

NGOs: an ally of free market forces

NGOs
Dawn
17.5.05

By Ali Salman

IN his comprehensive, in-depth analysis of the NGOs appearing in this space (Encounter, May 10), Dr Mubarak Ali has done justice with the most sensitive subject. His arguments cover key issues relating to the NGOs such as their agenda, priorities, role vis-a-vis state, interpretation of their role, dependency syndrome, and lastly the extent to which NGOs are answerable to the foreign donors and local stakeholders.

One would prefer to look at Mubarak Ali's arguments in the light of the journey of development as explained in the theoretical framework of development studies, and try to explain the historical context and logical consequence for NGOs in this backdrop with Pakistan being a case in point.

Being a historian, Mubarak Ali has rightly identified the historical bias of the NGOs which is in favour of their donors from the West. However, the historical context of NGOs themselves is worth consideration as they present one important milestone in the history of development, which, for academic convenience, coincides with post-colonial era.

The decade of fifties was distinct for massive industrial and economic development, urbanization and modernization. It cherished in the belief of trickle-down effects, but faced effective resistance from the Latin American born Dependency Theory. However, the development actually never trickles down automatically, unless state adopts poverty-reduction as a positive policy. Early eighties saw a reversal to neoclassical economics, with a strengthened role for the IMF and the World Bank through restructuring of economies. The belief in the free market and state failure was renewed.

The birth and boom of the NGOs coincide roughly, therefore, with the rise of Bretton Woods Institutions in the international political economy. Dr Mubarak Ali has got the timeline right but he is wrong in arguing that the NGOs reinforce or help state. Social developments cannot be explained without the economic developments: for Dr Mubarak himself, it should be renamed as technological devel-

opment, in the light of the NGOs appearing in this space (Encounter, May 10), Dr Mubarak Ali has done justice with the most sensitive subject. His arguments cover key issues relating to the NGOs such as their agenda, priorities, role vis-a-vis state, interpretation of their role, dependency syndrome, and lastly the extent to which NGOs are answerable to the foreign donors and local stakeholders.

parliament as an institution for policy making is hardly appreciated by the NGOs because, like the grass-root issue, they have competing claims over policy-making process.

The NGOs are structured like bureaucracies and both civil and military bureaucracies are their natural partners. They form a nexus to exert control over state resources, and hence compete with each other in receiving foreign funds for development. It is because of this structural resemblance that we often hear of far more complicated bureaucracies in the INGOs than those often seen in the governments. Their project proposal formats are even more tedious than the PC-1 of the government. Here Mubarak Ali is right in pointing out that NGOs themselves make people dependent on their knowledge system. Hence in an effort to liberate people, NGOs paradoxically create new dependence; on their knowledge system as well as on their funding.

As I argued earlier that social developments should be studied in the context of economic developments, in the case of present economic regime, which is hell-bound to macro-economic stability at the cost of human development, the space for NGOs is certainly expanding. To compete for this space of social influence, public sector spending must be increased, as a direct method for employment generation and human development.

I argue that not only theoretically but also practically, the NGOs are failing us. The government, in partnership with the World Bank has been spending an average of one billion rupees every year since more than decade now under Social Action Programme. The hallmark of SAP is spending through NGOs. The total spending amounts to some 12 billion rupees, a sum mentioned by no less than the President Musharraf himself a week ago during his talk with the journalists. But, as the President inquires, whereas in fact he should explain, where is the impact? He mentioned only two important achievements from development point of view: Motorway and Chashma Right Bank Canal. It is an irony that both these projects are undertaken by democratic regimes and

sector spending.

The NGOs were born in the backdrop of 'alternative development' more than two decades ago eyeing at local appeal and policy making effects. The theory of development has transcended now from alternative to human development and now to post-development, post-modernism and anti-modernism. It might be appealing for discourse analysis, but this option cannot be ours given the near collapse of our social infrastructure. If the logic behind alternative development was valid, same should be applied to the alternative development itself and its harbouring institution, NGOs.

When businesses are being retrenched, we often hear, 'back to basics.' In the same vein, when

The NGOs play the same role in the social sector, which market forces play in the economy. The NGOs are a product of privatization and its mirror reflection in the social sector. Privatization is built universally on erosion of state from the productive sectors.

the NGOs are failing us, the alternative, in my view, lies in going back to the basics of democracy. The harbouring institution for democracy is of course Parliament, having both local appeal and a direct effect on the policy making process: two basic characteristics treasured by the NGOs. It is hoped that, the present parliament, with a great number of young and educated parliamentarians, would make headway on issues for development. ■

Writer's e-mail address: