Riding high or nosediving: development NGOs in the new millennium

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Non-government organisations (NGOs) are today visible, noticed, and acknowledged. The widespread presence of such actors on the development landscape reached its pinnacle at the turn of the millennium. Describing the results of an empirical study in 22 countries, Lester Salomon concludes: 'The non-profit sector thus emerges from the evidence presented here as a sizeable and highly dynamic component of a wide spectrum of societies throughout the world' (Salomon 1999).

This paper attempts to draw some lessons from the performance of development NGOs throughout the world over the past five decades. It starts by describing the meaning of the alternative development paradigm, as practised by NGOs. It then examines some of the major socio-political changes that have occurred in recent years, and their impact on development NGOs. Finally, it outlines some key dilemmas facing development NGOs, and their potential implications for their future roles and contributions at the turn of the millennium.

The alternative development paradigm

Voluntary association and development action have been a part of the historical evolution of many societies. The framework of development, however, is essentially a post-1945 phenomenon. Individuals and groups within the field of development derived their motivation, and continue to do so, from an ideological and spiritual commitment to social reform and change. It is this personal commitment to societal improvement that characterised such non-State actors in the mid-twentieth century. Development NGOs are a contemporary sub-set of the same tradition.

When development NGOs began to be noticed in the 1970s, it was for what was beginning to be called an *alternative development paradigm.* The identification of NGOs with this alternative development paradigm grew stronger over the next decade or so. What were the characteristics of this paradigm, which distinguished NGOs from mainstream development actors? Several significant characteristics can be identified. The alternative development paradigm implied *local-level development,* which was seen to be in contrast to the agenda of national-level development of newly liberated post-colonial nation-States after the Second World War. These States tried to establish certain national priorities that were to be uniformly addressed through a series of development interventions by national governments. The local agenda had local priorities, and looked at the individual village or a slum as a space for improving people's socio-economic situation.

A related characteristic was the *small-scale* nature of these develop-ment efforts, something reinforced by Schumacher's proclamation that 'small is beautiful'. This alternative approach emphasised the need to look at development itself as a problem of human development that can be understood, managed, and monitored by small collectives of human beings. Small-scale development contrasted with the large-scale macro-level development programmes which were then being launched with a great deal of vigour and pride – such as the construction of major dams, hydro-electric power stations, roads, and mines.

The third dimension of the alternative development paradigm was an *integrated* approach, which implied looking at the individual, his or her family, and the community as a coherent whole, and bringing together various development inputs to converge in an integrated fashion so that individuals, their families, and their communities could all benefit. This approach contrasted with the fragmented, sectoral development schemes run by most national governments, in which each scheme addressed one aspect of human existence – education, health, drinking water, sanitation, agriculture, rural development, roads, communication, or electricity, for example. These schemes were at times mutually conflicting or even contradictory, and to integrate them required enormous efforts on the part of individuals, families, and communities.

The fourth and perhaps most dynamic characteristic of the alternative development paradigm was its *participatory nature.* This paradigm believed that development cannot be delivered from outside, that people can develop themselves, and that their own involvement, engagement, and contribution are an essential foundation for sustainable

development. People's own participation can be enabled through drawing on local knowledge and local resources, and it can be enhanced through a series of interventions leading to their collective empowerment. This dimension was nicely juxtaposed against the externally determined, government-led, functionary-delivered development programmes that characterised many State efforts in the 1970s and 1980s. In the 1970s people's participation was not on the agenda of most governments, nor was it considered relevant or in any case appropriate.

The final dimension of this alternative paradigm was its ideological and inspirational character, which looked at the needs of the target groups in the context of social and economic transformation. Inspired largely by the sufferings and deprivations of the marginalised sections of society, and committed to bringing about socio-economic equality and justice, the alternative development approach relied substantially on conscientisation and the collective mobilisation of the marginalised themselves. Non-formal education, community organisation, and local leadership-building were the kinds of intervention that this alternative development approach of NGOs signified. This contrasted with the mainstream development paradigm, which focused on growth in gross national product and macro-economic development.

The distribution and equity dimension of development was not a major concern of governments in those days. Development was seen as a technocratic professional challenge, which could be managed through expertise and input of resources from outside. 'The technocratic approach, with its emphasis on technological modernisation, managerial efficiency and growth in GNP, held the centre of the stage for over two decades but is now in disrepute' (Mehta et al. 1977:2). Clearly, the NGO development paradigm, described as an alternative development paradigm, contained within itself the seeds of significant future evolutions and had in itself a number of significant analytical dimensions.

The first dimension was to look at the role of the State. Most post-colonial States in Africa, Asia-Pacific, and Latin America and the Caribbean were single-party and authoritarian. Even where democratic forms of political systems were in existence, the hegemony of the State in determining development agendas, mobilising development resources, and delivering development was almost total. The gap between the promise and the reality of how the State functioned, and its inability to change the situation of the poor and the weak in any meaningful way, lent itself easily to a major critique of the very function of the State.

The alternative development paradigm, therefore, was an alternative to the practice of the State. This critique was also influenced by emerging negative consequences of development on the lives and destinies of the poor. In many parts of the developing world, large-scale development projects were resulting in the displacement of indigenous people, poor rural people, and urban slum-dwellers from their land, livelihood, and community. The NGO development paradigm began to analyse such development projects on the basis of who benefits from them and who bears the cost. This critique subsequently led to what began to be called a 'rights-based approach' to development. These human rights were larger than civil and political rights: they included the right to a decent livelihood, the right to life, and the right to life with dignity. 'Thousands and thousands of individuals and groups, all over the world, are engaged in practising such alternatives' (Raise et al. 1997).

In the 1970s, the alternative approach also signified a relative indifference towards macro-economic issues and the production of goods and services. The major focus of analysis was on equitable distribution and on social justice. Agricultural and industrial production was not a major focus of NGO attention. In most situations, private capital, large plantations, and private ownership of industry were considered somehow injurious to the interests of the vast majority of people in developing societies.

While inadequately conceptualised, there were a number of significant elements in this analytical critique which evolved through development NGO practice in the 1970s. These critiques resulted in the emergence of a new agenda in the development paradigm, which subsequently joined the alternative development paradigm. This included concern for the environment, for ecologically balanced and sustainable development, the rights of women and gender equity. It studied the disparities between the Western societies characterised by North America and Western Europe, on the one hand, and the developing societies on the other. The global system was seen as unjust and perpetuating the 'development of under-development' in countries of Africa, Asia, and Latin America (as argued brilliantly by André Gunder Frank and Samir Amin).

Outcomes

After two decades of widespread acknowledgement of this unique alternative development paradigm, which was associated with NGO

work throughout the world, a number of significant outcomes could be observed in the practice and discourse of development by the mid-1990s. The first set of outcomes relates to the NGOs themselves. Between 1970 and 1995, NGOs gained a high degree of visibility in almost every country in the world. Their roles and contributions began to be noticed. Their presence, their experience, and their point of view began to be heard by the developmentalists, nationally and internationally. National governments began to take stock of the NGOs in their own countries and of the international NGOs working in their societies. There has also been a significant and manifold increase in the flow of resources to NGOs. From global institutions and national governments, as well as from private foundations and other sources, overall access to resources by NGOs increased significantly over this 25-year period. These resources included those linked to the 'development aid' system, as well as contributions of people (mostly in the North) to emergency relief.

NGOs also gained enormous access to power during this period. They began to be invited to be part of the various official government committees at provincial and national levels. They began to be part of the UN system and of the Bretton Woods institutions. They gained access to the highest level of development decision-making in the UN and multilateral system as well as the national policy-making institutions. UN conferences in the 1980s and 1990s presented unique opportunities for NGOs to influence policy formulations, development debates, and alternative development approaches.

