a particular opportunity for citizens movements to make sure that their priorities are embraced by the "Third Way" framework. And human rights campaigners in Malaysia and Indonesia see ASEAN and APEC as significant forums for eliciting support for their cause from more liberal governments in the region.

**Public Disenchantment with Party Politics:** Cynicism about politicians and their parties has increased in many countries; voter turn-out has fallen and active party membership has fallen in many countries. Western democracy faces a dilemma. On the one hand voters demonstrate a distaste for overtly partisan behavior of politicians; on the other hand they see little point of voting in elections where candidates appear indistinguishable. Furthermore, mainstream political parties have been slower than their potential voters to recognize the changing times. They tended to remain locked into traditional left-right divides such as over the ownership of the means of production within the country, while the public became increasingly concerned with a more diverse range of issues, many of which were international. Single issue pressure groups and movements, on the other hand, captured and fueled public interest in these "new" issues. The membership of the British Labour party is a case in point. In 1971 it stood at 699,522. In the same year an organization primarily concerned with the marine environment was born. No one would have credited that that organization would ever have a membership to rival the Labour party. Yet by 1990, Greenpeace UK at 323,000 had more members than Labour. Now that Labour more actively espouses causes championed by major citizens' movements, its membership has risen again.

Nowhere has this disconnect between political parties and citizens been more eloquently described than by Vaclav Havel, President of the Czech Republic, on accepting the resignation of the then government. In a major speech to parliament, he spoke of the fragility of the whole political system "because we have not yet created the foundation of a genuinely evolved civil society", and castigated the outgoing government not so much
for their bad policies but "far more for their indifference and outright hostility to
everything that may even slightly resemble a civil society".\textsuperscript{12} This may be a salutary
reminder to all ministers of democratically elected governments that they neglect civil
society at their peril.

**Good Governance**: as citizens have become more confident, skepticism and mistrust of
politicians and officials has turned from grumble to action. Citizens rights groups,
service users' councils, parliamentary lobbies, campaigns for freedom of information, and
other mechanisms have all sought to make government more accountable, transparent,
efficient and responsive. Pressure groups that have gained expertise in this way and
whose concerns are international have often expanded their "good governance" advocacy to
international organizations such as the World Bank, IMF, UN, WTO and the European
Commission\textsuperscript{13}. This has brought them into contact with counterparts from other
countries, strengthening both pressure on the agencies and international networking.

**The Growth of Civil Society at the National Level**: the strength of global movements
is proportional to the magnitude of the non-profit sector at the national level, the diversity
of that sector, and the conjunction of civil society concerns across countries. Enhanced
international communications has magnified the coherence factor, but the biggest
contribution to the evolving power of citizen's movements is the sheer growth of civil
society in most countries, particularly (but not only) within the OECD. A recent study by
the Institute for Policy Studies (IPS)\textsuperscript{14} at Johns Hopkins University reveals that the non
profit sector (including government contributions, fees and voluntary donations of funds
and time) is estimated at a staggering \$1311 billion in just the 5 largest economies (the
G5) for 1995. For comparison, this is approximately the same as the publicly guaranteed
debt burden of all developing countries, the same as the GDP of the 50 low-income
countries (including China and India), or the same as the GDP of UK. Of the \$1.3
trillion, about 26\% represents private giving, mostly of time. In this 22 country-study,
the non-profit sector averaged 4.7\% of GDP (more than the agriculture or defence
sectors) and employed 7.1\% of the non-agricultural workforce (4.9\% excluding
volunteers). Employment growth in this sector has grown at 4\% per annum in the 90s in a
group of OECD countries (four times faster than overall employment growth in these
countries). Another survey shows that 40\% of Americans belong to at least one small
group that meets regularly, and that nearly 20\% of the British population engages in some
form of voluntary work, half of whom on a weekly basis\textsuperscript{15}. The IPS study concludes that "
the existence of a vibrant non-profit sector is increasingly being viewed not as a luxury,
but as a necessity, for peoples throughout the world. Such institutions can give
expression to citizen concerns, hold governments accountable, promote community,
address unmet needs, and generally improve the quality of life".

