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**INTERNATIONAL NGOS AS AN ELEMENT OF GLOBAL  
CIVIL SOCIETY:  
SCALE, EXPRESSIONS, AND GOVERNANCE**

σε διαφορά  
κείμενα 11.

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The views expressed in this paper are those of the author(s) and do not necessarily represent those of the  
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## INTRODUCTION

The last few decades witnessed the expansion of non-profit or non-governmental organizations (NGOs) at and to levels unknown in the past, accounting for about 6% of total employment in OECD countries (Salamon et al, 1999). While most remain domestic organizations, some NGOs are increasingly international in their scope and have grown into veritable global actors (Anheier et al, 2001; Clark, 2003; Lewis, 2001; Lindenberg and Bryant, 2001). Oxfam, Save the Children, Amnesty International, Friends of the Earth, the Red Cross or GreenPeace have become the 'brand-names' among international NGOs (INGOs) with significant budgets, political influence and responsibility. Indeed, NGOs dedicated to international relief and development have combined expenditures totaling over US\$ 13 billion, which approximately equals the official US' aid budget.<sup>1</sup>

The growth of INGOs into global actors has brought new governance and organizational challenges (Clark, 2003; Lindenberg and Bryant, 2001; Young 1992). Some are characteristic of NGOs generally, and have become amplified by increased size, professionalization, and other changes associated with *growth*. Others, however, seem generic to the *transnational* character of INGOs and appear closely linked to the complexity of the diverse political, economic and cultural environments in which they operate. Specifically:

- At the organizational governance level, critical challenges develop from the need to remain accountable to a diverse and dispersed membership base, which

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<sup>1</sup> Fowler (2000) estimates that development NGO spend US\$ 13-15 billion annually and USAID's annual budget is approximately US\$ 14 billion (USAID, 2003).

poses crucial questions of membership, internal democracy, accountability, effectiveness, and legitimacy;

- At the managerial level, INGOs are not only facing problems associated with increased organizational size, they are also operating in a more competitive funding environment (Lindenberg, 1999; Edwards and Fowler 2002), and increasing needs in the developing world; and
- At the policy level, challenges emerge from the variety of expressions of INGOs and the different policy contexts in which they operate;
- At the global governance level, challenges centre around the question of how INGOs fit into the system of international relations.

The purpose of this paper is to explore these issues and suggest some of their implications for global civil society. To do so, we will first present an overview of INGOs' changing scale and scope, and look at key policy settings and civil society expressions, before turning to governance and management issues.

### THE CONTOURS OF INGOs

It is useful to think of INGOs as the infrastructure of global civil society, which includes a vast array of NGOs, voluntary associations, non-profit groups, charities and interest associations, in addition to more informal forms of organising such as international social movements and campaigns, Diaspora networks, 'dot-causes', and social forums. INGOs account for a large part of the formal part of that infrastructure.

Quantitative information on the scale of INGO operations is still patchy and limited to very basic indicators such as numbers of organisations and field of activity. The limitations of organisational counts become clear when we put the number of the some 48,000 INGOs that were included in the UIA database in 2001 (2003: 3) in relation to the UNCTAD (2001) estimates of slightly over 60,000 TNCs for the same year. Although the respective numbers of organisations seem not far apart, measures of economic scale, such as organisational income or employment, would obviously dwarf the INGO totals. At the same time, as many have argued, INGO presence, operations and impact are not primarily economic. Non-economic aspects such as membership base, volunteers, clients served, people mobilised, or indicators of achievements in terms of social and political change would be more in line with the organisational characteristics and *raison d'être* of civil society organisations like INGOs (Clark 2003).

**Scale.** Unfortunately, data about INGO organisational scale are not available to us at the transnational level in any comprehensive way, and we are limited to examining different facets of the phenomenon. One set of data is provided by the Johns Hopkins Comparative Non-profit Project (Anheier and Salamon, 2003; Salamon and Anheier, 1996) that attempted to measure basic economic indicators on the size of international nonprofits in a broad cross-section of countries. These data allow us to fathom at least some aspects of the scale of INGO activities, albeit from a country-based perspective. For the 28 countries for which such data are available, INGOs amount to 1-2% of total

non-profit sector employment, or 134,000 full-time equivalent jobs. They also attracted a larger number of volunteers, who represent another 154,000 jobs on a full-time basis.

For some countries, it is possible to examine INGO growth. Between 1990 and 1995, employment in French INGOs grew by 8% (Archambault et al, 1999: 89), over 10% in Germany (Priller et al, 1999: 115), and by over 30% in the UK (Kendall and Almond, 1999: 188). Even though the data is limited, the resulting pattern is in line with some of the other evidence we present below: international non-profit activities have expanded significantly, and while they continue to represent a small portion of national non-profit economies, their share has nonetheless increased.

In terms of revenue structure, INGOs, as measured by the Johns Hopkins team, receive 29% of their income through fees and charges, including membership dues, 35% from both national and international governmental organisations in the form of contracts, grants, and reimbursements, and 36% through individual, foundation or corporate donations. With volunteer input factored in as monetary equivalent, the donation component increases to 58% of total 'revenue', which makes the international non-profit field the most 'voluntaristic and donative' part of the non-profit sector after religious non-profit (73%), national civic and advocacy (56%), and national environmental groups (56%), and far more than is the case for domestic service-providing nonprofits. This suggests that INGOs benefit more from volunteer commitment and general mobilisation of the population behind particular international causes (e.g., human rights; humanitarian assistance; international development; peace and international understanding) than more conventional nonprofits in social services, culture and the arts or housing, which are increasingly financed by the public sector and commercial revenue sources.

The pronounced donative and volunteer element applies also to INGOs of significant size and with complex organisational structures that increasingly span many countries and continents (Anheier and Themudo, 2002; Anheier and Katz 2003). Examples include Amnesty International with more than 1.8 million members, subscribers and regular donors in over 140 countries and territories. The Friends of the Earth Federation combines about 5,000 local groups and 1 million members. The International Union for the Conservation of Nature brings together 735 NGOs, 35 affiliates, 78 states, 112 government agencies, and some 10,000 scientists and experts from 181 countries in a unique worldwide partnership. Much of the work undertaken by these INGOs is done on a volunteer basis.

The share of NGOs in official aid flows has increased significantly since the 1970s. At that time the share of NGO aid as share of all aid flows from OECD countries to developing countries was 11%. In the late 1990s, INGO expenditure totalled over US\$ 13 billion (Fowler, 2000) equal to around 25% of official aid flows (see UNDP 2003, chapter 8, for official aid flows). Most of the growth took place in the 1990s, a period which coincides the significant expansion of INGO operations more generally. In the 1990s, INGO contributions increased in both relative and absolute terms as official aid flows decreased.

The change in the economic weight and political importance of INGOs is highlighted even further when we look at the composition of INGO aid flows, using estimates

compiled by Clark (2003: 130). Whereas in the 1980s, INGO increasingly became an additional circuit of official development and humanitarian assistance flows, the 1990s saw a remarkable reversal: official aid flows declined overall, and both directly (bilateral and multilateral) and indirectly via INGOs. In 1990 US dollars, official grants to INGOs fell from \$2.4 billion in 1988 to \$1.7 billion in 1999. By contrast, private donations, including individual, foundation and corporate contributions, more than doubled from \$4.5 to \$10.7 billion. These figures underscore the significant expansion of INGOs in the changing development field of the 1990s, and the major private mobilisation effort they represent.

The infrastructure of global civil society is, of course, broader than that of INGOs in development and humanitarian assistance. The most comprehensive data coverage of INGOs is provided by the Brussels based Union of International Associations (UIA). Indeed, the data indicate a sustained rise in the number of INGOs since the 1970s (see also Anheier and Themudo, 2002: 194; Clark 2003; Keck and Sikkink, 1998; Lindenberg and Bryant 2001).

**Dispersal.** The growth of INGOs and their organisational presence is, of course, not equally spread across the world. Anheier and Katz (2003) found that, not surprisingly, Europe and North America show the greatest number of INGOs and higher membership densities than other regions of the world. And even though, as we will show below, cities in Europe and the United States still serve as INGO capitals of the world, a long-term diffusion process has decreased the concentration of INGOs to the effect that they are now more evenly distributed around the world than ever before.

INGO memberships increased in all regions, but more in some than in others. The highest expansion rates are in Central and Eastern Europe, including Central Asia, followed by East Asia and Pacific. The growth in Central and Eastern Europe is clearly linked to the fall of state socialism and the introduction of freedom of association, whereas the growth in Asia is explained by economic expansion and democratic reform in many countries of the region. INGO membership growth in relation to economic development shows that growth rates throughout the 1990s were higher in middle-income countries (East Asia, Central and Eastern Europe, parts of Latin America) than in the high-income countries of Western Europe, Pacific and North America. What is more, the expansion rate of INGOs in low-income countries is higher than that for richer parts of the world (Anheier and Katz, 2003).

Together, these data indicate that the growth of the organizational infrastructure of global civil society does not involve concentration but dispersion, and points to inclusion rather than exclusion. In organizational terms, global civil society today is less a Western-based phenomenon than in the past, and the significant growth rates of recent years benefited its reach and expansion outside North America and the European Union. In the terms of David Held (1999), the organizational infrastructure of global civil society (INGOs) has attained wider reach (extensity) and higher density (intensity) (Anheier and Katz, 2003).

To illustrate the process of dispersion, it is useful to review some basic patterns of NGO locations over time, and to go back briefly to the beginnings of modern NGO

development. In 1906, only two of the 169 INGOs (2%) had their headquarters outside Europe; by 1938, 36 of the 705 existing INGOs (5%) were located outside Europe. By 1950, with a significant increase of US-based INGOs, and with the establishment of the United Nations, 124 of the 804 existing INGOs (15%) were not based in Europe. With the independence movement and the generally favourable economic climate of the 1950s and early 1960s, the number of INGOs increased to 1,768, of which 83% were located in Europe, 10% in the United States, and between 1-2% in Asia, South America, Central America, Africa, Middle East and Australia each (Tew, 1963).

By 2001, much of this concentration has given way to a more decentralised pattern around an emerging bipolar structure of INGOs, with two centres: Western Europe and North America (Anheier and Katz, 2003). Europe still accounts for the majority of INGO headquarters, followed by the United States, but other regions like Asia and Africa have gained ground. Nonetheless, among the ten countries hosting the greatest number of intercontinental organisation headquarters in 2001, we find eight European countries (United Kingdom, France, Switzerland, Belgium, Netherlands, Germany, Italy, and Austria), next to the USA and Canada (UIA, 2002/3: Vol. 5: 81).

In terms of cities, we find that by 2001 the traditional role of Paris as headquarters (to 729 INGOs), London (807), Brussels (1,392), Geneva (272), and New York (390) has not been diminished in absolute terms. They are however less dominant in relative terms: over ten other cities in four continents have more than 100 INGO headquarters and another 35 on five continents over 50 (Anheier and Katz, 2003).

**Organisational links.** The infrastructure of global civil society in terms of INGOs has not only become broader in geographical coverage, it also became much more interconnected throughout the 1990s. In 2001, the UIA reported over 90,000 such links among NGOs, and 38,000 between INGOs and international governmental organisations. The average number of links jumped from an average of 6.7 in 1990 to 14.1 in 2000 – an increase of 110%. The infrastructure of global civil society has not only become bigger and broader, it has also achieved greater density and connectedness. While these links measure a range of inter-organisational activities from consultations, joint project and financing to publication and outreach campaigns, the data suggest that INGOs have become more interconnected amongst each other but also to international institutions of global governance like the United Nations or the World Bank.

**Composition.** Next to scale and connectedness, field of activity or purpose is another important dimension in describing the infrastructure of global civil society. When looking at the purpose or field in which INGOs operate, we find that among the INGOs listed in 2001 by the UIA, two fields dominate in terms of numbers: economic development and economic interest associations (26.1%) and knowledge-based NGOs in the area of research and science (20.5%). At first, the pronounced presence of these activities and purposes among INGOs seems as a surprise, yet it is in these fields that needs for some form of international co-operation, exchange of information, recognition, standard-setting and other discourses have been long felt. There are thousands of scholarly associations and learned societies that span the entire range of academic disciplines and field of human learning. Likewise, there is a rich tradition of business and professional organisations reaching across national borders, form

international chambers of commerce, consumer associations, and professional groups in the field of law, accounting, trade, engineering, transport, civil service or health care.

Indeed, the earliest available tabulation of INGOs by purpose lists 639 organisations in 1924, with nearly half in either economic interest associations (172) or learned societies and research organisations (238) (Otlet, 1924). Only 55 organisations fell into the category 'political', 28 in 'sports', 25 in 'religion', and 14 in 'arts and culture'. In other words, the political, humanitarian, moral or religious value component to INGOs is a more recent phenomenon. Although some of the oldest humanitarian organisations date back to the 19<sup>th</sup> century, i.e., the Red Cross or the Anti-Slavery Society, their widespread and prominent presence at a transnational level is a product of the latter part of the 20<sup>th</sup> century.

By 2002, value-based NGOs in the areas of law, policy and advocacy (12.6%), politics (5.2%), religion (5.2%), make up the second largest activity component, with a total of 23% all INGOs. This is followed by a service provisions cluster, in which social services, health, and education together account for 21% of INGO purposes. Smaller fields like culture and the arts (6.6%), the environment (2.9%), and defence and security make up the balance (Anheier and Katz 2003).

Yet next to a greater emphasis on values, the changes in the composition of purposes that took place in the 1990s, brought a long-standing yet often overlooked function of INGOs to the forefront: service delivery has become a visible and important part of INGOs. Indeed, the social services as a purpose grew by 79% between 1990 and 2000, health services by 50%, and education by 24%. This function of INGOs is primarily connected to the public management expression of global civil society, which we outlined below.

Although INGOs only provide a partial picture of global civil society, looking at INGO data shows that the infrastructure of global civil society has expanded significantly since 1990, both in terms of scale and connectedness. We also saw that the relative focus on these organisations, taken together, shifted more towards value-based activities and service provision. Overall, the expansion of INGOs and the value-activity shift, imply both quantitative and qualitative changes in the contour and role of global civil society organisations, which are patent in the various manifestations or expressions of global civil society.

### EXPRESSIONS OF GLOBAL CIVIL SOCIETY

One of the main characteristics of global civil society, celebrated by some, deplored by others, is its multi-faceted nature. We believe it is helpful to think about global civil society not just in terms of its scale and scope, but also through the various forms in which it manifests itself.

The first is the *new public management* expression, which is part of the modernisation of welfare states currently underway in most developed market economies, and is, via World Bank, EU and IMF policy prescriptions, also affecting the social welfare systems in developing countries and transition economies. These policy prescriptions have also been called 'New Policy Agenda' in the development studies field (Lewis 2001). At the

international level, new public management is replacing conventional development assistance policies (Deacon et al, 1997; Clark, 2003) and seek to capitalise on what is viewed as the comparative efficiency advantages of non-profit organisations through public-private partnerships, competitive bidding and contracting under the general heading of privatisation (McLaughlin, Osborne, and Ferlie, 2002).

The main actors, according to this approach, are the professionalized organisational components of global civil society, in other words, NGOs and INGOs. Prompted in part by growing doubts about the capacity of the state to cope with its own welfare, developmental, and environmental problems, political analysts across the political spectrum have come to see NGOs as strategic components of a middle way between policies that put primacy on 'the market' and those that advocate greater reliance on the state (Giddens, 1999). Institutions like the World Bank (Fowler, 2000), the United Nations (UNDP, 2002) or the European Union (1997) together with bilateral donors and many developing countries are searching for a balance between state-led and market-led approaches to development, and are allocating more responsibility to INGOs. In fact as described above, service-provision has been the fastest growing area of INGO activities in the 1990s.

With the rise of new public management, the emphasis on NGOs as service providers and instruments of privatisation casts them at the international level essentially in a sub-contracting role. NGOs have become instruments of national and international welfare state reform guided by the simple equation of "less government = less bureaucracy = more flexibility = greater efficiency" (see Kettle, 2000).

To some, the public management expression is associated with co-option (Chandhoke, 2002; Hulme and Edwards, 1997). This takes different forms. In some cases, NGOs are artificially created, as a fig leaf for states unable or unwilling to act, especially in failed states. In other cases, NGOs are supported if not created by international donors and institutions, and then hand-picked for consultation rounds, to provide a semblance of democratic legitimacy for the institution (Anderson, 2000).

Increasing and more frequent *corporate* facets are the second expression of global civil society. This is caused by the 'corporatisation' of NGOs as well as the expansion of business into local and global civil society. As Perrow (2001, 2002) argues, corporations use extended social responsibility programmes to provide, jointly with nonprofits, services previously in the realm of government (health care, child care, and pensions, but also community services more widely). On the other hand, many NGOs are increasingly 'professionalizing' (Lewis, 2001). Guided by management gurus they increasingly adopt corporate strategies, as well as being increasingly open to partnerships with business (Fowler, 1997). We suggest that the corporatisation of NGOs will gather momentum, encouraged by a resource-poor international community eager to seek new forms of cooperation, particularly in development assistance and capacity building.

Given that over one third of the world's 100 largest 'economies' are transnational corporations (TNCs), there are growing 'points of contact' between global businesses and global civil society organisations (Lindenberg and Bryant, 2001). TNCs and INGOs often work together in addressing global problems (e.g., environmental



degradation, malnutrition, low skills and education levels) and also many local issues in failed states and areas of civic strife and conflict. Cases in point are the partnerships between the Rainforest Alliance and Chiquita and between GreenPeace and Innogy to build an offshore wind farm in the UK (Cowe 2004).

In some ways as a backlash to, in other ways as an implication of, neo-liberal policies and 'lean states,' public opinion in developed market economies is expecting greater corporate responsibility and 'caring' about the societies in which they operate. Increasingly, as Oliviero and Simmons (2002) point out, this goes beyond adherence to principles of corporate governance and some core of conduct; it implies greater emphasis on service delivery to employees and their communities (e.g., educational programs, child care), addressing negative externalities or 'bads' of business operations (e.g., pollution, resource depletion), and public goods (health, sustainability). Willingly or reluctantly, companies and NGOs team up to divide responsibilities the state is failing to meet.

A third expression is *social capital* or self-organisation. Here the emphasis is not so much on management as on building relations of trust and cohesion. The idea is that norms of reciprocity are embodied in transnational networks of civic associations. What is important, according to this approach, is that self-organisation across borders creates social cohesion within transnational communities. In contrast to the basically neo-liberal role NGOs assume in the public management expression, they are now linked to the perspective of a "strong and vibrant civil society characterised by a social infrastructure of dense networks of face-to-face relationships that cross-cut existing social cleavages such as race, ethnicity, class, sexual orientation, and gender that will underpin strong and responsive democratic government" (Edwards, Foley and Diani, 2001:17). Norms of reciprocity, citizenship, and trust are embodied in national and transnational networks of civic associations. Put simply, the essence of this expression is: civil society creates social capital, which is good for society and good for economic development.

According to this view, NGOs are to create as well as facilitate a sense of trust and social inclusion that is seen as essential for the functioning of modern societies both nationally (e.g. Putnam, 2000, 2002; Anheier and Kendall, 2002; Dasgupta and Serageldin, 2000; Halpern, 1999; Offe and Fuchs 2002) as well as transnationally (Lindenberg and Bryant, 2001; see Edwards and Gaventa, 2001). The main argument is that participation in voluntary associations, including social movements, creates greater opportunities for repeated 'trust-building' encounters among like-minded individuals, an experience that is subsequently generalized to other situations such as business or politics. Thus, what could be called the Neo-Tocquevillian case for NGOs is largely an argument based on the positive and often indirect outcomes of associationalism.

The final form is the *activist* expression. Here the main actors are social movements, transnational civic networks and social forums. INGOs play key roles as mobilizing structures within these organized efforts (Smith et al. 1997). They are as a source of dissent, challenge and innovation, a counter-veiling force to government and the corporate sector (see, for instance, Keane 2001). They serve as a social, cultural and political watchdog keeping both market and state in check, and they contribute to and reflect the diversity, pluralism and dynamism of the modern world.

The first two expressions – new public management and corporatisation – are more top-down and professional. As we shall show, they dominated global civil society during the last decade, and are important in providing the infrastructure for global civil society. The second two expressions – social capital and activism – are more bottom-up and have again become important in recent years. They tend to provide the mobilising impetus and agenda-setting component of global civil society. Different expressions of global civil society affect the organisation options of INGOs.

### GOVERNANCE AND MANAGEMENT CHALLENGES

Together, INGOs' increasing scale and scope and the various expressions of global civil society present important and unresolved challenges for the governance and management of these organisations. We will examine these challenges from the perspective of organizational theory, which points to the question of what kind of organizational model or structures is needed for INGO governance and management in complex task environments. We suggest that managing the tensions between multiple accountabilities and divergent efficiency expectations becomes the critical challenge of NGO governance (Anheier, 2000; Anheier and Themudo, 2002; Edwards, 1999). Ultimately, both are needed for legitimacy and member commitment, and therefore, for organizational sustainability and survival.

This part of the paper is exploratory in nature and uses a qualitative design to examine the governance and management issues INGOs face. In selecting organisations we focused on some of the major 'brand-names' in the field: Amnesty International (Amnesty), Friends of the Earth (FoE), GreenPeace, and International Federation of Red Cross and Red Crescent Societies (IFRC). They have in common that they work in multiple constituencies, have the balance divergent expectations from different stakeholders, work on politically as well as culturally sensitive topics, and face significant geographical imbalances in needs and resources. We also draw on information collected on the World Wildlife Fund, Oxfam International, Human Rights Watch, the International Union for the Conservation of Nature, and the Coalition to Stop the Use of Child Soldiers. In selecting the case studies we also sought diversity: membership (e.g., Amnesty) vs. board owned (Oxfam); advocacy (FoE) vs. service delivery (IFRC), and the use of member volunteers in core activities (FoE and Amnesty) vs. supporting activities (GreenPeace and IFRC).

The empirical information for this paper was collected between 2001 and 2003, using relevant documents (annual reports, organisational charts, constitutions and bye-laws, special reports and studies etc) and expert interviews with management executives and other staff members responsible for membership issues. For three organisations (GreenPeace, FoE and Amnesty) the data was collected at different levels of the organisation: local (for UK only), national (US, Canada, Sweden, UK, Spain, and Mexico), and from the relevant international secretariats.