This period also witnessed an enormous growth in the size and diversity of the NGO community itself. A large number of NGOs emerged in different places, and international NGOs began to operate in many more countries of the world. NGOs also began to develop a broader range of internal differentiation – from service delivery to welfare provision, to emergency operations, to policy advocacy, to networking, to research, and capability building. A wide range of thematic and issue-oriented NGOs, as well as general-purpose agencies, gained ascendancy during these 25 years. Describing this variety, David Korten presented the four-generation model of development NGOs, 'The VO [voluntary organisation] with a fourth generation strategy is essentially a service organisation to the people's movement it supports' (Korten 1990).

A second set of outcomes during this period was related to the nature of changes in the political systems throughout the world. By the mid-1990s, many more countries had adopted some form of liberal democratic governance mechanism. As a result, there was an increase in pluralistic

and competitive politics with direct popular participation. Countries that had remained under authoritarian and dictatorial regimes became democratic, as exemplified by the Philippines, Chile, and South Africa in the three continents of Asia, Latin America, and Africa. NGOs were seen to have played a significant role in energising the people's democratic aspirations and in fostering the resulting democratic transition of these countries. Throughout the world, the experiences, voices, and contributions of NGOs from these three countries were presented as exemplars.

A third set of outcomes is related to the dramatic shifts in the Soviet Union and the nature of the socialist regime. Eastern and Central Europe went through a period of significant economic and political transformation after the abandonment of Soviet-style socialism. This had enormous consequences world-wide, because the Cold War dynamics of East and West suddenly disappeared, and a new dynamic between the North and the South began to take their place. The response of Warsaw Pact countries to the aspirations of developing countries in Asia, Africa, and Latin America had been in competition with Western Europe and North America during the Cold War period. With the disappearance of Soviet Union, the world became a uni-polar and, therefore, a much more hegemonic political régime than before.

Another outcome of this period was the dramatic change in the status of development of many countries throughout the world. Many countries of Southeast and East Asia, and Latin America, experienced dramatic improvements in income levels and social-development outcomes. As a result, there were significant reductions in poverty and marginalisation, and substantial improvements in education, health, and other social indicators in these contexts. This presented the possibility that the model of rapid economic development represented by these countries could be touted as the model development paradigm for the rest of the world.

The most significant outcome of this period perhaps was in the slow but significant transformation of the development agenda itself. National governments, UN agencies, the Bretton Woods institutions, development think-tanks – the entire development community by the mid-1990s – began to create an impression that the mainstream development discourse had 'absorbed' the principles of the alternative development paradigm that were being promoted by NGOs in the 1970s. Local-level development, integrated interventions, mobilisation of the poor, and participation have become the hallmark of development philosophy. The Declaration and Programme of Action of the UN World Summit for Social

Development held at Copenhagen in March 1995 had governments agree to the following:

> Encouraging the fullest participation in society requires:
>
> (a) Strengthening the capacities and opportunities for all people …
>
> (b) Enabling institutions of civil society …
>
> (c) Giving community organisations greater involvement in the design and implementation of local projects … (UN 1995: 98-9)

Champions of economic growth like the World Bank and OECD are talking about balanced growth, sustainable development, and participation. 'Participation is a process through which stakeholders influence and share control over development initiatives, and the decision and resources which affect them', according to the World Bank's 1994 policy statement. Mainstream development discourse at the turn of the millennium looks not very different from the alternative development paradigm that was put forward by NGOs in the 1970s. In some significant ways, therefore, NGOs can claim to have been 'successful': they can claim to have influenced national and international development policies, priorities, and discourse in the direction of their own experience. The big players of development have now incorporated the alternative principles espoused by NGOs more than two decades ago, and mainstream development now reflects that perspective. James D. Wolfensohn, President of the World Bank Group, echoed this in his annual address to the Board of Governors in September 1999, calling for 'Coalitions for Change'.