**Dilemmas and Tensions**

When David kills Goliath it is the cause of celebration. By the time he has killed several
Goliaths people start questioning who is the aggressor. International citizens' movements
have grown in size, developed better aims, and have defeated many giants. With their
success comes growing criticism from both within and outside the movements\textsuperscript{16}. Some of
these criticisms are fairer than others. and some are easier to address. But it is important
for movement leaders to face them squarely for, ignored, they are their Achilles heels. Some of the most common dilemmas and tensions are the following:

**Western imperialism:** developing country elite often dismiss the environment, women's, human rights and other movements as being little more than latter-day cultural imperialism. They regard these campaigns as orchestrated either by Westerners, or by nationals who have become Westernized through education or travel overseas. These campaigns, they contend, are insensitive both to their country's traditions and to its stage of development. Sometimes such arguments are lame excuses for indefensible traditions (such as summary executions, or genital mutilation of girls). Sometimes there is more than a grain of truth. Lectures from well-heeled Americans about the urgency of reducing CO2 emissions must particularly stick in the craw for nationals of developing countries who enjoy one-twentieth the per-capita consumption of fossil fuels.

**Oversimplification:** The two-pronged strategy (high level advocacy and mass campaigns) presents an inherent dilemma. The facts required for the former don't cut mustard with the latter, and conversely what works for rallying the troops can be alienating to the policy makers targeted by the advocacy. The whole history of debt campaigning illustrates this well. When Oxfam started writing about Third World debt in 1984, the UK Treasury and high street banks responded politely but perfunctorily, and the British public were not moved. In 1986 when it launched a high profile campaign proclaiming, as a scandal, that the belt of African countries that had for 2 years been gripped by drought and famine were paying twice as much to service their debts as they received in famine relief, the public was shocked, took to the pen and to the streets, and demanded change. Suddenly, what had been a dry, technical issue became a national scandal to which the government of the day had to respond. The response (Nigel Lawson's "Toronto Terms") was largely ineffective, but it paved the way for future campaigning and further concessions. But paradoxically the mass letter-writing and simplified presentation of arguments, without which there would not have been a political climate for change, alienated and distracted the senior Treasury officials who were allies in the cause of African debt relief. They had to cope with thousands of letters, scores of parliamentary questions and MPs' letters, and briefing ministers for copious media interviews. As rigorous economists, they considered it misleading to compare completely unrelated financial flows. Asked some years later about Oxfam's efforts, the Treasury Under-Secretary who was the brains behind successive HMG debt-reduction initiatives said that "the campaign was well placed and shameless".

To this day, popular debt campaigning implies that Third World debt should simply be written off, leading officials to be amazed that basic questions are ignored: How would such book-keeping losses be accounted for? How would the debtors ever get credit again? Why should profligate governments and elites be so easily let off the hook? and so on. And bald statements about children dying at the hands of heartless debt collectors make them angry – since they know the campaign leaders know it isn't as simple as that. This is a difficult trade-off. How can a campaign, which is essentially about high ethical standards, not be ethical itself? But on the other hand, without galvanizing public concern it would be dead in the water. And when all is said and done, it probably distorts the truth no more than many fund-raising campaigns for famine relief. The current
Jubilee 2000 campaign for debt relief has hit a skillful balance. Drawing as it does on the biblical Jubilee theme (the forgiveness of debts, the freeing of slaves, and the redistribution of land) it has a popular appeal and implies the outright cancellation of Third World debt, but the text of its petition and campaign literature speaks of reducing debts to a level that countries can afford, and the more detailed literature discusses various ways of achieving this, some of which are not dissimilar to ideas promoted by the World Bank and other creditors.

**Issue balance:** Most campaigns have the dual luxury that they only need to think about their supporters and a single issue. Governments have to think about the entire population, and have to balance competing or conflicting issues, and international organizations have to be responsive to their member governments’ constraints. As campaigning organizations shift closer to real power they have to start facing up to these trade-offs in order to retain credibility. Now that the German Greens share political power they have become much more nuanced about economic growth and energy needs for example. On the other hand, too much “realism” dulls the sharp edge of idealism that is needed to carve out new approaches.

**Driven leadership:** Effective movements are often unswervingly driven by leaders who are relentless in their cause, and who instruct their followers what to do and say; true citizen's pressure is the spontaneous voice of the people, typically with multiple and shifting leadership. The two can be incompatible. The first is a clarion call, the second a cacophony. No question which will cause the walls of Jericho to crack, unless the cacophony be very loud. But which is more authentic? Some of the more effective international campaigns are prone to split and internal bickering, because passionate supporters get turned off by a rather Stalinist leadership style, but they do hit their mark – even if they may lose touch with the grassroots. Inevitably, though, the maturing of a movement leads to a diversity of messages becoming prominent. Nowhere is this more evident than in the women's movement, in which increasingly acrimonious debates are waged about what it means to be a feminist today.

**Issues of accountability:** "Who has the right to speak on behalf of the Third World's poor?" is an increasingly vexed question in North-South NGO discourse. Some Northern campaigners have developed communications and debating skills that are the envy of political spin-doctors, yet their arguments-maybe untrammeled by ground reality. And their style of drawing raw facts from their southern partners and processing them into refined advocacy strategies, with little consultation, may appear as extractive as the mining industry to their partners. Hence there is a growing call from the more sophisticated southern NGOs to hand over the reins. They argue that it is time for a new independence: Southern civil society to speak for Southern citizens.

This is a compelling case but not without its own dilemmas. Firstly, this transfer shifts voice to the South, but does it get to the poor? Anyone who has worked in India knows that criticism voiced by national NGOs of their Northern counterparts is matched only by that voiced by NGOs in state capitals when speaking of Delhi NGOs. And grassroots NGOs often deride those in the state capital as far removed from the real world of the poor. Secondly, can there be true independence without financial independence? If
Northern NGOs finance a large proportion of the budget of Southern NGOs, they will continue to call the shots. Even if they agree that their partners', rather than their, voices should be heard in international forums, they can use their funding to select which voices get heard. Thirdly, effecting political change in Northern based institutions, governments and companies is an art that is by and large more developed in the North. There must remain a role for such specialists in designing effective campaign strategies, if getting results is the premium.

The campaign against World Bank financing of the Arun III dam in Nepal illustrates some of these dilemmas. The issue was first flagged internationally by a Nepali NGO which had an exemplary record in micro hydro-electricity production. It argued that this enormous dam was inappropriate to the country's energy needs and would obliterate the potential for small-scale schemes. This effort achieved relatively little attention, however, until skilled international lobbyists took up the campaign and stressed the social and environmental damage the project would cause in the remote and pristine valley in which the dam would be located. The image of poor tribal people and their Himalayan Arcady being bulldozed to make way for a mega-dam captured the attention of international media and public opinion, including parliamentary discussion in the US, Germany and the UK. Paradoxically, most of the valley inhabitants who did speak out largely did not speak out against the dam but against a decision to change the original plans for the road leading to the dam, and they criticized the lack of benefits which would go to valley inhabitants. They weren't averse to their pristine environment being opened to the outside world, if the road went near their villages and brought employment and made it easier for them to market their crops. In deciding not to finance the project, the Bank probably arrived at the right decision, but this has more to do with economics and overall development priorities at the national level than the needs of the valley inhabitants, as they themselves voiced them.

Giving this example is not intended as, a criticism of anyone involved in the campaign. But it raises the interesting question: Who has a right to speak out for poor countries on such topics? The Nepali government stressed that they had been elected democratically; only they had a mandate to speak for the people. They objected that legislators in other countries should even be discussing, still less opposing, a domestic political decision for Nepalis. But their focus was the aggregate: the national desire for faster growth and more power. Nepali civil society organizations might better represent potential microhydel producers and the valley inhabitants. And though this was to be a project of a sovereign government, it was to have been financed out of taxpayers money contributed to the World Bank, and so a fair argument could be made that international debate was justified. And it is also true that those who have seen the social consequences of development in remote areas can make an important contribution to the debate. Such issues need to be more honestly debated than they have been hitherto. Books have been written about the accountability of governments and international organizations, and rightly so, but the debate about accountability mechanisms within advocacy organizations and citizens movements is in its infancy. Such tensions will occur until all countries like Nepal leave an unfettered and robust civil society, which is genuinely consulted about major development decisions of the government.
The Nature of Civil Society

The above dilemmas could be broadened into a much wider discussion about the nature of civil society, but this would be beyond the scope of this paper. Three questions are particularly pertinent, however, to the role of northern actors (particularly donors and NGOs) in shaping and strengthening international civil society: How civil is the nature of civil society? What role do governments have in shaping it? And what should international NGOs and donors do to support the emergence of civil society in developing and transition countries? Most donors have given increasing emphasis in recent years to supporting civil society within developing countries. DFID, for example, recently issued a discussion paper on this subject which posited that strengthening of civil society is a good thing, something DFID should support, and that the growth of Northern NGOs has in a sense been a substitute for, or even an obstacle to, indigenous civil society. In that this paper concerns the development of an international civil society, these are important issues to wrestle with.

How civil is Civil Society? Much of the literature implies that everything about civil society (CS) is good. But it is important to remember that the Ku Klux Klan, organizations of religious bigotry, and gangs of skin-heads beating up the Roma of Eastern Europe are as much part of CS as Grameen and the boy scouts. The forces exerted by civil society organizations (CSOs) have a magnitude because of the associational effort invested in them by their members and/or supporters, but they also have a direction. That direction can be aligned with or in opposition to other development efforts, such as those of government or the church. This is in keeping with the laws of physics; any force is a "vector", not a stock - since it is directional. Somalia, Burundi, Afghanistan and Yemen are societies in which there is a fairly high degree of associational activity outside of firms and the state, and yet the force of all this association cancels itself out or opposes efforts for sustainable poverty reduction, because each clan or grouping merely promotes its own interests or prejudices.

So instead of asking "how can we strengthen civil society", donors need to ask "how can we help promote the alignment of CS elements so as to become a more powerful force for poverty reduction?" Borrowing from physics again, magnetism provides an analogy. An iron rod contains millions of micro-crystals which are each like small magnets, each pointing in random directions, so canceling out the magnetism. When the rod is stroked by a magnet, however, the crystals gradually align themselves and the rod itself becomes a magnet, able to exert its own magnetic force. Hence, in strengthening civil society, donors need to be as careful about the poverty orientation (the direction) of specific CSOs as their capacity (the magnitude). This can be achieved through careful selection of partners, but also through fostering a policy environment, public support and an incentive structure which promotes the formation of "ethical CSOs" and which weakens elements of civil society which are anti-poor or anti-sustainable and inclusive development.

Role of Southern Governments. The promotion of civil society is something of the latest development fashion, but there is an inherent paradox. How defensible is it for "outsiders" to promote citizen mobilization in any given country, particularly when those outsiders are largely funded by foreign governments, or are even agencies of foreign
governments? Donors, in particular, need to be very attentive to the role and sensitivity of Southern governments. Many Southern voices (not all from the governments) are questioning whether this is a new form of colonialization or cultural imperialism. To address this paradox it is important to be country-context specific. To risk a generalization, one could look at two factors: donor-government relations and government-CS relations to arrive at three broad scenarios:

1) The donor country has strained relations with Government X and is opposed to its development strategy: It is likely in this scenario that the government allows very little freedom for, and has poor relations with its CS, other than CSOs which are part of the establishment. The donor will not provide bilateral assistance, but could provide a variety of support to nascent independent CSOs. These are likely to provide the only significant internal challenge to the government, and may meet vital humanitarian needs. Government X will not like this, but donor-government relations are strained anyway. South Africa under apartheid, Iraq, and Congo might be examples.

2) The donor is keen to maintain good relations with Government X; the government is tolerant of CS, which it believes has a vital role in development. The donor should find that its program of support for CSOs does not conflict with its bilateral program and with government relations. Examples include Uganda, Bangladesh, Philippines.

3) The donor government is keen to maintain good (or at least working) relations with Government X, which is highly suspicious of independent CSOs and restricts their freedoms. Even if it permits CSOs relatively unfettered existence, it is fiercely jealous of foreign "interference" in this arena. This scenario is the most complex, and probably also the most likely! In such a setting, donors can usefully use their leverage with government to encourage progressive easing of restrictions, they can coordinate with others to apply concerted pressure, and can give support (probably indirectly) towards the strengthening of specific CSOs. Examples would include Kenya, and Indonesia.

Role of donors and NGOs. Particularly in the third category above, efforts to support or strengthen CSOs directly could backfire or expose the CSO partners to serious risks. Governments can easily persecute CSOs and CSO leaders, or vilify them successfully in public by portraying them as "guided by a foreign hand". This may be particularly so for donors which are coloured by a colonial past. The risk is lessened if they give governments a role in the selection of the CSOs, but this could well introduce a bias towards elite-oriented CSOs or open the door to political favoritism and nepotism. These problems can be circumvented to a considerable (but not total) extent by working through international or regional NGOs, training centers and other organizations which can provide support and capacity building to CSOs without being identified as an arm of the donor. Some donors, however, are seeking to move away from channeling their support via development NGOs based in their own country, seeking a more direct link with Southern civil society. They suggest that Northern development NGOs have become somewhat anachronistic, or are even now obstacles because they act as substitutes for the emergence of indigenous civil society. Though it is true that SOME development NGOs have a vested interest in the status quo, and fail either to indigenize their country operations or foster indigenous NGOs, there are countless NGOs which give great priority to these things. In fact, international NGOs have in general made an important contribution to nurturing Southern civil society. It is not Northern NGOs which have
become anachronistic, it is the old technocratic practices of certain NGOs which have become anachronistic.

So rather than move away from supporting Northern NGOs as intermediaries, a more appropriate donor response might be to articulate more clearly their civil society priorities, and offer partnerships to those NGOs which have the inclination and skills to contribute to these priorities.

**Building Ethical Globalization**

New liberalism coupled with information technology has fostered an economic transformation over the last decade, as market forces have become relatively unrestrained by national boundaries. A similar transformation, for the reasons described above, is allowing the forces of civil society to act increasingly at the global level. Just as economic globalization has required a clear, albeit light, framework of international regulations, coordinated policies and international institutions, so too "ethical globalization" has distinct needs. These include a more clearly defined framework of norms and values; greater attention to accountability and legitimacy within civil society; and international structures that allow for negotiation of improved partnerships and a leveling of the playing field, leading to more honesty in the delineation of roles. These are now examined in turn.

**Framework of norms and values:** as Fowler\textsuperscript{27} points out, although NGOs are mostly proud to describe themselves as values-driven, few have taken the trouble to set out precisely what this ethical foundation is. It is even harder for loosely structured networks to do so, but it might be more important. Feminists and born-again Christians may seek common cause in fighting pornography but are worlds apart on questions of gender relations. International aid is attacked by the far right and far left alike. Movements which target a narrow issue but without putting that cause into a broader ethical context lose a chance to help shape the new architecture of citizens' ethics. Governments have their core values (national sovereignty, national security, rule of law, public services, etc) and so does the private sector (profit, duty to shareholders, customer loyalty, competitive edge, etc). What might be the comparable cornerstones of global civil society? No one individual could possibly answer this but an attempt at a description might usefully emerge from the processes of reflection to mark the new millennium. Likely candidates include:

1. Poverty eradication: not just economic poverty, but poverty of the spirit;
2. Inclusion: including democracy in political decision making, participatory development processes to give citizens a say, and economic equity;
3. Social justice: including gender equity, rights of the child, labour and human rights, rights of speech and association, and a fair and independent judicial system;
4. Respect for nature and culture: some citizens movements set out to guard the past and the future, not just tackle present concerns. They see politicians' time horizons as slavishly bound by their term of office, and economists' discount rates as ignoring both environmental costs to future generations and the cost of eroding cultural heritage; and
5. Citizens' governance: greater public disclosure and accountability for all in public office. The pillars of good governance are: transparency, accountability, efficiency and honesty of public servants, due process, and citizens' voice. Participatory development, in a sense, is about taking these virtues to the local level.

**Questions of legitimacy and accountability:** The major national and international NGO networks and their supporters need to devote much more attention to ethical and governance issues within civil society. Pressure for higher standards of transparency and accountability for public officials are justified, but similar arguments apply to the leadership of civil society. This is not just about fiduciary responsibility in a financial sense; it is also about trusteeship of citizens' voice and civic values.

There is a growing literature describing the need for greater financial accountability and more careful accounting by NGOs of North and South\(^{28}\). This is important (especially given the growth of funds channelled through them) but equally important are other questions: Do they achieve what they claim to achieve? Do they coordinate with others, or undermine each other’s efforts? Are they transparent? Are their public and advocacy statements a fair reflection of their constituencies' views and experience? Are their statements accurate and objective? Are they ethical in their fundraising? Do they treat gender and environmental issues seriously (both in their programs and within their own organization)? Does their assistance to one population group cause any problems for other groups? Do they have just labour practices themselves? Do they have adequate mechanisms for listening to the views of their members and/or their constituencies? Do they take notice of these signals?

The leadership of any significant CSO should be accountable for such issues. But to whom should they be accountable and through what mechanisms? The World Bank - which is increasingly advocating to governments an enabling environment for civil society\(^{29}\), and specifically advises on laws which provide for an unfettered NGO sector\(^{30}\) - strongly promotes self-regulation by the NGO sector itself, and cautions governments against over-regulating and micro-managing NGOs. For this to be possible, though, NGOs need to be reasonably transparent (and many aren't; and there can be a debate about how much transparency is “reasonable”), and there needs to be mechanisms for peer review. This is very rarely the case. Though there is much informal or back-stage fighting, CSOs are very reluctant to criticize each other publicly, except when at polar extremes on a political issue. Some citizens advisory groups in OECD countries publish score-cards on non-profit organizations, surveying various ethical issues\(^{31}\). CODE-NGO and other networks in the Philippines have taken the bold step of expelling members who don't come up to their governance standards (and they publish their lists of expulsions) and advising the Revenue Department on which NGOs to give tax privileges\(^{32}\). And the Association of Development Agencies of Bangladesh will sometimes advise donors on which NGOs to support. But in truth there is generally little in the way of NGO self-regulation.

Except for small membership organizations there is also usually little accountability pressure from members or supporters (trade unions and professional associations may be different in this regards, and it would be interesting to study this). Where is there
accountability then? This is simple. To the institutional donors. The major funders (generally bilateral agencies, foundations and major international NGOs) are in a position to ask all the accountability questions listed above, and more. But do they? And should they? In practice, few donors ask questions beyond routine accounting matters, and most seem keener to find out the proportion of their contribution that goes to administration than that goes to the poor. Even if these issues were rigorously reviewed, there is something unhealthy about relying on a "caveat donor" approach. Civil society isn't a commodity sold by NGOs to donor agencies, but a public good - to some measure held in trust by NGOs and donors. True accountability should be within the country in question and get as close to the citizens as possible.

Hence there is an onus on Southern NGO networks to follow the example of CODE-NGO in the Philippines and others and give much more attention to frank and objective analysis of the strengths and weaknesses of their members. If this is too sensitive for the networks to do themselves, then it might be worth setting up arms-length civil society institutes at the national level which would perform such evaluations as well as other services. There is a similar onus on Northern NGOs to expose their operations to evaluation by such institutes, to assess for example whether they are conscientious in their advocacy, and ethical in their fundraising and in their characterization of Southern experience. Accountability and legitimacy are important; but this is a two way street!

What determines the legitimacy of a CSO to speak for the poor is a particularly vexed topic. The key ingredients should be seen as:- 1) demonstration - whether the CSO can show that its activities have made a positive difference to the poor; 2) whether it has real local knowledge and relevant experience; 3) representation - whether it is a membership organization or has well-functioning mechanisms in place to listen to the poor, and whether its actions are shaped by this listening; 4) partnerships - if it can't claim the above directly, can it do so indirectly, through its partnerships, and if so are these real or pretend partnerships (see below)? 5) whether it is a values-based CSO; and 6) whether it is accurate in its research and objective in its analysis.

If these are the questions of legitimacy, however, who is asking them? Most of these questions tend to be the funders' preserve. Some are also adjudicated by journalists, the church and other popularizers of social concerns. Only question 3 brings accountability anywhere near the poor themselves and this is the least developed, least focused-upon question. Hence, social movements can be highly skilled in communications and advocacy terms, but be weakly organized and unaccountable at the grassroots level. This is far from healthy.

**Negotiation of improved partnerships:** When Southern NGOs speak of their sponsors they may use the, world "partner" but with inverted commas firmly in place. Taking off the inverted commas should be a goal in internationalizing civil society. This is not possible when the relationship is defined by a flow of money in one direction, and of accountability in the other. Clearly donor agencies, foundations, and NGOs in the North do have much more access to funds than do counterparts in the South. This would be described by economists as their comparative advantage. At least as important is the
comparative advantage of social proximity\textsuperscript{34} - being close, in a variety of ways, to poor people.

Moving to a situation in which the various comparative advantages are used to the full calls for the negotiation of different and more honest working relationships. This cannot be achieved in the classic arrangements of today. A few southern NGOs have such a powerful reputation that they can pick and choose their funders, but for most there is an unhealthy dependence on one or two donors who have no accountability within the recipients' country. This can be addressed by the funders relinquishing some of their power in 5 ways:

a) mutual agreement to expose themselves to more honest peer pressure within international networks. The establishment of the International Forum on South NGO Capacity Building\textsuperscript{35} might prove to be an interesting example in this regard;

b) greater emphasis within the South on self monitoring and peer evaluation, as described above, coupled with agreement by funding organizations to use and support these channels, rather than relying on their own evaluations;

c) agreeing that monitoring and evaluation (M & E) should be a two way street, and permitting Southern networks or civil society research institutes to monitor the activities of Northern funders and issue reports on ethical, fiduciary and governance issues;

d) establishing decision making, or at least advisory bodies, within recipient countries, and progressively handing over responsibility for funding, M & E, strategic planning and advocacy to these bodies (this might not be possible for bilateral donors!); and

e) agreement between funders, recipients and NGO networks what are the important indicators of progress to monitor, and what are the factors of institutional capacity to be strengthened.

One consequence of such re-negotiation of roles would be a strong challenge to Northern citizens to expand their horizons. Northern development NGOs are typically so preoccupied with their bottom-line that they tend to see their citizens merely as donors. Southern civil society is beginning to form higher expectations of them. They are important not just because of their donations but also because they are educators (of their children and peers), they have a voice (for example through local newspapers or societies), they have a vote, they can exercise consumer power (for or against certain products), as investors they can make ethical choices, and if all else fails they can cause trouble (though demonstrations, direct action, etc.).

Another consequence of this re-negotiation would be a conscious agreement amongst the various parties to level the playing field. Capacity building and CSO support programs, for example, should incorporate the objective of eroding the power differentials between Northern and Southern NGOs, and between capital city and grassroots CSOs. Access to information and influence are critical in this. Unfortunately in many campaigns the

Northern advocacy groups have easier access to information about the country in question than CSOs in that country, and have tended to share that information more readily with Northern peers than with grassroots groups in the South. These Northern groups also have privileged access to influential journalists, politicians, officials, and other decision-formers. They may not use their connections to provide platforms for grassroots activists, but may monopolize the air-time themselves. Yes. they can argue that their "partners"
have not yet developed the advocacy skills required, that they need specialists in this area to put their case for them; but neither are they making efforts to impart these skills.

The above is a stereotype and there are many laudable exceptions (Friends of the Earth, Oxfam, and Bank Information Center, to name but a few). But the issue is stated starkly because it is felt starkly by many Southern NGO leaders. Their message is clear. It is not time for Northern NGOs to pack their bags and go home. But it is time for a new order; it is time to share the reins and hand over the microphone.

2See for example M. Lockwood and P. Madden; ”Closer together, further apart: a discussion paper on globalization”, Christian Aid, UK, 1997
4For example, Agenda 21 – the declaration of the Rio Summit on the environment (1992) is replete with references to the rights of NGOs to participate in global debates
5Salomon; Foreign Affairs, Vol. 73, No. 4, 1994
6International NGOs have been particularly powerful within global environmental debates. Their formal or semi-formal role in some UN forums has been seen by some governments to threaten the one nation – one vote principle of international decision making. See J. Cameron and R. MacKenzie; ”State Sovereignty, NGOs and Multi-lateral Institutions”, Council for Foreign Relations (Mimeo); Washington, DC, 1995
7G. Soros. ”The Crisis of Global Capitalism”, USA, 1998
8Website address of ICFTU: www.icftu.org/
10A cornerstone of ”Third Way” politics, loosely defined as the term is, is government partnership with civil society organizations. See Anthony Giddens, ”The Third Way: the renewal of Social Democracy”, Polity Press, UK, 1998.
11Clark 1991 (op.cit)
14L. Salamon, H. Anheier, ”The Emerging Sector Revisited: a summary” IPS; Johns Hopkins University, USA, November 1998.
15R. Wuthrow; ”Sharing the Journey”; New York, 1994.
16See M.Edwards and D. Hulme (eds) ”Making a Difference”, Earthscan, UK 1992
17M. Black, ”A Cause for our Times; Oxfam, the first 50 years” Oxfam, UK, 1992
18Personal communication.
20V. Miller describes how NGOs may lose touch with grassroots concerns as they become more skilled at advocacy. ”Policy Influence by Development NGOs a vehicle for strengthening civil society” Institute for Development Research (IDR), Boston 1994.
21R. Tandon. ”Networks as Mechanisms of Communications and Influence”; Society for Participatory Research in Asia, New Delhi, 1995.
22A detailed account of this campaign from an NGO perspective is given in Fox and Brown (1998) op. cit. The history is also described by the World Bank's independent Inspection Panel, which examined the project and found that the Bank had failed to follow its own policies in many respects. ”World Bank's Inspection Panel: the first four years (1994-8)”, World Bank, USA, 1998
Jane Covey does raise issues of accountability of NGOs in policy work, posing the question whether international networking and campaigning strengthens or weakens civil society at grassroots levels. “Accountability and Effectiveness of NGO Policy Alliances” IDR, Boston 1994.


See, for example, M. Edwards and D. Hulme, 1992 op.cit; (same editors), "NGO Performance and Accountability: Beyond the Magic Bullet” Earthscan 1995; Fowler 1997 op. cit.


Much of this advice is based on a draft handbook: "Good Practices for Laws Relating to NGOs”, prepared by the International Center for Not-for-Profit Law, and published by the World Bank’s NGO unit as a discussion draft in May, 1997.


New Economics Foundation, 1997 op.cit.

The term “social proximity” was used by Horst Kleinschmidt of the Kagiso Trust (South Africa) at a pan-African NGO meeting in 1996.

This forum (IFCB) brings the "suppliers" of capacity building programs (international NGOs, foundations and donors) together with the intended users of such programs (the Southern NGOs and their networks) to listen to the "demand side”. The Society for Participatory Research in Asia, New Delhi, acts as the Secretariat of the IFCB.