#### *Organisational theory*

Organizational theory can be divided into strategic approaches and environmental approaches to examining organizational behaviour (Young et al, 1999). This division

echoes wider social sciences contrast between agency and structure approaches to the study of social phenomena. Strategic approaches emphasize the role of organizational strategies in determining organizational behaviour, such as strategy choice (Child, 1972), economies of scale and scope (Chandler, 1972) or transaction costs economizing (e.g., Williamson, 1985). Environmental approaches on the other hand emphasize the role of the organizational environment or context in determining organizational behaviour, such as population ecology (Aldrich, 1999), resource dependence theory (Pfeffer and Salancik, 1978) or neo-institutionalism (Powell and DiMaggio, 1991).

As Young et al. (1999) have shown, most INGOs tend to adopt a multilevel structure that involves local, national and international components to adapt to a complex task environment. Because of the rights and obligations associated with membership and the presumption of internal democracy and participation in decision-making, the governance and management of INGO forms involves distinct challenges. Strategic approaches suggest the following key management challenges of INGOs: governance and internal accountability, organizational culture, and organizational structure. By contrast, environmental approaches suggest relationships with donors and dealing with the South-North divide as the key management challenges.

### ***Governance***

Strategic approaches to organizational theory suggest that the type of organizational ownership and governance is critical in determining organizational goals (e.g., Williamson 1985, Perrow 1986), which are the ultimate *raison d'être* of the organization. In the case of INGOs this points to understanding different forms of organizational ownership, in particular the distinction between member control and board control. In the cases we looked at, the nature of ownership varied not only across different organizations but also surprisingly within the same organization. A clear difference is between 'member-owned' INGOs, where members determine the governance of the organizations in a 'bottom-up' way, and 'board-owned' INGOs, in which the board of governance is self-appointed and retains control over critical decisions such as whether the organization will cease activities. 'Board-owned' organizations can still refer to their individual or organizational supporters as 'members', which are seen primarily as a resource. In some INGOs like Amnesty and FoE, members have voting power and the entire organizational structure is built on membership. Members are seen as the 'owners' of the organization. By contrast, 'members' in organizations like GreenPeace and Human Rights Watch have no voting rights and little influence on organizational governance and decision-making. This usage of 'members' is in terms of internal accountability similar to 'supporters' used by other INGOs such as Oxfam. This distinction in meaning includes others: members as organizational citizens versus members as clients, and membership as the organizational demos versus membership as organizational resource.

The terms of 'member' and 'membership' become further complicated, almost ambiguous, through the introduction of various member types within the same organization. For example, Amnesty has different membership categories (individual, student, family, senior citizen, etc.). At one level, these distinctions make financial support sense, and allow Amnesty to cater to different membership 'markets' and

'niches' to maximize membership numbers and income. However, for membership-owned organizations, such distinctions may create ambiguity and, from an internal democracy perspective, could lead to governance problems. What is the basis for representation claims – voting rights or the amount of monetary support? And how to account for family membership as a voting category?

For membership-owned INGOs, the introduction of different forms of membership poses a challenge to internal democracy. Indeed, there appears to be a conflict between the income maximization logic and the democracy logic in the definition of different types of membership—a conflict that does not exist as such for member-support organizations. For the latter, the problem of accountability remains at a more fundamental level: with no 'demos', and typically with a self-appointed board, the organization must address 'stakeholders' of various kinds to seek and maintain legitimacy for its activities.

Moreover there are variations of individual member rights within different national branches of the organizations themselves. Such variations exist because of historical and legal conditions that influence the type of governance structure that is chosen in each national chapter of the INGO. In most national branches, GreenPeace members do not have voting power. For example, the board of GreenPeace US is self-appointed and members have no voting rights. In Spain, however, members have voting rights and elect GreenPeace Spain's board democratically (GreenPeace Spain URL). In contrast to GreenPeace, most FoE national branches are strongly committed to internal democracy, and members have voting power. In Canada, however, FoE members do not vote, and the national branch has a self-appointed board.

Membership can also be based on organizations rather than individuals. In this case it signals a degree of autonomy between organization-members and the association of organizations. Membership in the IFRC is an association of the 175 national societies, and individual membership exists at the national level only. The various national societies themselves, however, vary greatly in organizational structure and culture. Similarly the International Union for the Conservation of Nature is made up of a large number of member NGOs and other types of organisations, including even some member states.

While members provide resources and legitimacy, they also generate costs and the complexity of setting organizational priorities (Rees, 1998). The INGOs studied were generally very active in managing 'membership' to maximize financial benefits. Most INGOs have professional staff dedicated to membership dues collection, to deal with requests for information, to undertake membership surveys, to organize major annual or bi-annual member meetings, and to produce membership newsletters. There seems to be a general tendency for member-owned INGOs to have higher management costs than member-supported INGOs do (Young et al. 1999). It is unclear if member-owned INGOs are also the organizations to make more use of volunteers since board-owned INGOs such as the Red Cross use volunteers extensively in its activities.

Thus, member-owned INGOs have higher costs associated with their members. They do not, however, generally have clear ideas of the actual costs involved and how they relate to the benefits derived from their members. We tried to obtain information of

how much INGOs spent on their members, either as a whole or at the margins, i.e., the cost associated with adding one more member. Surprisingly, most of the INGOs examined did not collect such cost information. While some calculated how much was spent on individual actions such as fundraising, producing a newsletter or organizing specific events, they generally did not combine member-related expenditures in a systematic way. Amnesty provides the only exception in the cases we examined. It estimates that for fiscal year 2000-01, it spent 13% of its budget of £19.5 million<sup>2</sup> on 'membership support' (www.amnesty.org). There is however no estimate as to how much is spent at national and local levels. For GreenPeace USA, one interviewee estimated that membership-related costs are less than 10% of budget.

Similarly, none of the INGOs explicitly attempts to measure or identify the benefits of membership. While financial receipts are easy to calculate, the value of resources such as increased legitimacy, volunteer input or better information are less readily quantifiable, and the organizations that we observed did not attempt to do so. Membership benefit was seen either in simply financial terms or much more qualitatively in terms of fundamental values expressed in the mission statement. Most of Amnesty's income for its budget of £19.5 million derives from membership dues and donations. So when compared with the costs of 'membership support', i.e., 13% of £19.5 million, the net economic yield of membership is very efficient.

For member-owned INGOs, having members is not however the result of a simple cost-benefit analysis and this in part helps to explain the absence of clear cost-benefit calculations. In some INGOs, like Amnesty and FoE, having a voting membership is a trait that defines their identity. Having membership-based governance was seen as more democratic, more accountable, and more egalitarian reflecting qualities that they advocate in society. Both INGOs define themselves as a movement trying to emphasize their non-hierarchical structure and organizational culture rooted in 'grassroots' ideals. As Edwards et al. (1999:133) put it: "If NGOs are to become social actors in a global world, pushing for justice, equity, democracy and accountability, then clearly these characteristics need to be reflected in their own systems and structures." The membership base and definition, however, must remain clear and unambiguous for internal democracy to function. At the same time, it is these structures that may generate tensions when INGOs attempt to maximize the economic benefits associated with membership.

### *Organizational culture and legitimacy*

A critical governance and management question INGOs have to face is the potential conflict between democracy and efficiency. Specifically, it is the conflict between the democratic values of inclusion and participation in decision-making on the one hand, and organizational needs for efficiency on the other. Public choice economics and the sociology of collective action (see Michels, 1962; Olson, 1965) have long suggested that democratic decision-making and participation may take too much time and scarce

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<sup>2</sup> Spending on membership support was 2,486,700.00. Given that Amnesty has around 1,000,000 members we estimate that around £2.50 was spent per member in the year 2000-01.

resources and it may, in the end, lead to untenable compromises. By contrast, centralized decision-making may not be sensitive to local conditions may miss out on important information that can be essential for both legitimacy and efficiency. Edwards et al. (1999:134) suggest that most NGOs “try to defend the values-based approach of a global social movement inside an operational framework that drives the organization further into the marketplace. The result is unsurprising muddle and a great deal of internal tension.”

Not giving members the right to vote does not automatically mean the organization is ‘undemocratic’. There are different levels of democracy (local, national and international) and different voting actors (individuals or organizations). GreenPeace for example still elects its international board through an assembly of representatives from its national affiliates. But not all national affiliates have democratic procedures themselves. Amnesty and FoE, in contrast, have individual voting rights at local and national levels. In all case studied, representatives from national branches democratically selected the international board, but none had direct membership voting at the global level. In terms of international governance, the general pattern was that national organizations (internally democratic or not) elect an international council to elect an international board that, in turn, chooses and oversees the international executive organs.

Clearly, large INGOs need some form of stepwise, gradual representation in geographical terms, as meetings for over 1,000,000 members at the global level would be extremely costly to organize and would very likely create inequities and thereby threaten internal democracy. But the creation of such representation systems can create ambiguity about the rights of members in different countries. One such ambiguity exists in relation to the question of whether members are members of the INGO as such or whether they are simply members of national NGOs that unite under an international federation structure. The difference is significant in terms of the equality between members across all national branches. A truly global membership implies that all members have equal rights in determining the governance of the INGO in the form of ‘one person – one vote’. It does not matter whether the member is in Britain, Uganda or Brazil. National membership on the other hand allows members to vote only to elect national representatives who in turn can determine the governance of the INGO according to ‘one organizational entity – one vote’.

Such a formula, however, leads to inequities as members in countries with lower membership numbers end up having relatively more power than those have from countries with higher numbers of members. One way to address this tension is to develop corrective measures. In this respect, Amnesty uses a very complex formula for the representation of individual members at the international level. According to the Statutes of Amnesty International ([www.amnesty.org](http://www.amnesty.org)):

[Article] 15. All sections shall have the right to appoint one representative to the International Council and in addition may appoint representatives as follows:  
10 - 49 groups: 1 representative  
50 - 99 groups: 2 representatives  
100 - 199 groups: 3 representatives  
200 - 399 groups: 4 representatives

400 groups and over: 5 representatives

Sections consisting primarily of individual members rather than groups may as an alternative appoint additional representatives as follows:

500 - 2,499 members: 1 representative

2,500 members and over: 2 representatives.

Another critical issue in democratic governance of INGOs is the dominance of the organization by a few dedicated members. Because some members are more committed than others, all democratic membership organizations have to address the dilemma between the free-riding of uncommitted members and tendency toward elite control by core activists (see Romo and Anheier, 1999; Olson, 1965, Michels, 1962).

For example, only 0.2% of all members normally attend the general assembly of FoE-US despite efforts to increase participation rates. Low participation rates by members are not exclusive to INGOs. Lansley (1997) observed a similar low rate in the case of Britain's National Trust. This low participation rate at national level probably becomes aggravated at international level because some national chapters may have more influence than others. The result is that a small number of core activists can dominate decision making within national chapters and, similarly, some core national chapters can dominate decision making at international level. As a result, the whole organization may end up being dominated by a very small number of activists.<sup>3</sup>

The lack of individual participation at voting events seemed common across the INGOs studied. Most members participate by paying dues only but leave aspects of governance, management and organizing to other, either professional staff, trustees and board members or dedicated activists. The latter stand in danger of developing into an elite that over time could come to dominate the organization, thereby undermining democratic ideals. At the same time, many membership-based NGOs could not continue to function without core activists, who are willing to dedicate time and effort to the organization, and whose unpaid commitment adds legitimacy to mission and operation—a dilemma identified long ago by Robert Michels's (1915) in relation to the 'iron law of oligarchy.'

This problem can be compounded by a systematic lack of participation by groups that are generally underrepresented decision-making such as women, youths and minorities. Even NGOs interested in involving minorities tend to mean canvassing new members and supporters from special minorities rather than ensuring their participation in governance. For the organizations studied, we could not get a break down of NGO membership by major social categories (gender, ethnicity, age etc) so we could not ascertain how representative their membership is of the wider society in which they operate. This is however an important issue that impacts directly on the broader legitimacy INGOs can command in democratic societies. Of the cases included here, IRFC makes the strongest systematic effort to enlist minorities and youths as part of its "Strategy 2010" to develop well-functioning national societies (IFRC, 1999).

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<sup>3</sup> That tendency would probably hold even if there were global assemblies for all members, as very few members can afford to travel. That is one additional reason why membership voting at global level tends to be done through national representatives.

Two main solutions emerged in response to the participation and accountability problem facing INGOs. One solution to this dilemma is to increase active rather than total membership, which could, however, have a detrimental effect on the organizations' revenue base and even imply economic downsizing but also loss of political influence. The second solution is transparency, particularly in the sense that the decisions of the organizational core are open, easily accessible and understandable to members, including passive members and potential free-riders.<sup>4</sup>

A final issue concerns the relation between democracy and legitimacy. Judging by their recent successes and visibility, all of the case studies are INGOs with high levels of legitimacy. Nonetheless, how much of that legitimacy stems from their membership base is unclear. As we have seen, some INGOs like Human Rights Watch, World Wild Fund or GreenPeace define themselves as a membership-based organization and yet their members have no voting power. That does not mean members are not important to the organization.

For GreenPeace,

GreenPeace does not accept donations from government or corporations. Our 250,000 members in the United States and 2.5 million members worldwide form the backbone of our organization. ([www.GreenPeace.org](http://www.GreenPeace.org))

Similarly, for WWF,

The 1.2 million people who are members of World Wildlife Fund constitute the cornerstone of support for our ambitious conservation agenda" (WWF USA 2000 Annual Report at [www.wwf.org](http://www.wwf.org))

"Member" for GreenPeace and WWF means (mainly financial) 'supporter'. But not giving its members a vote does not appear to damage GreenPeace's legitimacy as a global actor. In a way, GreenPeace use of the concept membership is based on identity politics and connotes 'belonging' and 'sharing a cause'. From this perspective it does not matter whether members can vote but whether they identify with the values the INGO supports.

Thus, the legitimacy of members without vote depends on our understanding of legitimacy. While Amnesty and FoE claim legitimacy through 'democratic representativeness', GreenPeace and Human Rights Watch claim legitimacy through 'extent of public support' (measured both in supporter numbers and financially). Generally, member-owned INGOs believe they are 'true' membership organizations in the spirit of 'associations' of citizens, whereas member-supported INGOs reject this interpretation. Instead, they argue, their members 'belong to the cause' and support for their organization demonstrates it.

We should recall that only a small proportion of members participates in NGO governance through the exercise of voting rights. With the great majority abstaining, the distinction between member-owned and member-supported INGOs may be less

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<sup>4</sup> A related solution is to develop and use internet-based mechanisms of voting and membership participation.



pronounced in reality. In board-owned INGOs, economic incentives push managers to conduct surveys of actual and potential members to gauge their preferences and opinions. Since these INGOs depend on individual contributions to organizational income they must ensure 'public support' by keeping its actions in alignment with supporter preferences. And by avoiding complex governance structures extra resources are freed up and can be dedicated to the organizational mission. The cases of GreenPeace and Human Rights Watch question Edwards et al. 's (1999:133) view that "few NGOs have democratic systems of governance and accountability. As service providers they do not need them; as social actors they certainly do." It seems that there are other ways of gaining legitimacy (see also Hudson, 2000).

Nonetheless, the ability to vote does provide members with a voice option which non-voting members do not have. Moreover despite low participation rates members arguably will exercise their voting option when it matters most, i.e. in extreme circumstances, and in situations when important questions about the mission and the future of the organization are at stake. A case in point was the extensive discussion generated within Amnesty when, in 1999-2000, it considered expanding its advocacy focus from civic and political rights to also include social and economic rights. In either case, member voting and democratic governance may not lead to the most efficient way and means of decision-making; if democracy is held as a value and goal, then inefficiencies related to this ideal have to be taken into account.

#### *Organizational structure: co-ordination vs. local responsiveness*

INGOs work in different cultural, political and economic settings, often facing very different problems and organizational tasks. Efficiency requires that decisions should be made at levels where expertise and knowledge are greatest—which may not necessarily be at the central level at all (see Daft, 1997; Dawson, 1996; Perrow, 1986). Environmental variations across local chapters and national societies are high, which suggests that a decentralized mode is best suited for achieving results locally (Young, 1992).

In NGOs, being locally sensitive and responsive to local realities is not only a question of efficiency. It can sometimes be a question of life or death. By dealing with repressive states that can physically endanger its members, Amnesty faces great pressures to be locally responsive:

The Togolese authorities, whose security forces have committed human rights violations for three decades, did nothing to bring those responsible to justice and continued to enjoy impunity. Instead, after Amnesty published a report in May detailing extrajudicial executions, "disappearances" and torture, the authorities took reprisals against human rights defenders suspected of passing information to Amnesty. ... Two members of Amnesty were arrested, beaten and threatened with death while in detention. ... A Nigerian member of Amnesty was detained and tortured. (Amnesty Annual Report 2000, [www.amnesty.org](http://www.amnesty.org))

This case dramatically illustrates the need for Amnesty's international secretariat to be in close communication contact with its members in Togo. It must ensure the information published is as accurate as possible and also inform its members in Togo

when a sensitive report or campaign is to be launched so that they may, in turn, seek to avoid repression by the Togolese authorities. INGOs need to be sensitive to the dangers that may befall their members and workers. The best way to do so is to keep communication channels open and to enable local sections to participate in decision-making that involves them directly.

At the same time, resources are unevenly distributed across sections and tasks do not reflect levels of support available locally. In this case, centralization rather than decentralization would allow for more efficient and equitable re-distribution of resources across sections and chapters. Centralization also promotes co-ordination and savings through economies of scale and scope. The degree of centralization is determined by the need to ensure equity in task and resource allocation, and the need to capitalize on scale and scope economies.

Other aspects affecting the degree of centralization are preferences for self-determination, protection of global brand, pressures for global accountability, scale of impact, and technology (Lindenberg and Dobel, 1999; Lindenberg and Bryant, 2001). Unitary or corporate models facilitate co-ordination and help maintain a single clear brand identity. On the other hand weakly coordinated networks maximize organizational autonomy. The choice between more or less centralized structures is not dictated by political preferences alone. The tension between 'headquarters' and 'field' has been identified as reflecting the different understanding between 'field-oriented' and 'organization-oriented' approaches towards NGOs (Suzaki, 1998). Of central importance are two factors: communication costs among units as well as between units and the core; and co-ordination costs for joint action. Together, these transaction costs of having a particular structure have to be balanced against the opportunity costs of acting alone or in (typically shifting) international alliances (see Williamson, 1985).

INGOs must find a balance between centralization and decentralization, standardization and flexibility. According to Foreman (1999:179), however, this is a delicate balance to maintain "as an international NGO converts national staff and board members to its mission, core values, and management style, it gradually eliminates the benefits of diversity and representation of legitimate national interests" (Foreman, 1999:194), which in turn makes the organization less sensitive to local conditions.<sup>5</sup>

All INGOs studied defined their own organizational structure as a federation. Young (1992), Lindenberg and Dobel (1999), and Young et al. (1999), among others, found that the federation is the most common structure in INGOs. The management structures followed the federation model where much autonomy is retained at national level. Generally, the international core tends to be responsible for the execution of global actions, co-ordination of national affiliates' efforts within global actions, and provide support services such as IT, web page maintenance, and administration. Sometimes, the

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<sup>5</sup> Within a multilevel INGO, it is also important to design adequate systems of horizontal co-ordination. Horizontal relations are more complicated than the core - national affiliates relations, but essential for learning in a system of mutual control rather than simply central control (Foreman, 1999). Mutual control rather than central control appears to be easier in membership-owned organisations than in board-owned INGOs.

core also has re-distributive functions between well off and less well off national affiliates.

Federations help avoid the pitfalls of organizational partnerships and unitary associations, and they arguably provide the best structure to deal with the organizational challenges faced by INGOs (Foreman, 1999). However, a variety of federation models exist, and Lindenberg and Dobel (1999:14) have found that as INGOs become global entities they tend to move away from simple federation structures toward more complex, even hybrid models.<sup>6</sup> Foreman (1999) divided federations into donor-member dominated federation and bumblebee federations.

Donor-member dominated federations have strongest power held by members organizations or national affiliates that are also donors to the federation. This structure attempts to reflect donor-member stakes in the organization as both donors that want their funds to be adequately used and as members that want to influence organizational mission and operation. The argument is that donor-members have higher stakes in the federation than other members do so they should also have greater power in deciding its work—which helps avoid the free-rider problem.

The ‘bumble bee’ federation has this particular name after the complex and evolving interactions between core and affiliates. In this structure affiliates are given increased power as they prove their reliability and ability to operate autonomously. As an affiliate unit joins the federation it will be under close supervision by the international core. As it demonstrates its commitment to the organizational mission, its probity and its reliability it acquires more autonomy and a greater voice in the federation (Foreman, 1999; Lindenberg, 1999). Amnesty has a structure that partly resembles a ‘bumble bee’ federation. As discussed above Amnesty’s national sections gain increasing voice in the federation as they establish themselves and increase their number of local groups and members. National sections and local groups are given increasing autonomy as they demonstrate their ability to work for the organization’s goals.

A section of Amnesty International may be established in any country, state, territory or region with the consent of the International Executive Committee.

In order to be recognized as such, a section shall:

- (a) prior to its recognition have demonstrated its ability to organize and maintain basic Amnesty International activities,
- (b) consist of not less than two groups and 20 members (Amnesty Statutes in [www.amnesty.org](http://www.amnesty.org))

Generally, we found that they differed in the extent to which affiliates or country chapters are a) autonomous and b) democratic. Some INGOs have a strong central core (GreenPeace), others like FoE have politically weak centres by design. The latter are organized according to the subsidiarity principle, i.e., a bottom up allocation of

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<sup>6</sup> Alongside national affiliates INGOs can also have national sections, local groups, regional sections (e.g., European Union sections in Brussels). In some countries INGOs had international individual members, that is, members who are not affiliated with any national section because there isn’t one in their country (e.g., Amnesty). Some sections have paid staff and some sections are made up of essentially one committed volunteer.

responsibilities, which leaves a small international coordinating body only with functions lower-level units cannot address by or amongst themselves (see Handy, 1989). The IFRC for example is located between these extremes. INGOs are in a continued process of negotiating the right level between more or less centralized federations (Lindenberg and Bryant, 2001).

### *Accountability and independence*

Environmental or contextual approaches to organizational theory suggest that the relationships organizations establish in search of resources and legitimacy are critical in determining organizational goals and activities (e.g., Pfeffer and Salancik, 1978). In the case of INGOs this points to understanding the differences in the relationships with stakeholders.

With increased importance and visibility of INGOs come greater demands for the accountability (Edwards et al. , 1999; Lewis, 2001). Democratic or not, INGOs must be accountable to their members or supporters and their boards. Accountability of INGOs is, however, complex because of the many different stakeholders (Anheier, 2000), and it becomes even more so when members and other stakeholders are distributed across different countries and cultures.

Voting is a powerful voice mechanism for accountability, of course. Moreover, members always threaten to exercise their 'exit' option in pushing forward demands for greater accountability. Yet aside from democratic representation, what other 'voice' options do members have to ensure accountability?

In member-owned INGOs members exercise 'voice' in different ways. Formally, individual members can influence decision-making mainly through their respective local group. The group coordinator can in turn present the issue to the national section. If necessary the national section will present the issue to the international secretariat. Members can also raise issues in person at national events such as congresses. By voting at these events members can bind the executive to members' demands. Of course members can always write directly to staff workers at national offices but this is done informally.<sup>7</sup>

In member-supported INGOs this approach to obtain redress or influence decision-making, i.e., writing to or otherwise contacting the staff at either national or international levels, becomes the main voice vehicle for members. Indeed, our interviews revealed that this was a commonly used procedure. There was not, however, a binding mechanism for executive accountability. There were no formal judiciary structures for grievance procedures in the sampled organizations; nor did these organizations have dedicated ombudsmen to provide additional voice to members.

There are also top-down ways for the leaders to find out about member preferences and support for alternative options. INGO staff often seeks membership input into decision-making by undertaking surveys of membership preferences and opinions (e.g., GreenPeace - US, WWF). This method however is unsolicited by members and

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<sup>7</sup> Interview with FoE (UK) and Amnesty (UK).

aggrieved members may not be able to express their views or to get access to important organizational information with such a system.<sup>8</sup>

Many traditional forms of accountability for nonprofit organizations collapse at the international level. Under US nonprofit law members of the board are personally liable for the conduct of the organization (Gibelman and Gelman, 2001). However, if malpractice takes place outside the US the cost of public prosecution is prohibitively high. Because INGOs have much more information about their activities across the globe than regulators do it is very difficult to exercise effective regulation. The result of this 'regulation deficit' is an increased role for the media and members to uncover malpractice. The threat of members' 'exit' in the case of a scandal is arguably the most important mechanisms of accountability for INGOs given the general inability of both national regulators and individual members or supporters to monitor international activity. To function in a transparent way INGOs need critical internal mechanisms of accountability enabling the global core to be accountable to local branches as well as the other way round.

Underlying the issue of international accountability is the allocation of responsibilities and the corresponding authority at the international level, that is, the degree of international centralization. How should power be distributed between the core and the periphery? Who should make the decisions and who should be accountable to whom? All of the organizations seemed to pay much attention to issues of financial dependence on their relationships with donors and Southern partners. Resource dependency can lead to external influence and even external control in relations between NGOs and their environment (Hudock, 1995).

This concern is clearly manifested in the many statements made by NGO representatives and organizational websites that they do not receive any governmental funding. Such NGOs include Amnesty, GreenPeace, and FoE. These NGOs are mostly dedicated to advocacy work. Generally, however, it was not easy to find out what proportion of NGOs' funding came from external actors and what proportion derived from internal members and supporters. MSF has recently begun to reduce its financial income from the government to protect its independence as it steps up its advocacy work (Lindenberg, 2001).

But when NGOs receive any funding from governmental sources it is very difficult to evaluate their financial independence. Take Oxfam as an example. In 2002, Oxfam Great Britain received 24.4%<sup>9</sup> from governmental sources in 2002 while Oxfam America does not receive any funding from the government. On the other hand, in the same year, Oxfam International received USD 451,000, that is, 23.7% from 'restricted

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<sup>8</sup> In terms of the top-down provision of information to members, transparency efforts tended to be very sporadic and inconsistent. Information available on the INGOs web page is still very limited but it is increasing rapidly. Some INGOs have started publishing their annual reports on the web for easy inspection. Most INGOs mentioned also that they would send a paper copy of their annual report on request by members.

<sup>9</sup> In its 2001/2002 Annual Report Oxfam Great Britain reported earnings of £46.265million ("resources from government and other public authorities", Oxfam GB, 2002:28) of a total income of £189.398 million for the year.

funding' sources and the rest from 'unrestricted funding' sources (Annual Report 2002). So how financially independent is 'Oxfam' overall?

Similarly, the IFRC received in 2002 just under 50% of its budget from 'statutory sources' (IFRC website). Each national Red Cross however receives different proportions of funding from governmental sources. How independent is the Red Cross as a group? And is the Red Cross less independent than Oxfam if they receive more funding from governmental sources?

### *South-North divide*

A presence in both the South and the North presents one final set of issues for INGOs governance and management. This presence is an opportunity to INGOs but also a potential source of tension within the organization. The North-South divide refers to a set of issues that cut across all of the previous issues: governance, organizational culture, organizational structure, accountability and relationship with donors. This divide can lead to confusion and conflict between the international core of an INGO, normally located in the North, and affiliates located in the South. These tensions were unequivocal in the Jubilee 2000 campaign. Southern national affiliates engaged in direct confrontation of some of their Northern counterparts because they Northern affiliates were not radical enough in their demands for greater equality between North and South (Anheier and Themudo, 2002; Grenier, 2003). Another good example of the South-North divide is the importance of development issues for environmental NGOs. Development issues are much more important for environmental NGOs in the South than for environmental NGOs in the North (Princen and Finger, 1994). Also important are the issues of needs identification and self-empowerment, which are seen to be the prerequisite for partnership between the Southern and Northern NGOs (Huddock, 1999: 7-17).

Northern INGOs run the danger of misrepresenting Southern views when attempting to speak on behalf of the South and advocating for Southern positions and concerns without Southern membership. Particularly in the fields of humanitarian assistance and development, but also increasingly in environment, human rights and gender analysts like Edwards (1999:262) suggest that "more powerful Northern NGOs have sometimes claimed a false legitimacy in speaking on behalf of constituencies in the South they do not represent, and have taken up policy positions which have not been rooted in proper consultation with Southern partners".<sup>10</sup>

All international secretariats of the INGOs we looked at are located in the North: GreenPeace and FoE in Amsterdam, Amnesty in London, and IFRC in Geneva. The professional staff of the core and affiliates is very influential because they advise their boards on policy questions and decisions based on their management decisions and

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<sup>10</sup> The North-South tension is not exclusive to INGOs but present in many forms of North-South co-operation. Funding is central to North-South relations. Can real partnership be possible if Northern NGOs continue to play the role of donors? Generally the Southern NGO is dependent on the Northern NGO (Lewis, 1998). It is impossible to offer here a full description of all the issues involved but we would like to stress that INGOs offer opportunities to address this tension, which are not present in a relation between separate Northern and Southern NGOs.

reports. Because of their preferential information position international secretariats should reflect diversity of membership in terms of their staffing and staffing policies. Otherwise there are strong dangers of biases. We could not however get enough information on this issue because it was very difficult to obtain gender, age or country of origin break down for either the staff or the membership base. Some INGOs assured us that they were making considerable efforts in this respect.

Some of the INGOs that we looked at have developed policies to address the internal South-North tension. For example, 1999 FoE's International Executive Committee (the Board) was made up of a chairperson from El Salvador, a Vice-Chair from Ghana, a Treasurer from Switzerland, and members from Australia, Bangladesh, Ecuador, Spain and the US. Amnesty has tried to hold major member meetings in the South, most recently in Dakar, Senegal. Because the ability to participate of members and representatives of Southern countries is conditioned by the ability to attend the meetings FoE started having General Assembly meetings in countries in the South as well as in the North. All organizations except the IFRC attempted to have a board composition that included both members from the North and the South.

These measures do not fully resolve the tensions around the sharing of resources between Northern and Southern parts of the organization. There may still be financial dependence of federation on some Northern affiliates (such as from the US or Germany), but they at least offer opportunities for more equal intra-organizational partnerships to develop. The measures may also engender the building of trust between Northern and Southern sections of the INGO—a very important element for successful partnership (Lewis and Sobhan, 1999). The ability to enable trusting and accountable relations between North and South is perhaps one of the key competitive advantages of INGOs.

### *Assessment*

The governance and management challenges described above are intensified by INGOs' recent organisational growth; their mandate to operate internationally, sometimes even globally; and the demands accompanying the different expressions of global civil society. Simply put, New Public Management and corporatisation place a premium on organisational efficiency while social capital and activist expressions place a premium on internal democracy and member participation. Some have suggested that these tensions are impossible to reconcile and INGOs need to choose between activist expressions and their 'contractor' role within New Public Management (e.g., Korten 1990; Knight, 1993; Hulme and Edwards, 1997). Our limited data, however, suggests that INGOs may be able to reconcile these conflicting sets of demands by choosing appropriate governance and management structures. While trade offs and tensions may be unavoidable, INGOs can experiment with different governance and management solutions so as to maximise their role within global civil society.

As we have seen, given the complex task and social environment in which they operate, it is not surprising to find that INGOs choose the federation structure. The combination of centralization and decentralization is better at accommodating cultural differences and allows for more effective resource mobilization and coordination. The value-added of international co-ordination is increased economies of scale and scope. In this context

the role of the international secretariat is critical, and they seem to meet their co-ordination function best if they reflect the diversity of membership in terms of their staffing and staffing policies. It is important that co-ordination and governance are separate functions and must be understood as such by members. In other words, a clear distinction between legislature and executive is needed.

The definition and meaning of membership is critical for INGOs, with voting as the key issue. Having governance based on voting members profoundly affects the organization. The choice of democratic governance and transparency may not lead to the most efficient way and means of decision-making. Yet if democracy is held as a value and goal, as is the case for most of the organizations studied, then inefficiencies related to this ideal have to be taken into account.

However, a number of democratic problems persist, in particular a lack of participation, and limited voice options for members. To compensate for these shortcomings, a more conscious introduction of democratic governance models may be appropriate for membership INGOs. In other words, the challenge is to become more like private governments rather than corporations. This would involve a clearly separated legislature (democratically elected by members), executive branch (both appointed and elected) and judiciary (elected by members). But how would the organization reconcile national with international demands? We suggest that the bumblebee structure is best suited to this task.

A strong link between accountability and legitimacy provides an important safeguard against loss of member support. Transparency emerges as the best insurance policy in this respect. The Internet is a very useful tool in increasing transparency by decreasing costs and facilitating access to information. The INGOs in our sample have extensive websites and information about their mandate, organisation, and activities. Particularly where members cannot vote, a visible and accessible judiciary is needed for grievance procedures, at the least an internal ombudsman to provide additional voice to members. None of the INGOs studied however have so far adopted such a strategy.

Organizational structure cannot be seen only as a design effort that maximizes benefits. Historical evolution of the INGO is a major determining factor on the role for international secretariat and the choice of organizational structure. In choosing an adequate structure there is another obstacle: donor preferences. For Salm (1999: 102), "the pressure to reduce administrative costs and demonstrate impact ... makes it difficult ... to cut costs and at the same time build internal capacity and a coherent international organizational culture. Internal capacity building requires investments of time and money, and progress on measures like leadership, inter-member coordination, and cooperation can be difficult to capture in terms of donor fund impact." Developing adequate governance and management structures to deal with organisational challenges is itself a challenge due to theoretical and practical problems.

## CONCLUSION

In his examination of international advocacy associations a decade ago, Young (1992:27) expected the study of INGO to become a major topic for contemporary



international and voluntary sector scholars. However, since then, limited academic attention has been devoted to INGOs. This is a serious and surprising gap in our knowledge given their rise in profile mentioned above and the current revival of interest on Neo-Tocquevillian ideas of associations and “the need to bring greater democracy to global civil society” (Keane, 2001:43).

Based on our data, we have shown that the development of INGOs and global civil society over the last three decades has shown a remarkably consistent trajectory. Specifically, we suggest that:

- The growth and expansion of INGOs as a phenomenon seems closely associated with a major shift in cultural and social values that took hold in most developed market economies in the 1970s. This shift saw a change in emphasis from material security to concerns about democracy, participation, and meaning, and involved, among others, a formation towards cosmopolitan values such as tolerance and respect for human rights (see Inglehart, 1990);
- These values facilitated the cross-national spread of social movements around common issues that escaped conventional party politics, particularly in Europe and Latin America; and led to a broad-based mobilization in social movements, with the women’s, peace, democracy, and environmental movement as the best example of an increasingly international ‘movement industry’ (Diani and McAdam, 2003; McAdam, Tarrow and Tilly, 2001).
- The 1990’s brought a political opening and a broad-based mobilization of unknown proportion and scale (i.e., the *Idea of 1989*, Kaldor, 2003), which coincided with the reappraisal of the role of the state in most developed countries, and growing disillusionment with state-led multilateralism in the third world among counter-elites (Edwards, 1999);
- In addition to this broadened political space, favourable economic conditions throughout the 1990s and the vastly reduced costs of communication and greater ease of organizing facilitated the institutional expansion of global civil society in organizational terms (Anheier and Themudo, 2002; Clark, 2003);
- By 2002, the changed geo-political environment and the economic downturn challenged both the (by now) relatively large infrastructure of global civil society organisations, and the broad value base of cosmopolitanism in many countries across the world, in particular among the middle classes and elites.
- As a result, new organizational forms and ways of organizing and communications have gained in importance, with social forums and internet-based mobilization as prominent examples, as have frictions between ‘Northern’ and ‘Southern’ visions of the world’s future.

We also argue that INGOs are likely to enter a new phase of restructuring in coming to terms with a changed and uncertain geopolitical situation. This process will involve both different outcomes for major policy positions and actors, and innovations like social forums, new kinds of alliances and coalitions, and increased use internet-based forms of communicating and organizing. Indeed, the contrast between the 1990’s and the 2000’s is striking. The 1990s represented a period of consolidation, the construction

of what appears to be a sturdy infrastructure of civil society, represented by the rapid growth of INGOs, and a growing emphasis on we have described as the public management and corporatisation approaches to global civil society. At the beginning of the 21<sup>st</sup> century, by contrast, we are witnessing a renewed mobilisation of people and movements and a renewed emphasis on self-organisation and activism. What happens in the future depends both on the positions or values of global civil society and on the evolution of new organisational forms.

Perhaps the most positive conclusion of our chapter is that by any number of measures, INGOs as the infrastructure of global civil society has been strengthened over the last decade. At the same time, INGOs face significant governance and management problems that will become even more taxing as this form of organization gains greater policy prominence in a weakened system of international governance.

### List of Organizations Studied

Amnesty International (Amnesty)

Friends of the Earth (FoE)

GreenPeace

Human Rights Watch (HRW)

International Federation of Red Cross and Red Crescent Societies (IFRC)

International Union for the Conservation of Nature

Oxfam

World Council of Churches

World Wildlife Fund (WWF)

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