In some respects, this is a significant achievement and a matter of great satisfaction for NGOs. The fraternity of NGOs can take pride in the fact that, as we enter the new millennium, the global development agenda has been significantly inspired by the practice and perspectives of hundreds of thousands of NGOs world-wide. Yet, in some important ways, it is simplistic to treat this as an unmitigated success. Although these principles have been adopted in the development policies of the major actors, it is only the discourse that has changed: the practice needs much more improvement. The fear that big players will co-opt the NGO agenda remains valid if mere shifts of language are confused with actual practice on the ground. The challenge now is to hold these macro-players accountable to their own rhetoric.

A parallel question is to ask what has been the cost of this success over the past 25 years? Is it fair and analytically sound to compare the efforts

of NGOs in the 1970s and those of today? The context has shifted. Countries, people, societies, and the world have dramatically changed in the past quarter of a century. NGOs today operate in a significantly different context from the one prevalent in the 1970s and early 1980s. What are some of the key challenges facing NGOs in today's context, and how do NGOs attempt, if at all, to respond to them? What are some of the directions in which these challenges will shape the future of NGO contributions to our societies?

Daunting dilemmas

At the start of the new century, NGOs are facing certain unresolved, and still daunting, dilemmas. These are issues on which clarity of perspective and decisive action are not very common, although the need for them is periodically emphasised. Six of these contemporary dilemmas are considered below.

Economic growth and private enterprise

As we have seen, the identity of the development NGOs was closely associated with their demand for the equitable distribution of resources – land, forest, water, capital, technology, income, etc. However, experience has shown that basic economic growth in a society is a prerequisite for addressing issues of poverty and deprivation. This does not imply rapid growth, and certainly not double-digit growth, nor does it imply that economic growth alone is the answer. But it is clear that any improvements in the lives of the poor (in Sub-Saharan Africa or South Asia, for example) are inconceivable unless there is economic development and growth in those societies.

Even those NGOs that grudgingly accepted this premise continue to hope that the public sector will somehow drive this economic development. NGOs are still very suspicious of arguments that propose a decent role for private enterprise in the economic development of societies. By its very nature, profit-seeking private enterprise is considered by many NGOs to embody a less than desirable human value. However, the reality on the ground in many societies is that small-scale private entrepreneurship has driven enormous economic development throughout history. This is particularly true for those societies and communities that have encouraged private trading and private initiative in agriculture and small-scale industry over the last 5000 years. India and

China are two prime examples of countries with a rich history of individual private entrepreneurs, families of entrepreneurs, and communities of private economic enterprises. In questioning the very legitimacy of private enterprise for economic development, NGOs are largely focusing on corporate-sector enterprises or multinational corporations (MNCs). While the economic might and global outreach of the latter is certainly a cause for concern as they become immensely powerful, the corporate sector has contributed to the provision of efficient and inexpensive access to a large number of goods and services in our societies – goods that were until only 50 years ago accessible only to the most exclusive élites. Therefore, NGOs' blanket condemnation of significant economic institutions reflects a partial understanding of the reality of economic development and growth. At the same time, the critical analysis of MNCs and the concentration of wealth and consequent exercise of political power by them are new areas for NGO attention and action.

In addition, there is an increasingly problematic contradiction in NGOs' rapidly expanding acceptance of micro-credit and micro-finance as crucial economic development strategies. From the illustrious and much-quoted Grameen Bank in Bangladesh to initiatives in every other part of the developing world, micro-credit has become a new 'mantra' for addressing poverty. While there are some impressive gains made by making available small amounts of low-interest credit to women (in particular), we should not lose sight of the fact that, by its very nature, this intervention seeks to expand the pool of private enterprise for economic development. It also implies promoting greater access to and linkage with the market institutions for the poor, thereby transforming their subsistence-level livelihoods to more modern market-based economic enterprises. In many respects, the outputs of products and services generated from these micro-credit interventions of groups of poor women compete with those offered by other private enterprises, including the corporate sector. It appears in this scenario that the NGOs are wanting to 'have their cake and eat it too' – clearly an untenable proposition.

Governance

The second dilemma relates to the broader issue of governance. In recent years, good governance has become a fad in development discourse. However, as noted earlier, the alternative development paradigm of

NGOs focused a great deal on the 'bottom-up' process of development, which was to be collectively constructed through participatory action. 'Putting people in the centre of development' implied removing the State and its agents from that centre. Participatory development models proposed by NGOs challenged the State-led models of development adopted since the end of the Second World War. Therefore, a logical next step in that alternative development paradigm was to reduce the importance of the State in the governance of natural resources and local development, enabling organised collectives of local communities to become responsible for these things.

This implies that NGOs need to consider the possibility of working to create a more efficient, more transparent, and more accountable apparatus of democratic governance. However, NGOs continue to struggle with the provision of sector-oriented programmes and services – health, education, drinking water, rural development, urban development, environment, etc. The link between poverty eradication and sustainable development, on the one hand, and transparent, accountable, and participatory democracy and governance on the other has not yet been conceptually or emotionally accepted by NGOs.

The need for participative governance has been well expressed in a recent publication by the Commonwealth Foundation (1999):

> Citizens believe that a good society is one in which they can participate in public spheres to make their own contribution towards the public good. Their voices are loud and clear on this. People want a society characterised by responsive and inclusive governance. They want to be heard and consulted on a regular and continuing basis, not merely at the time of an election. They want more than a vote. They are asking for participation and inclusion in the decisions taken and policies made by public agencies and officials.

This raises the challenge of engaging with the formal political system in a given country. But NGOs are unable to agree on whether they should talk to the political parties and political leaders at all, except to those who are government ministers. The growing worldwide trend towards local self-governance through elected local bodies has not been embraced as yet by the NGO fraternity. Questions about their own internal governance become relevant too. Just as government agencies and departments cannot bring in externally designed programmes for local bodies simply

to accept, likewise NGO programmes, designed and funded through external resources, cannot be implemented in local communities unless they are reviewed by local bodies to ensure that NGOs are properly accountable to them.

Likewise, there is a question of growing government expenditure on militarisation and defence, and large-scale consumption of public budgets in overstaffed public agencies. Money spent in these areas is money taken away from social development and poverty-eradication programmes. Not many NGOs see this link or are willing to take a stand on issues of militarisation and public-sector staffing, for example. 'While it is time that the future of poor-people centred development programmes has to be approached through a fusion of government and NGO practices, it will be far from easy to bring this about when to do so will erode the power and income of the government officials' (Holloway 1989).

At the heart of the governance issue is the political process. Politics of negotiation and consensus building across diversified interest groups and varied priorities is the basis of democratic governance in any society. But many NGOs fail to understand the political process, and nor are they in a position to deal with it.

Resistance and reform

A third and related dilemma is that of policy resistance versus policy reform. The experience of NGOs, as mentioned earlier, has been remarkably effective in resisting certain policies and programmes that were perceived to be inimical to the interests of the poor and the marginalised. Anti-dam, anti-industry, anti-mining struggles stand out as powerful symbols of successful NGO contributions. When governments and international agencies were unwilling to listen to the NGOs or to consider their experience and voice at all, resistance was a powerful instrument, and adversarial relationships were an effective basis for dealing with harmful or indifferent policies and programmes. However, as governments and international agencies have begun to invite NGOs to work with them in shaping their policies and programmes, NGOs find themselves in a great dilemma as they try to decide what to propose as solutions, what to recommend as models. This is partly a result of the fact that NGO experience has generally been limited to micro-level, small-scale projects from which it is difficult, if not impossible, to extrapolate to macro-level national or international policies and programmes.

In addition, the process of generating these solutions in a democratic framework requires political negotiations and contentious consensus building, which is difficult, if not impossible, given the background of NGO experience. Having taken a specific position on policy issues such as forest management, land reform, or gender justice, NGOs become one party among others, all promoting their own interests, perspectives, and commitments. The NGOs' solutions and recommendations are ranged among the many that are likely to influence policies and programmes. The process of sitting round a table, debating with those who entertain other points of view and negotiating a democratic agreement, often entails accepting only a partial recommendation of the NGO position. In the eyes of many NGOs, this is seen as unacceptable and 'dirty' compromise. The real world, unfortunately, is very messy and dirty. There is nothing pure in it, let alone a pure position. Having taken the moral high ground on certain policy issues, many NGOs face the dilemma of how to reconcile themselves publicly with partial, but more broadly agreed, solutions which seem to indicate a compromise with their original purist position. 'The international development field has now become a marketplace … A strategic re-orientation means that NGOs must acknowledge the complexity of development and the reality of a more inter-dependent world' (Brodhead and Copley 1988).

Globalisation

A fourth dilemma for NGOs is that of globalisation. In some significant ways, NGOs have benefited from the process of globalisation. As we have seen, they have gained access to global resources and influence in global forums. UN conferences in the last 15 years have promoted the globalisation of development discourse and development policy-making. On the other hand, there are trends in globalisation that reinforce existing inequalities across nations and people. New information technology (IT) opens up enormous possibilities to those who have access to its hardware and software. That access is distributed extremely unevenly in the world today, as described by UNDP's *Human Development Report 1999*. Many NGOs with access to IT are themselves part of the privileged minority in their societies.

NGOs are greatly concerned about poor countries' exclusion from equal participation in the World Trade Organisation, and the dominance of Northern capital flows in the world speculation market. There is increasing evidence that the natural-resource base of the poor and of local

industry in many parts of the world is being eroded by lopsided globalisation that favours the rich nations of the North. The common NGO reaction has been to shun and condemn globalisation. But the option of confining oneself within national boundaries carries peculiar socio-political implications, including a return to feudal and parochial systems. Globalisation also offers new possibilities, and widespread citizen aspiration for democratic governance is one such possibility that NGOs can support. The emergence of multilateral mechanisms at the regional level (the EU, ASEAN, and NAFTA trading communities, for example) and at the global level (the WTO, APEC, Davos Summit, etc.) are opportunities to counterbalance bilateralism between the strong and the weak. This ambivalence towards globalisation continues to paralyse NGOs and undermines their ability to take advantage of some of its aspects, while continuing to challenge and resist others. A more reasoned and analytical approach to the issues of globalisation is needed by NGOs:

> Social fragmentation, economic instability, and uncertainty about the future are breeding prejudice, intolerance, and racism. Peace and democracy are not compatible with ever-increasing poverty and exclusion. The social and geographic segregation of a growing number of individuals can only fuel ethnic tensions and violence. From the moral and ethical standpoint, global apartheid is absolutely unacceptable (Darcy De Oliveira and Tandon 1994).

Sustainability

Another major dilemma facing NGOs concerns the question of their own resources. As intermediary agents in their societies, serving the poor and the marginalised, NGOs have historically relied on externally generated resources. Most of their funding has come from development aid. As development aid from Northern OECD countries began to contribute greater resources to NGOs, more and more development NGOs gained access to it and began to become dependent on it. In recent years, a large proportion of this development assistance has been routed through governments, and NGOs have used resources made available to them from large-scale government programmes. This access to large-scale development aid has many serious implications.

Traditional Northern donors are asking Southern development NGOs to demonstrate their financial sustainability. As an increasingly popular prescription, NGOs are being exhorted to enter into partnerships with the

corporate sector, on the grounds that this represents an enormous potential source of sustained flows of financial resources to NGOs.

It is obvious that intermediaries of any kind require resources from those who can afford to provide them. On that principle, NGOs' contribution to society may not be fundable by their direct (and indirect) beneficiaries. Yet contributions from traditional development-aid sources are stagnant, if not declining. Their dependence on that aid flow is making NGOs become service providers in a restricted and narrow sense, so depriving them of their ability to maintain autonomous, independent perspectives and positions on a wide range of socio-political and economic issues. As NGOs become more involved in large-scale service delivery and/or become more reliant on official funding, one might expect some fall-off in their flexibility, speed of response, and ability to innovate. 'The orientation of accountability (to donors) away from the grassroots is a particular threat to [NGOs]' (Edwards and Hulme 1995). How does one maintain a sustainable economic base, a material base, which allows NGOs flexible funds and yet keeps them accountable to the society and the community in which they live, work, and practise?

NGOs' legitimacy and accountability are increasingly linked to their resource base. Resource providers can demand a certain limited type of accountability: that which has to do with efficient and purposive use of resources provided by them. But NGOs do not exist only to spend money that they occasionally receive from outside. Rather, they exist to pursue a particular vision and set of development priorities. Therefore, their accountability must translate into the reality in which they intervene, and local communities and society must be the interface through which NGOs define their accountability. It is a difficult dilemma to resolve, but one that is increasingly haunting NGOs as prescriptions for sustainability and local resource mobilisation are being offered in the market at a rapidly increasing rate.

An approach based on local accountability would also enhance NGOs' identity and rootedness in their own societies. As a result, the challenge of sustainability would no longer be posed merely in financial terms. Indeed, the sustainability of NGOs then would also include their intellectual and institutional contributions.

Bridging civil society

Finally, NGOs are facing the dilemma of whom they should speak to. Historically, they have been busy working with the poor and the

marginalised. Occasionally, they related to development policy-makers and ideologues. However, over the years, NGO conversations generally remained limited to the 'charmed circles of the already converted'. As a result, only a small section of society in the countries in which they operated was familiar with their approaches and experiences. In some situations, NGOs saw themselves as the only activists in pursuit of such important societal goals. 'Micro movements abound all over the place, but there is not enough of a dialogue between them' (Kothari 1988).

NGOs tended neither to pay attention to nor develop any relationship with other civil-society actors – religious institutions, traditional formations, community-based initiatives, trade unions, or social movements. This inward-looking tendency has been historically reinforced through donors' policies and practices. Issues of accountability, impact, and sustainability are now pushing NGOs to open up their horizons and deal with the rest of society. Talking about their experience and perspectives beyond the coterie of the already converted has become an important challenge for NGOs. 'The role of NGOs in strengthening Civil Society to regain and retain hegemony over the state and private enterprise is a critical strategic function' (Tandon 1991).

This broad-based task of public education is also an essential foundation for bringing about societal transformation within a democratic framework. More and more people have to be persuaded to see the value and the relevance of the work that NGOs are doing. However, dealing with all these other sections of society may strain NGOs and take their resources and attention away from their traditional beneficiary 'target' groups – the poor and the marginalised themselves. It is certainly an issue that most international donors and external resource providers ask: *Are you spending our dollars in directly helping the poor or not?* Thus, NGOs wanting to break ground and expand their 'circles of conversation' find themselves extremely restricted, and hence their experience of working with other civil-society actors is limited. Building a broad-based consensus in society on issues that concern NGOs may require resolving this dilemma sooner rather than later. 'This effective, pluralistic and efficient functioning of development NGOs in the South itself becomes an expression of sustainable development' (Tandon 1996).

The future for NGOs

In essence, the future contributions of development NGOs are linked to their ability to deal with the dilemmas and challenges described above.

The 'niche' for NGO action has historically been in advancing new practices and promoting creative solutions. The new millennium presents a qualitatively different set of opportunities and challenges for NGO action. Re-definition and re-strategising are needed at this juncture, not just individually by each NGO, but by the sector as a whole.

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